

## Forests face destructive swipes

Action against those responsible highly imperative

THE destruction of forests and woodland in the country goes on unabated, often in rather innovative ways. Just how much of ingenuity can be applied in destroying nature can be understood through a report in the issue of this newspaper yesterday. Those who would like to plunder forests have now devised a unique method of killing off the trees before getting hold of them. The trees are stripped bare of their barks and then salt and copper sulphate are put into the roots to have these die an inevitable death. In other words, once the trees die, it will be the authorities themselves who will be compelled to dispose of them. And who better to take charge of the trees than those who have caused their unnatural end?

In recent months and years, much has been written on the wanton destruction of forests by individuals and groups alike, with not much of governmental effort being expended towards action against those involved in the act. That has been a tragedy. It is not only individuals who are responsible for the destruction of the forests. In a number of instances, the setting up of industrial enterprises in forest areas, obviously with the permission of the authorities, has led to large-scale depletion of woodland space in the country. Governments have repeatedly failed to ensure security for the forests. Even in areas inhabited by indigenous communities (and they have traditionally lived amidst natural surroundings), efforts to set up eco parks have not only resulted in an uprooting of indigenous people but have also seen trees disappear. Again, in various regions of the country, politically powerful elements allied to one government or the other have systematically and with impunity commandeered forest land, with little or no action being taken against them. In other words, the gradual depletion of forests in Bangladesh has been a result of an all-encompassing conspiracy to deprive the country of its ecology.

Add to all this the timber allocation governments have made over the years to influential people. That was akin to collusion with those illegally engaged in destroying the forests. Besides, the expansion of urban areas for housing and other development projects has by and large meant a doing away with forestland. Now the government informs us that Bangladesh now has 17 per cent of its land covered by forests, where ideally it should be 25 per cent. The reality of how much of forestland we actually have at this point is something else. Every study points to just seven per cent of the country being home to forests. Which means that there is something of a deceptive perception of the reality at work today. Where the figure is just seven per cent, one quite fails to comprehend the reasoning behind the 17 per cent arithmetic.

And what is the government doing about saving or reclaiming our forests? The minister of state for the environment appreciates the media for highlighting the issue. And then he reassures us that whenever his ministry comes to know about such forest crimes, it will go into action. Let that begin through moving against the robber bands who have already killed off huge chunks of woodlands in these last many years.

## Contemptible!

How could the intern do it?

ONE would have thought what marked out a living organism from an inanimate object is the capacity for feeling. The marker ought to be nobler when you are a human being. You are simply expected to sense the pain and trauma of another who has been physically hurt with the same intensity as though you were the victim. Should you fail the test, you don't simply deserve to be called a human being. Not even perhaps an animal; as even some species exude kindness to the kindred.

The outrage is all the more pronounced if someone in the garb of a healer enacts cruelty by extracting live teeth from a small girl's tender gums. It has a particular poignancy, because coming from a slum-dwelling family, she was an easy, helpless pick, enticed away by a packet of *biriani*. She was placed under the wrenching instrument by an intern dentist who, without a blink of the eye, extracted two of her teeth. Bleeding profusely in the mouth, the girl was to inform her father of what she had gone through. The Rab acted promptly arresting a doctor of the City Dental College while looking for the intern who did it. They cannot go scot-free, should be brought to book as a practice is conducted to identify all such dens of malpractice.

For the perpetrator, the poor child was the guinea pig to experiment on, test the intern's skill of tooth extraction to make the grades and obtain certificate of a dentist. The principal of the college explained the reason why the girl's parent was not approached a priori in patently unconvincing terms -- either her parent was not available, or she is an abandoned child. It was part of what was claimed to be free dental treatment given to poor children.

Actually, we think, Rab has exposed a Pandora's box of abominable forms of exploitation of the poor resorted to by so-called medical institutions. Indeed, there has been a mushrooming of all sorts of outfits, many with pretenses for imparting professional education having no ethics but raw business. All because they can easily circumvent standard criteria for registration and periodic monitoring.

## Of power, gas, water ... and life

The promise in January 2009 was one of change. That change is yet to be. And it will not happen unless we have the prime minister and her ministers getting down to business and lead by example in their offices.



SYED BADRUL AHSAN

LET'S face it. Life is getting to be a hugely difficult and expensive affair in Bangladesh. It is difficult because there are things we cannot easily do as citizens. It is expensive because of all the beautiful aspects of living we have been losing for no fault of ours.

When you observe the prime minister and the leader of the opposition debate on the issue of a salary enhancement for ministers and lawmakers, you wonder why such an argument must at all be gone into. You tend to agree with Begum Khaleda Zia when she reminds you of the hardship the people of the country have been up against. And when that happens

to be the reality, you do not quite understand the morality behind this raise in financial perks for our elected politicians. There is, after all, that old question of service we expect from those we elect to speak for us in parliament.

If now parliament itself decides that it must first ensure the well-being of its own members before looking into the welfare of the nation, we do not quite know how to respond. And, by the way, the Begum too did, in her time, what she now accuses Sheikh Hasina of doing. Why must she assume that we as citizens suffer from amnesia?

Be that as it may, this absence of a response to all the troubles we face today is the big reality of our lives at this point.

These power outages are making a mess of life for all of us and yet we cannot protest -- for the simple reason that the authorities have already made it clear we cannot have more electricity than they are willing to make available for us. But that is not the way we would like to be treated as citizens. We who, theoretically at least and till the moment when we cast our votes, vote politicians to power expect in return to be compensated for all the advantages we do not have in life, for the advantages that may actually have gone missing for us.

The prime minister reminds us of all the accumulated problems of the seven years prior to her party's assumption of office. She says she needs time. How much more time? With energy dipping so low in the fourteen months since January of last year, it is time some serious thoughts were given to matters of governance. There are, as you will have noted, far too many ministers and ministers of state and deputy ministers than we are in need of. And then there are the advisors whose presence in the government does not appear to have served any purpose. What then should the prime minister do? She ought to begin with herself, through shedding responsibility for many of the ministries she is now burdened with. And then she should be going for a drastic downsizing of the cabinet.

As for her advisors, their very superfluity only adds to collective misery. She should ask them to go --- and not replace them. Even better, these advisors should on their own offer their resignations and move on.

There are the problems with gas supply to households. It is a most wonderful piece of ingenuity closing down some fertiliser factories in order to save on gas. But how long can you have a nation survive on such time-bound innovations? There is all the appreciation people may have for a digital Bangladesh, but when a government is at sea when it comes to ensuring such basic amenities as power, gas and water, it is hard to see how information technology will help a harassed

citizenry.

The promise in January 2009 was one of change. That change is yet to be. And it will not happen unless we have the prime minister and her ministers getting down to business and lead by example in their offices. Politics does not entail the presence of elected functionaries of the state at every pointless occasion. Ministers who mean well are not seen in public all the time.

Beyond and above that, there is the clear matter of competence we must raise today when it comes to ministerial performance. Home Minister Sahara Khatun does not know how an alleged war criminal left the country even as preparations for the war crimes trial were under way. Minister of State for the Environment Hasan Mahmood does not quite sound reassuring about handling the criminality involved in deforestation. Finance Minister A.M.A. Muhith, for all his goodness of heart, causes panic when he speaks of a hike in gas prices.

Why are we getting the feeling that our elected representatives have already begun inhabiting a territory that works at cross-purposes with ours? The prime minister goes happily into changing the names of organizations and institutions. Much time and money is spent on changing the Biman logo; and then it is back to the old logo. The leader of the opposition, not yet graceful enough to concede the rejection of her politics at the last election, finds an odour of conspiracy everywhere. And both the ruling party and the opposition find common ground in hurling all sorts of expletives at the Fakhruddin-led caretaker government. Perhaps they do not realise that a very large number of Bengalis quite appreciate a number of the deeds that came from that interim government?

Politics is serious business. When will our politicians graduate through it, if they at all can?

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## The haves and the have-nots

The sources of inequality are many. Initial endowments of assets apart, disparities in human resources development, credit and risk market failures, institutional disparity etc. help widen inequality. In fact, it is reasoned by many that market failure is the major villain of peace in this regard.

ABDUL BAYES

INEQUALITY of income is a growing concern for Bangladesh. There are possibly two reasons for this. First, anxiety over inequality emanates from philosophical and ethical grounds. There is no reason why individuals should be treated differently in terms of access to lifetime economic resources. Why should someone sleep in a flat in Gulshan and the other on a footpath on the plea that they have been born in different endowments of assets? Second, even if we shelve our thoughts over inequality at an intrinsic level, the inequality in income and wealth somehow adversely affects the possibilities of overall growth. The fact that a farmer is denied the access to credit to carry out farm activities not only deprives him of an income but also amounts to a loss of GDP.

That idea that inequality is, more or less, inevitable in the process of economic growth owes much to Simon Kuznets in the 1950s. His hypothesis (called inverted "U" hypothesis) states that inequality increases during the initial stages of growth of developing countries but begins to fall in later stages (Malaysia is an exception in this case with growth and equality going hand in hand). However, one limitation of Kuznets's study was that he had very little survey data on developing countries to draw on. But with huge expansion of data from nationally representative survey households in subsequent years, very few witnessed a trend increase (decrease) in overall inequality.

Inequality in Bangladesh matters primarily for poverty reduction. It is true that poverty falls with growth -- as it did happen in Bangladesh over the years. But the same rate of growth could result in different rates of reduction. Martin Ravallion reveals interesting insights into the nexus, and I paraphrase; the rate of poverty reduction is the growth rate times the growth elasticity of poverty reduction (GE) -- a proportionate change in the measure of poverty that results from a given rate. A large negative GE reveals that even a modest growth rate can bring rapid poverty reduction.

For the \$ 1, the average GE is about -2, meaning that a growth rate of say 5

percent in mean household income per capita will reduce the share of population below poverty line by 10 percent (in proportionate terms). Then the author argues that, among the highest inequality countries, poverty incidence tends to be unresponsive to growth.

Consider a country with a 2 percent rate of growth and a headcount poverty rate of 40 percent. In a low inequality country with a Gini index of 0.30, the poverty rate will fall by about 6 percent a year and be halved in 11 years, on average. In a high inequality country with a Gini of 0.60, growing at same rate and with same initial poverty level, it will take about 35 years to halve the poverty rate. This is because poverty responds less to high inequality. High inequality countries need high economic growth to reduce poverty.

Poverty incidence also tends to be less responsive to growth in poor countries. The combined effect of high poverty and high inequality greatly attenuates the growth elasticity of poverty reduction. Recall that the average GE for developing countries is about -2. Among those countries with both high inequality (Gini over 0.45) and high incidence of poverty (a \$1/day headcount index over 25 percent), the median elasticity falls to -1, implying that twice the rate of growth will be needed to achieve the same rate of poverty reduction. But in another set of developing countries with G-0.35 or less and headcount index less than 10 percent, the median elasticity is -3.4 to initiate large reduction from small growth.

In Bangladesh, Drs. Rizwanul Islam, A.R. Khan and Mahabub Hossain have extensively examined the inequality issue. Bangladesh was relatively less unequal with a Gini of around 0.37 during 1973/74-1991-92. Between 1991-92 and 1995-96 inequality increased sharply and Bangladesh, at the moment, is bracketed as highly unequal country (Gini 0.46). The bottom 40 percent had 14 percent of income in 2005 compared to about 19 percent in 1983/84. The top 10 percent had about 38 percent compared to 28 percent, respectively.

The rapid increase in inequality, according to Dr. A.R. Khan, has robbed Bangladesh of more than three-quarters of the potential decline in the headcount index of poverty over a



A study in contrast.

decade (an actual decline of 3 percentage points as compared to a potential decline of 13.3 percentage points). Dr. Rizwan reckons that the elasticity of poverty reduction with respect to growth was relatively high, close to 3 in the early 1980s, but has fallen to below 1 or so in recent years. That means more growth now comes from sources like remittances, wages and salaries, property income etc. to raise inequality and mildly affects poverty reduction.

The sources of inequality are many. Initial endowments of assets apart, disparities in human resources development, credit and risk market failures, institutional disparity etc. help widen inequality. In fact, it is reasoned by many that market failure is the major villain of peace in this regard. Professor Nurul Islam (former chairman of the Planning Commission) argues that unusual hike in land prices, massive loan defaults and tax evasion have aggravated inequality over time. These are clearly the products of market failures in Bangladesh. We rather want to add that an "inequality trap" could be caused by the existing institutional framework (of which market is one).

To arrest rising inequality, growth needs to be more equalising or less desexualising. The problem is that most of the income elastic components generated in Bangladesh are disequalising - remittances from abroad, property

income, non-farm entrepreneurial income, and "salary" income. Agricultural wage and farm incomes are equalising. That is why the agricultural sector should get priority both from the growth and the equity points of view.

It requires a combination of growth policies and right policies to assure the poor's access. If a country gets the combination of policies right, then both growth and poverty reduction will be rapid. Get it wrong, and both will be stalled. In Bangladesh, for example, access to credit for the share croppers, progressive taxation, distribution of khas lands for the landless, emphasis on labour-intensive industrialisation, access to services for the poor etc. might reduce the level of inequality.

But don't forget to draw a line between bad and good inequalities. The former spring from failures of all kinds (e.g. market, coordination, and governance) and give rise to social exclusion, restrictions on migration, constraints on human development, lack of access to finance, corruption and uneven influence over public actions. They limit the space for economic advancement. On the other hand, good inequalities are those that reflect and reinforce the market-based incentives needed to foster innovation, entrepreneurship and growth (the sweat for the sweet).

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