

The idiot's guide to the next budget

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HERE is a joke in the country that when the AL wins an election only the AL wins, and when it loses the entire population loses with it. By June 2011, when the next budget will be due, this government will be halfway through its tenure. Therefore, apart from its financial goals, there are some measures that must be taken in that budget, with the objective of winning the hearts of the people.

The first thing that comes to everybody's mind is food security. Even if the supply situation of basic staples is good now, one bad crop could change it. According to the natural climatic cycle, a devastating flood this year or the next is likely. Therefore, we should create an additional stock of high-yielding seeds for free distribution if it happens.

The construction of silos and food godowns must receive top priority. I also suggest that every silo that is made from now on should have a cold storage with it. The government should see that technical training schools double their capacity for training refrigeration mechanics, so that maintenance will not be a problem.

A private-public partnership (PPP) project that the government can take up is the pelletisation of urea, which could lead to saving of 15 percent of the total fertiliser needs of the country. This can be done using easily available solvents, indigenous pellets and hand operated mixers and pelletisers. It could become a thriving cottage industry, turning the millions of VGF card-holders into active value-adders to the society, and the NGOs have the management capability to make

this effective.

The government's initiative of giving employment for 100 days a year seems to have been lost. No one doubts that the project will be inefficient and unproductive in the first couple of years. But it will put money in the hands of the rural young, who actually brought this government to power. It will be suicidal to forget them, and we shall not have time beyond the next budget to repair the damage.

So, this should be done so that the Union Parishad and young people take a role in local level projects like repairing roads, planting and maintaining trees, making non-burnt brick, making bio-gas and organic fertilisers, creating marketing mechanisms, creating innovative agricultural initiatives etc.

These ideas are already in place, but are used to fatten the pockets of the UP officials and TNOs. What I am suggesting is an indigenous management system, using the youth in the villages to actually manage the system, supervised by the UPs.

Disparities, both area-related as well as population-related, must be addressed and easier terms and more money should be allocated for under-developed areas and groups of people. The local governments, which have given this government support and its power base, have been neglected in the past two years.

There will be mistakes, but once a budget allocation has been made, it is better to have that money spent for a not-so-worthy cause than be returned to the state coffers, unused. And it is better than doing it out to the MPs as development funds.

The very encouraging savings rate in the country is being used to drive up price of land, or collecting dust in the bank vaults because of the banks' oppressive methods of strangulating to death every industry it has financed.

We are fortunate to be in the situation that Taiwan was in the mid-twentieth century, and it was pragmatic regulatory practices, quick financing and an un-oppressive repayment schedule that brought to Taiwan an economic boom within a decade.

In Bangladesh, it is not the burden of taxation, but the strangulating procedures of our banks (or the demands for under-the-table payments in lieu) which have caused industries to crash. We must not forget what Dr. Papanek mentioned in *The Daily Star* interview a few days ago. We have the opportunity for a 7 percent, or even 8 percent, growth only if we can take the bull by its horns within the next two years.

It is the people who have suffered from the way in which the commerce ministry's nose has been bloodied a couple of times, and it will be repeated. The government will do well to reactivate the TCB and, more importantly, change its principal actors so that no unholy alliances that took place last year between them and the traders' cartels are repeated.

I am surprised that the finance ministry has not been immune to this blackmail.

Luxury goods, like the monsters on the roads carrying one passenger or the ACs that run for twenty four hours, which burden the available infrastructure in more than one way, should be the first ones to be heavily taxed.

We have heard how some people who were "wearing *gamchas*" only a generation ago grumble that they did not purchase their machines to keep them idle. Let them, then, pay the appropriate price of 22 cents for a KWH of electricity, and let the ordinary public, who use electricity for their lights and fans only,



RAYMOND MEDICI/GETTY IMAGES

The budget must be for uplifting the people.

pay the existing rates. The government can use a PPP mechanism in the urban areas to make sure that all the welding shops and industrial establishments use proper meters for all their utilities.

The education system is in such shambles that, at the expense of being branded stupid, I would say that we should just give up trying to repair the ills of the universities for a couple of years and let them run in the way they have been running.

We should instead, for the next thirty years, aim to make our country into a fountain of cheap semi-skilled and skilled

labour by making it compulsory for every middle and high school (private and government) to create an evening section where two-year vocational education will be given, leading to a certificate. These schools could easily turn out 300,000 semi-skilled people every year.

Even if they are employed cheaply, they will be able to send \$10,000, which is about \$3 billion per year. The instructor-pool could easily be brought from India for the first decade. After, say, 10 years or so we could start mending the damaged university education.

We must also create a system of mid-

term review of the budget, carried out, not in the closed rooms of the finance ministry, but in the public forums with members of the civil society contributing. The greatest emphasis should be on a review of when the projects monies were actually disbursed and who caused the delays. The financial and the development budgets need to be an integrated exercise, which it is in theory. The way to make it effective is to give it the power of people's participation.

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Red Shirts versus Yellow Shirts

The lines of division between the two opposing trends in Thai politics emerged clearly. The Red Shirts declaring that it wanted unfettered democracy, while the Yellow Shirts wants preservation of the status quo under the military, albeit the monarchy. The stage was thus set in Bangkok for a long drawn political tug-of-war.



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GOVERNMENTS in Thailand have not been stable since the powers of the monarchy were curtailed in 1932. Since the mid-1970s politicians, the military, big businesses and bureaucratic elite managed state affairs in Bangkok under a multi-party system of democracy. Clash of interests led politicians and the military to alternately control Thai governments.

Thailand has been going through political turmoil since the military coup in September 2006. The bloodless coup ousted policeman-turned-business tycoon Thaksin Shinawatra. Thaksin was in New York to attend a UN Summit when the General Sonthi Boonyaratglin seized power.

richest men in Thailand, founded the populist Thai Rak Thai (TRT) party in 1998. He became prime minister in 2001 after a landslide victory. He introduced popular rural poverty reduction policies and healthcare for the poor, and succeeded in his campaign against suppression of drugs.

He steered away from the army, the traditional power brokers of Thai politics. His growing popularity was reflected in his re-election in 2005, with the highest voter turnout in Thai history.

As is the case in most developing democracies, Thaksin's government soon came under allegations of corruption, conflict of interest, muzzling of the press, tax evasion and, above all, "Lese Majeste" (insulting the monarch).

But it was the allegations of corruption that led the People's Alliance for Democracy

(PAD) to conspire and oust Thaksin. PAD followers usually dress in yellow -- and are called Yellow Shirts -- the royal colour of King Bhumibol Adulyadej.

Yellow Shirts is a loose group of royalists, media moguls, the urban middle class and a former army general, who has close ties with the king's senior advisers. PAD felt threatened that Thaksin's populist policies and style of leadership may challenge the king's influence.

After dismissing Thaksin, the generals banned the TRT, drafted a new constitution with stringent anti-corruption laws, and held fresh elections in December 2007. Thaksin's party again won the elections under the People's Power Party (PPP), the reincarnated TRT.

But this time Samak Sundaravej, a protégé of Thaksin and a former Bangkok governor, became the prime minister in February 2008. He lost his job eight months later, when the constitutional court declared that being prime minister he could not host cookery programs on TV channels against payments. Somchai Wongsawat, who succeeded Sundaravej, was also sent off quickly by the constitutional court on grounds of electoral fraud and PPP was disbanded in December 2008.

Incumbent Prime Minister Abhisit Vejjajiva, of the Democrat Party, was the opposition leader in parliament. Abhisit, a loyal monarchist, secured a coalition in the parliament in December 2008 and became the third prime minister in three months. As the Democrat Party is affiliated with PAD, Yellow Shirts openly assisted Abhisit's ride to power.

It was at that time that the National United Front of Democracy Against Dictatorship (UDD) followers of Thaksin -- widely called Red Shirts -- emerged from the remnants of PPP and TRT. Street protests were mounted and, in April 2009, the embarrassment of Abhisit, Red Shirts succeeded in annulling the Asean Summit in Pattaya. It is alleged that exiled Thaksin has been pouring funds to Red Shirts to continue with the protests.

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Meanwhile, Thaksin's wife was found guilty of fraud and sentenced to three years in prison. Thaksin then fled to Britain with his bailed wife and has not returned to Thailand since. Though Thaksin was convicted, in absentia, for two years in prison in a conflict of interest case, he continues to be quite popular in Thailand.

Ever since thousands of unarmed Red

Shirts descended onto the streets of Bangkok on 12 March 2010, tension has been growing. The Red Shirts is demanding that the parliament be dissolved and fresh elections held. Abhisit has so far refused to give into the demands of the Red Shirts.

To demonstrate its resolve, Red Shirts poured blood on government buildings in Bangkok. Emergency has been declared in Bangkok and surrounding areas and 26 people have been killed in clashes with the army. Evidently, the situation is extremely volatile.

Politically observers are keen to know what role the army is likely to play. Army chief General Anupong Paojinda feels that the current political impasse should be resolved politically -- meaning that the parliament should be dissolved and fresh elections held. The general is apprehensive that if a crack-down is ordered it will result in a terrible blood bath and badly damaged army command. Violence will beget violence in an unending cycle.

Abhisit, who lacks experience and authority, also speaks of a political solution -- but has no definite plan to tackle the crisis. He has but one option -- to bow down to the demands of the protesters. But his fear is that a fresh election will bring back a government loyal to Thaksin, which Yellow Shirts will oppose.

King Bhumibol Adulyadej (82), who has been on the throne for 63 years, has limited constitutional powers. His role in the current political turmoil is not exactly clear. King Bhumibol has always used his moral power to stabilise Thailand's chaotic politics, but has stayed aloof from partisan politics.

On April 26, however, the ailing king spoke from the hospital but did not particularly refer to the ongoing political stalemate. He asked newly appointed judges to carry out their responsibilities dutifully.

The king, however, tacitly backs Abhisit in his quest for a peaceful solution. Both the Red Shirts and the Yellow Shirts look towards this old patriarch, revered by Thais as a divine father, for a solution.

The Red Shirts movement is no longer a Thaksin-sponsored rabble. It has demonstrated that it wants a real change in government, which will not be dominated by the military, the bureaucrats or corrupt politicians.

Though the situation remains extremely tense, both the government and the Red Shirts have shown some restraint -- with the exception of a confrontation on April 10. A peaceful political settlement is urgently needed for the greater interest of Thailand in particular and Asean in general.

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Where is school for the out-of-school children?

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THERE are around 80 thousand primary schools with about 2 lakh and 70 thousand teachers providing basic education to close to 2 crore children in Bangladesh. Despite such large figures, it is also known that 2 thousand villages (16,000 villages according to another estimate) in Bangladesh have no primary schools.

The scenario is more dismal because 1 crore children are still out of school. Such a large figure is revealed in Mapping of Non-Formal Education Activities in Bangladesh, published by the Bureau of Non-formal Education in 2009, which says that the number of out-of-school children of primary school age (6-10 year age group) is 96,83,818 [Table 5, page 48].

At present, there is 1 teacher for 74 students, twice the standard ratio. Naturally, to bring the number of teachers and students to an ideal ratio, the number of teachers for primary schools in the country has to be doubled, i.e. another 2 lakh and 70 thousand teachers have to be recruited.

Either new classrooms have to be added to the existing schools or another 80 thousand schools have to be newly built. This leads to the assumption that our 3 crore school going age children need 2 lakh 40 thousand schools, or far larger number of classrooms than the present number, and 8 lakh teachers, far higher than the present number.

That we are short of school teachers is reflected by the increase in private tuition and mushrooming of coaching centres across the country. If the number of private tutors was known, the number of required school teachers for the enrolled students could be estimated. Tuition at home as well as at coaching centres also indicates to the inadequacy of facilities in classroom.

However, these can serve only the enrolled learners and the well off.

Most people agree that private tuition and coaching centres cannot be the solution to the problems in education. But many cannot realise that this itself is not the disease, it is rather the symptom of the real disease lying elsewhere. PEDP II (Second Primary Education Development Program) made many new classrooms and recruited new teachers.

Program III (the next stage of PEDP-II) has a plan to set up new schools in particular areas. But these efforts fall far short of what is practically needed. If there are not enough boats to carry people across the river, some people must be left behind at the ghat. The boatmen can easily blame poverty, unawareness, etc. of passengers for their staying out of the boat.

Policy makers keep their eyes closed to this simple calculation in fear of the giant tasks facing them. This is in fact the basic problem in the education sector, and if it is not solved all policy debates, seminars and talk shows about development of primary education in Bangladesh will be throwing dust into the eyes of people.

In fact, there is no alternative to creating more educational facilities for children. Article 17 of the Constitution obliges all governments of Bangladesh to do that. Many scissors in the hands of many rulers have gone through this Constitution since its adoption after independence of the country, but this pledge of the state has remained intact but still unfulfilled, with no prospect of it being fulfilled by any government in the near future.

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