

Yunus banks on youths

M. HAFIZUDDIN KHAN

PROFESSOR Yunus's view, published in *The Daily Star* on the February 19 that "people are not satisfied with the politicians. So, politics has to be pursued in new ways. Alternative political stream has to be introduced," appears to be too mild a comment and does not reflect the prevailing political situation. In fact, people are not only dissatisfied, they are totally disgusted, frustrated and annoyed with the political activities being pursued by our political parties in general and by the two major parties in particular. He has "guaranteed" that "the current stream of politics will come to an end in the next 20 years." He believes that the change will take place automatically "if the youths stand straight with their full inner vigour."

The real situation is that politics, political activities and political leadership have not undergone any change towards better; rather they have deteriorated so much that

people at large have lost all faith in the current political leadership and their activities. "Power" now is the pivot around which all political activities are revolving. Those who are in power try to remain in power by any means, fair or foul, ethical or unethical, and those who are not in power try to capture power in the same manner. In the process, the people's aspirations, the lofty ideals of our leaders and the people who fought for liberation from Pakistani occupation and made untold sacrifices, have been almost forsaken.

If the current trend of politics is any guide, there is no guarantee that Professor Yunus's hoped for change in the current stream of politics in next twenty years will happen. The quality of politics has been deteriorating beyond any description, political leaders have not taken any lesson

from the past, politics has become extremely vitiated and confrontational and all democratic norms have been eschewed without any qualms by the political parties, whether in power or not. No one is interested in making the Parliament functional or allowing democratic tradi-

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tions to take root. Since 1991, excepting national elections, no other traits of democracy and democratic governance have evolved or have been nurtured by our politicians.

Corruption in the country is all-pervasive, law and order situation is going

from bad to worse, human rights are being violated everyday, transparency and accountability in governance and administration are non-existent, concentration of power in the hands of the political high-ups has assumed dangerous proportion, quality of education is highly unsatisfactory and the economy is not gaining any strength.

So what is the silver lining on which Professor Yunus is banking? The youth at college and university level can, perhaps, change the situation "if they stand straight with their inner vigour" as has been professed by Professor Yunus. Yes, but a large number of students involved in "student politics" has been indulging in corrupt business of various sorts, resulting in infighting among them.

The teachers are all divided along the country's political divide and they are

more interested in political activities than teaching and helping new leaders to grow. The percentage of youth addicted to drugs is alarming. The political leaders are also not showing any interest in seeing that new leaders come up. Rather some of their activities are creating serious impediments for the youth to grow as future leaders. We do not see any ray of hope in any direction.

Professor Yunus's call for an alternative political stream in the country is definitely the need of the hour. But, again, for lack of leadership the creation of alternative political stream is nowhere in sight, and its emergence in future seems to be equally bleak. He himself tried to form the much needed alternative political stream but failed. Only a change of mindset through a miracle can, perhaps, lead the country out of the current political imbroglio. Finally, 20 years hence is a very long time and the nation can ill-afford to wait for 20 years for a change in the overall political situation.

The writer is a former Adviser to a caretaker government.

BARE FACTS

Getting a bumper *boro* crop this season



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THE Daily Star of January 19 carried a report titled "*Boro* to be costly as diesel, fertiliser prices spiral." It said that *boro* farmers will have to incur additional production cost this season due to

increase in prices of diesel and fertiliser. Besides, urea is also selling at a higher price. The agriculture minister's statement on February 17 that the government had no plans to provide cash subsidy to farmers in the *boro* season has further disappointed them.

A visit to the website of Food Division shows that the DAE has set this year's *boro* production target at 1 crore 87 lakh tons, which is 1 lakh ton higher than last year's production.

Why do we need a bumper *boro* crop this season? *Boro* contributes not less than 55% of the total production of rice in the country. It is true that the present supply position of food grains in the country is satisfactory

because we had good *aus* and *aman* crops this year. This happened due to good rainfall and other favourable growing conditions. But, there is no guarantee that we will get satisfactory output from the next *aus* and *aman* crops, which are primarily nature-dependent. We saw in 2007 how the countrywide floods and the cyclone Sidr severely damaged *aman* production. *Aman* production stood at 96.62 lakh tones only against the target of 130.45 lakh tonnes.

Secondly, FAO's biannual publication, *Food Outlook* of November/December, reports damage to rice held in several Asian countries last year and an upward trend in rice prices since June. It was India's relaxation of its export ban on regular rice that contributed to checking the upward pressure on world prices.

Food Division's *Fortnightly Food grain Outlook* dated January 31 says that, in the fortnight ending on January 26, rice prices in Dhaka city rose by 1%. The difficulty faced by the government in importing rice in 2008 due to restrictions imposed by most of the rice exporting countries, resulting from the worldwide shortage of food grains and their very high prices in the international markets, still haunts our mind.

The government has recently decided to slash its rice import by 43% for the current fiscal year, banking on good *aus* and *aman* crops this year and a favourable buffer stock. Rice import in the public sector this fiscal year will now stand at 4.5 lakh tons, which have already been received by the government. But success of this policy mainly depends upon a good *boro* crop this season.

Thirdly, FAO's *Food Outlook* says that global rice utilisation is predicted to increase by 2.4% in 2012, driven by larger food demand in spite of prevailing high or rising retail prices in many countries. The Preliminary Report on Household Income & Expenditure Survey-2010 of Bangladesh Bureau of Statistics says that "per capita per day intake of food items

in the country has increased by 5.5% to 999.9 grams in 2010 from 947.8 grams in 2005 at the national level." At least 20 lakh new mouths will join us this year to share our food.

The question that now arises is: How to get a bumper *boro* crop this season?

According to agricultural scientists, productivity of irrigation-based agricultural produce is more than that of rain-fed ones. *Boro* is an irrigation-based crop and it is less prone to pest attacks. Further, there are hardly natural disasters like floods, devastating tidal waves etc. during *boro* cultivation period. So, its productivity is much higher than that of *aman*.

Water requirement for *boro* crop is the maximum during the rooting and flowering stages and sufficient water should be maintained in the plot to get a good harvest. Hike in diesel and electricity prices has made it difficult for the farmers, particularly the marginal farmers, to sufficiently water their *boro* fields. *The Financial Express* of January 24 reports that in the northern region, which is generally known as the granary of the country, "the pump owners have increased the rent for irrigation on account of hike in electricity, and power tiller owners are also asking for higher

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diesel price." Besides, a bag (50 kg) of urea was selling at Tk.1,000 against its previous price of Tk.600 last year. In short, farmers will have to spend Tk.70,000 to 75,000 to cultivate *boro* on one hectare of land this year against Tk.35,000 to 40,000 last year.

In 2010, the government provided cash subsidy to farmers (Tk.800 to a marginal farmer and Tk. 1,000 to a big farmer) through banks to buy diesel in the peak *boro* season. This subsidy should be reintroduced in the current *boro* season to encourage the farmers to go for a good *boro* crop. The government has to allocate additional fund if the present allocation of Tk.4, 500 crore for FY 2011-12 is not adequate to provide subsidy to farmers for buying diesel, fertilisers and other agricultural equipment. We should not forget that agriculture is still the backbone of our economy, and the government subsidy to farmers in Bangladesh is much less than the subsidy given to farmers in the EU, USA and Japan.

Timely and adequate supply of electricity to operate irrigation pumps for watering *boro* crop is very important. Available reports suggest shortfall of around 1,200 MW of electricity during the *boro* season. So the alternative is to increase supply of electricity to rural areas for ensuring irrigation of *boro*. The government adopted this measure during the past two *boro* seasons.

In view of what has been stated above, the need for a bumper harvest of *boro* in 2012 can hardly be over-emphasised. The authorities concerned must provide all possible assistance to farmers in order to make it a reality.

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BUSINESS education in Bangladesh has rapidly evolved in recent times. It happened in the context of increasing deregulation of the economy and the deepening of its integration with the world economy. Bangladesh economy is three times bigger than it was in 1991. Our per capita GDP has more than doubled during the period. Even the growth rate of per capita GDP accelerated from less than 2.2% to more than 4.9%. As Panel B in the graph implies, a declining population growth rate combined with a rising GDP growth rate is indicative of a deeper socio-economic transformation in Bangladesh.

Bangladesh economy has also deeply integrated with the world economy. Trade-GDP ratio increased from less than 20% to about 60%. Trade gap, though widened, did not cause any serious imbalance in our external sector. Increased flow of inward remittances helped to meet this gap. This is a remarkable development. Goldman Sachs, American Citi Group and many others prominent in global finance labeled Bangladesh as one of the New 11 (N-11) emerging economies. This article connects this development to the future demand for business education in the country. It will then draw some implications for the next generation of graduates.

Given that more than 50% of our growth acceleration arises from the service sector (broadly defined) and that the integration with the world economy is deepening, we will require a growing supply of graduates having transferable skills and ability. It further indicates that Bangladesh could turn out to be a knowledge economy over a much shorter period than the time many advanced economies needed to achieve the same in the 19th and early 20th centuries. That Bangladesh may have more than 100 private universities by 2015 is a validation of this conjecture. It requires little explanation that business education dominates in this rising trend.

Business education has a broader perspective though. The requirement that it must embody transferable skills will likely set the trend. Why the next generation of graduates will need transferable skills requires further explanation. We are accustomed to believing that production is a local phenomenon and is largely intended to serve local demands. This is not correct in a globalising world. For example, take the case of the flagship apparel industry in our country. A large part of the gross value of apparel exports from Bangladesh represents the cost of intermediate inputs that are imported from China and other Asian countries. The apparel industry in our country is thus a part of global value chain that combines global suppliers (for example, Y2K & Li & Fung) in Asia to global retailers (for example, Carrefour, Gap, JC Penney and Wal-Mart) in the developed world. This pattern of global integration of production has given rise to the demand for graduates having professional

Future of business education

skills that are both relevant and transferable.

The criterion of relevance will depend on one's ability to apply his/her skills to rapidly evolving business needs and to communicate effectively across people and organisations. The criterion of transferability will depend on one's ability to move across operations. Business education as it is in the developing world does not address either of them. A future graduate will thus face difficulty in positioning himself/herself in the job market. This challenge is growing everyday as labour market is becoming increasingly global. Many local firms are now hiring foreign professionals to meet their business needs.

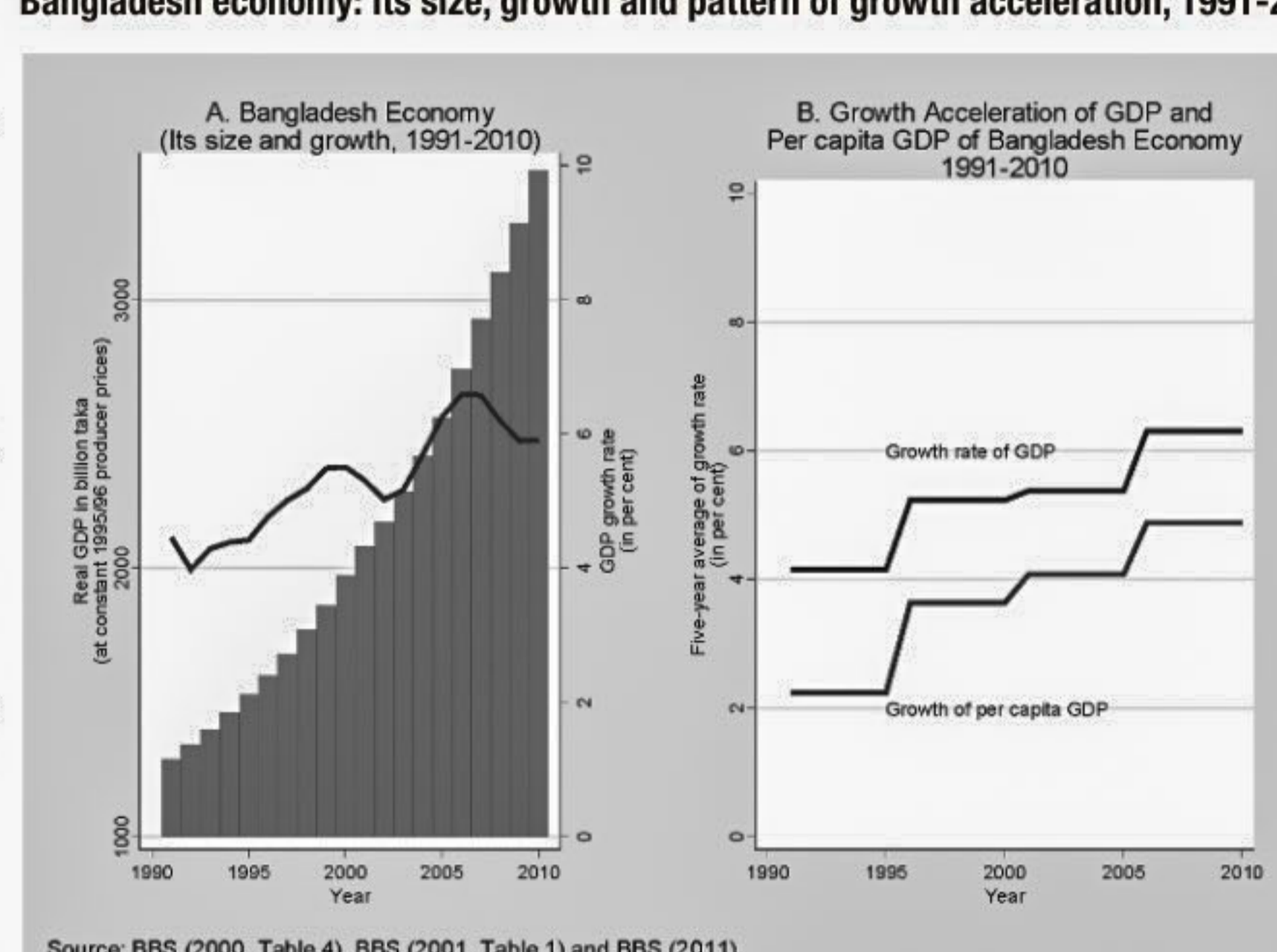
A long-term strategy is that business schools incorporate the right kind of curriculum and teaching methods in their degree programmes and that they continue to invest for the development of human and physical capital in the universities. In the short to medium term, some proactive measures can help students circumvent this crisis. One such approach is that they choose business disciplines that can help them to become business professionals. For example, choosing accounting education at public universities (or even in some good colleges) would be sufficient for one to embark on a professional programme. Examples are chartered accountancy (CA), cost and management accountancy (CMA), chartered financial analyst (CFA) programme, and so on. A general perception of both the parents and students is that having spent five to six years for graduate education it is almost impossible to go for further professional education. This perception is wrong and uninformed.

A student's choice for further professional education should be based on his/her incremental return to education, which is the increase in the present value of lifetime earnings of the student. A reliable estimate of it is very feasible. Assume that you plan for a job after your graduate degree in business. Given that job opportunities are limited in the public sector, and those are relatively low paid, your temptation would be high to join the private sector. But it would certainly be a low-level managerial job. You will require at least 10 years to reach mid-level managerial position. And remember that your earning begins at the lowest level of the pay scale.

On the contrary, if you invest an additional two to three years for a professional degree, you begin with a salary comparable to the level you would be at after 12 years without a professional degree. It is just not the difference in level; there will be growth difference too in the way that your benefits and future career progress over time. Some estimates show that the incremental return of professional accounting education would be many times larger than the lifetime earnings without a professional degree.

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Bangladesh economy: its size, growth and pattern of growth acceleration, 1991-2010



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