

Lack of requisite infrastructure

Port city's development held back

CHITTAGONG occupies a unique position in the economy as it is home to the largest port in the country. The district as a whole is a major hub of commerce and industry. The economy of the region is valued at about \$25 billion and about 40% of the country's industrial output is concentrated there.

Given such positive traits, one could easily be tempted to believe that Chittagong will emerge along the lines of Singapore or Hong Kong for that matter in the not too distant future. Yet, behind the visible lie certain unpalatable truths that threaten to derail the 2030 vision which foresees an economy tripling to \$60 billion, a port rivalling regional competitors serving as a hub for trade and commerce in the greater South Asian context.

Business community leaders blame lack of movement on key infrastructural issues that revolve around chronic shortage of electricity, inefficient cargo handling at the port and a grossly dilapidated communications system including roads, highways and rail network. The bad news does not end there. The much-hyped mooring container terminal is yet to be made operational at the port and there remain serious problems with finance from the banking sector. The effects of improper decision-making to tackle infrastructural bottlenecks are, in effect, throttling the local economy and basically threatening to derail future prospects. For instance, we are very fond of illustrating how many thousands of megawatts (MW) of electricity has been added to the national grid, conveniently overlooking the fact that 896MW out of newly-added 3,286MW remain 'offline' due to a combination of lack of fuel and maintenance. The same may be said of the ill-planned expansion of Dhaka-Chittagong highway from two to four lanes that failed to factor in existence of already present bridges.

What transpires from all this is that proper planning is a prerequisite to development. Unless, concrete efforts are made to address the problems associated with infrastructure, finance and the culture of red-tape, the sorry state of the biggest segment of Chittagong's industry, i.e. readymade garments with an annual turnover of \$18 billion will continue to function at sub par level.

River transportation gets dearer

Try and alleviate the fall-out

ON the face of it, increase in the rates of state-run ferry and passenger services by 25 and 35 percent respectively may sound reasonable. It can even be soft pedaled on the plea that the hikes are still below the cumulative fuel price rise at 42 percent. But on a closer scrutiny, this is a harsh step for the government to take.

Over the last three and a half years the government could do without an increase in the rates despite fuel price hike from time to time. What then compelled the authorities to increase rates, that too by such wide margins at one go? It is argued by a director of Bangladesh Inland Water Transport Corporation (BIWTC) that the organisation was incurring loss in passenger vessel services. Even allowing for such a loss, BIWTC has been reportedly making profit since 2001 grossing around Tk 330 million last year alone. We can only deduce that profits accrued from the ferry services. Why then the rates of cross-river transportation have been raised along with those of passenger vessels?

We seem to be caught up in a flurry of rate increases oblivious to a two faceted fall-out. One, the losses through corruption and high operating and maintenance costs are never factored in the costing. In other words, what falls through the cracks of the system can be staved off to take the burden off the users of the services. Through an infusion of efficiency and a cut-back on wastes, the latter seemingly nurtured by vested quarters to keep a finger in the pie, the very basis for arbitrary hikes will be obliterated.

The second and most important consideration that must weigh with the government is the unbottling of the genie of higher prices across the board. Already the private operators are charging more than the BIWTC and they would be raring to go for further increase unless effectively discouraged.

With a high rate of inflation and consequent depreciation in income and purchasing power, the cost of living has reached a critical threshold for a vast majority of people. To give them relief alternative options as indicated above will

Population planning imperative

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THE current high population growth rate is absorbing resources required for increased productivity and sustained economic development. Conversely, economic development, improved education and alleviation of poverty are pre-requisites for reduction in child mortality and fertility levels. Arable land, capital and skills are necessary inputs to achieve increased productivity and job creation.

Pressure on arable land is already high at 1,950 people per sq. km., which will rise to 2,600 in the next 12 years. The landless population, currently between 54% 60%, will increase further. Food production is increasing but progress towards the government's objective of a minimally adequate 16 oz of food grains per capita day, about 1,500 calories, is slow. Investment per potential new work is one of the lowest in the world. Education resources are already fully extended to meet a primary school enrolment ratio of 64%. Around 3.25 million children will be added to the primary school population by 2021, depending on rate of fertility decline. This increased demand on resources will greatly diminish any capacity to extend coverage or improve standards. The rate of unemployment (40%) will be changed. Between now and the year 2021, about 22 million persons will be added to the labour force, aggravating further the existing unfavourable labour market.

Our per capita income is one of the lowest in the world. Estimates have shown that if population continues to grow at the current level of 1.74% (unofficial estimate 1.86%) gross domestic product (GDP) would need to grow at the rate of 12.5% per annum within 2021 to reach the threshold per capita income level of \$1,150 by 2021. The generation of adequate resources for investment to achieve the growth rate of 12.5% per annum is a Herculean task for a country faced with serious internal resources constraints and where nearly

48% of development budget is financed out of the external assistance.

It is evident that without a substantial decrease in fertility, improvement in socio-economic conditions will be difficult if not possible to achieve. A significant change in fertility pattern will not occur unless overall development strategies are designed to equally involve both men and women. It is needless to mention here that all our economic effort for development is being negated by the ever-growing mass of population every year. And in the next decades, if steps are not taken now, we will not have sufficient arable land to cultivate to meet our increasing demand for food grains, industry, energy and urban expansion.

Bangladesh has wisely incorporated population planning and services into its planning for socio-economic development. The government addressed broad socio-economic issues from the perspective of population and family planning related services. Population and family planning services have been integrated into sectoral development process. These developments indicate the importance that the government places on the rapid diffusion of small-family norms. But population and family planning (FP) services are ineffective both in rural and urban areas. The people in rural areas do not find any FP workers in their areas. The field workers (from upazila and below) draw salaries without any work. Irregular staff at family welfare centres operate the health and family planning programme.

It is impossible to achieve success in

population programmes with the present structure and staff. The government seems to be reluctant to run this programme. We do not find any intensive supervision and monitoring conducted by the government or any other agency for achieving the target. Dual administration prevails, which makes FP officials ineffective. No significant progress has yet been made in respect of population programme. A crucial factor is the government's strong commitment to economic and political stability, upon which all population policies and programmes rely. Without such stability the population programme would be subject to uncertainties and risks, which could inhibit its success.

The two greatest challenges facing Bangladesh are economic backwardness and political instability. In such a situation it is almost impossible to pursue economic development without sacrificing some degree of community welfare. The government has consistently pursued a three-pronged development strategy emphasising stability, growth and equitable distribution of resources. It is the essence of the political pledge. It is no less true that the success of the population programme will contribute to the development of economy as well as improvement in living standards. Economic development cannot be achieved without solving the population problem.

The family planning or population programmes may be bifurcated from the health ministry and a separate ministry or division may be created for it.

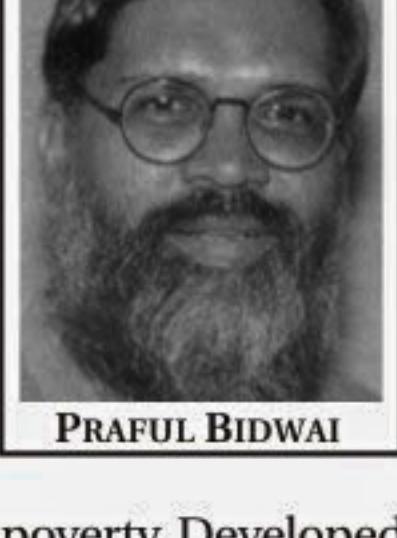
The Directorate of Family Planning should be manned by demographic or population background people, not from the administrative cadre, and should be given the mandate to coordinate all FP activities performed by both the government and non-government organisations. Present integrated approach should be withdrawn.

The proposed ministry/ division is to provide socio-economic welfare to the remote areas through population planning and FP assistance. Donor driven programmes should not be encouraged. The directorate of FP should be engaged to reduce the fertility rate directly by offering contraceptive information (through door to door approach) and services; and by institutionalising the idea of FP. It may launch family nutrition improvement programme, intensive service delivery programme, income-generating programme to FP acceptors, corporate FP programme, integrated MCH-FP & Health programme, family programme, etc to achieve economic development.

Bangladesh needs to have proactive population policy and family planning programmes if it is to achieve the goal of replacement level fertility. The transition from high to low fertility can be prompted by various events. It can result from strong political commitment to population programme, the creation of separate ministry/division, the introduction of new birth control methods and new source of supply in the remote areas with intensive supervision, innovative efforts to reach populations at risk of unwanted births, targeting of new groups, specially young population, and improvement in policies and programmes. No less important is a strong commitment to economic and political stability, without which programmes face major risks and uncertain outcomes.

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PRAFUL BIDWAI COLUMN



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Does BRICS have a future?

THE world acutely needs radical reform to make it less unequal, violent and unjust. The Great Recession is wreaking havoc and increasing poverty. Developed and developing-country disparities remain obscenely high. Global warming is endangering humanity's survival.

The world remains violent and conflict-prone, and the Central-Southwest-West Asia region as volatile as ever. Israel is threatening to attack Iran's nuclear facilities. This could ignite a regional conflagration.

Governments around the world are losing legitimacy. The post-War world order is in deep crisis. Although the North Atlantic-Japan bloc faces no systemic challenge after the USSR's collapse, it no longer provides leadership. So any attempt to develop alternative leadership and ideas for international governance is welcome.

BRICS, the grouping of the world's fastest-growing large economies comprising Brazil, Russia, India, China and South Africa, generated hopes of such alternatives.

After their fourth summit, such hopes must be greatly moderated; some must be abandoned. BRICS still remains a work in progress -- a tentative grouping without much cohesion, which fights shy of demanding radical reforms despite its global weight.

BRICS represents a quarter of the world's landmass, over 40% of its population, and one-fifth of its GDP. They account for over 50% of recent global economic growth.

Yet, unlike the West, which is bound together by strategic interests, a developed capitalist system, and a market-based society, the BRICS don't share a coherent identity, ideology or political system. Nor are they agreed on how global institutions should be reshaped. The grouping started as BRIC, a con-

ceptual category invented in 2001 by an investment banker. South Africa was added later. BRICS' midwife was Russia, a defeated superpower which belongs to no major bloc in any international negotiations. Although its economy is growing thanks to high energy prices, Russia commands nowhere near the influence it did as the Soviet bloc's leader.

The other BRICS members all belonged to G-77, the developing-country umbrella-group formed in the 1970s. There are signs of growing divergence within G-77, and a virtual split during the recent climate talks.

China stands apart within the BRICS

international political and security order? The honest answer is no -- although all of them are acknowledged regional powers with aspirations to global influence. India has a "strategic partnership" with the United States, with whom China and Russia have a partly adversarial relationship.

Russia and China are permanent members of the UN Security Council.

The other three are aspirants. China opposes the inclusion of Japan and Germany, with whom India and Brazil have formed the G-4 grouping.

Russia and China are recognised nuclear weapons-states under the Non-Proliferation Treaty. India isn't, although

because of its economic size, industrialisation level, and scorching growth. The group's trade interests also diverge considerably. Russia and Brazil are primary commodity exporters; China and India are importers.

BRICS share more in common in respect of global financial flows, of which they are major recipients. They all want to maintain strong national autonomy over foreign investment policies.

On climate change, the BRICS have very little in common. Russia is an Annex 1 country, with binding obligations to reduce greenhouse emissions. The others aren't. Given Russia's huge surplus emissions allowances, obligations don't mean much.

The other four formed the BASIC grouping mainly to avert binding commitments. But BASIC's unity got considerably weakened at the last climate summit at Durban, South Africa.

Do the BRICS agree on reforming the

some BRICS partners recognise its de facto nuclear status.

What the BRICS do have in common is an interest in limiting the West's overwhelming military-political power, signified by Nato and the US's ability to mobilise support for its unilateral interventions like those in Iraq and Afghanistan. They also urge caution on Syria and Iran, from which China and India buy significant amounts of oil.

Russia is wary of the US's missile defence programme -- which will erode the deterrent value of Moscow's nuclear weapons -- and its interference in Russia's immediate neighbourhood, including through the "colour revolutions" in Ukraine and Georgia.

China loathes America's growing military presence in its neighbourhood. The other three BRICS partners don't share such suspicions.

The BRICS's greatest limitation arises from the fact that they all share a peculiar relationship with Washington --

much like the "hub-and-spokes" of a bicycle wheel. However significant their relations with one another their relationship with the US is far more important, indeed pivotal, to each of them. This is as true of China or Russia as of India, which is eager to join any negotiating bloc, from Central and Southeast Asia, to G-20.

That's why the BRICS are no rival to the West. They aren't about to centrally challenge the existing global order, dominated by the West since World War II, with the USSR providing some countervailing force until the late 1980s. The BRICS at best want to join the international order by expanding the global oligarchy of power.

So it wasn't surprising that the BRICS, which demand reform and larger voting power in the World Bank and International Monetary Fund, didn't put up their candidate when Dominique Strauss-Kahn lost his IMF job last year.

Nor have the BRICS sponsored a common candidate for the World Bank's presidency. They have been silent on the US nomination of Korean-American Jim Yong Kim for the post. They are still reluctant to challenge the transatlantic hegemony of the two institutions -- despite their calls for democratising them.

The worthy proposal for a BRICS-sponsored global development bank has been put off with a working group to study it further. This wasn't a huge setback. But the issue has been given a low priority (number 13) in the 17-point future agenda in the BRICS' Delhi Declaration.

The BRICS could emerge stronger and more relevant if they mediate boldly on issues like Palestine, Syria and Iran.

If BRICS find a solution to the Iran nuclear crisis which allows peaceful activities under international inspection, while preventing a weapons programme, they could be a winner. But that moment may not have yet arrived.

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THIS DAY IN HISTORY

April 9

1968

Funeral of Martin Luther King, Jr.

1992

A U.S. Federal Court finds former Panamanian dictator Manuel Noriega guilty of drug and racketeering charges. He is sentenced to 30 years in prison.

2003

2003 invasion of Iraq: Baghdad falls to American forces; Saddam Hussein statue topples as Iraqis turn on symbols of their former leader, pulling down the statue and tearing it to pieces.

2005

Wedding of Charles, Prince of Wales and Camilla, Duchess of Cornwall; Charles, Prince of Wales marries Camilla Parker Bowles in a civil ceremony at Windsor's Guildhall.

2009

In Tbilisi, Georgia, up to 60,000 people protest against the government of Mikheil Saakashvili.