

Curb reckless use of antibiotics

Doctors and companies should lead the way

ANTIBIOTICS are meant to treat and cure infections, which by their very nature, require mandatory diagnosis before being prescribed and used. A general impression prevailed among serious public health professionals that such drugs were being arbitrarily marketed and prescribed by practicing doctors equally indiscriminately.

A study covering 6000 patients and 580 physicians over a period of six months in Dhaka and Rajshahi divisions published in the UK-based journal *Science Domain International* early this year confirms the above impression. It reveals that 44 percent doctors do not go for mandatory diagnosis, drug companies influence use and patients too are negligent in its application.

The patients' penchant for quick results is being exploited by companies with many a doctor going in for quick fixes rather than making painstaking effort to have the bacteria pinpointed and then prescribe the right antidote.

Whilst frequent use of antibiotics makes the patients resistant to even very potent variety of it, considerable damage may well have been caused to liver and kidney. This is public knowledge, too; yet, nothing has been done to deter the indiscriminate use.

Four compelling steps need to be taken: One, a country-wide public awareness campaign will have to be launched and sustained to sensitise the people about misuse of antibiotics; two, over the counter sales must be prohibited; three, WHO guidelines should be followed by doctors to determine the nature of microorganism before prescribing any antibiotic; and four, pharmaceutical companies should not pedal influence in its marketing.

Attack on minority community

Effective preventive action needed

A Hindu man was beaten up and along with him not only his but houses of several other members of his community were vandalised in a village of Faridpur upazilla of Pabna district. The person manhandled was alleged to have been stalking a girl. Even the police who came to intervene and calm down the situation was not spared by the local public.

We condemn this act of violence and demand exemplary punishment of those who indulged in such an attack including vandalizing many shops. We deplore those who readily take law in their own hands at the slightest of pretexts. We urge the community to play a salubrious role in keeping peace when a crowd behavior sets in.

We note that it is falling into a pattern. There have been instances of desecration of Hindu temples suggestive of a well planned action to start a strife whereas the country has had a tradition of communal harmony. Those who upset communal equanimity do not have the best interest of the country at heart.

The law enforcement agencies must exercise maximum vigil to protect all citizens irrespective of their caste, creed or religion. It is the state's duty to protect the vulnerable from

NATIONAL LEGAL AID DAY

Partnership in legal aid

HECTOR DIAZ SOLIMAN

THE celebration of National Legal Aid Day on April 28 each year is a perfect time to take stock of the progress that has been made and the various ways by which legal aid can reach more and more of the poorest of the poor.

We acknowledge the commitment of the government through the Ministry of Law, Justice and Parliamentary Affairs, and the National Legal Aid Services Organization (NLASO), in their efforts to expand legal aid services in the country. The creation of legal aid committees at the upazila and union level had been authorised in 2011. In that same year, the provision for appointment of one legal aid officer for each district had been stipulated. These legal aid officers not only have the power to provide litigation support, but also alternative dispute resolution services such as mediation. Finally, the creation of special legal aid committees to support the Labour Courts and the Chouki courts in the hard to reach areas has also been mandated under the latest amendments to the Legal Aid Services Act.

However, the gap between law and practice remains as wide as it is challenging. In a recent survey it is found that 91% of people surveyed are not aware of the legal aid committees. Also, 65% of people with legal issues do not do anything about them, much less seek legal aid or go to the police.

Truly, the task of providing legal aid cannot be left to the government alone. The private sector, more specifically, the civil society organisations need to assist the government in their efforts to provide quality legal aid to the poor. We seek to create a viable partnership with the NLASO through the following concrete means:

- Ensuring the active participation of NGOs in the legal aid committees at various levels;

- Activating the legal aid committees at the upazila and union levels. The survey also confirms that people seek justice from people who are most accessible. The closer the legal aid committees are to the people, the more effective the legal aid services will be;

- Creating awareness of the law, human rights and the availability of legal aid;

- Using the legal aid committees as a platform for monitoring the quality of service of the panel lawyers. It is our experience that it is not sufficient to assign cases to panel lawyers. It is also important to ensure that the lawyers are providing quality service, and this can be secured through feedback from the clients.

If well implemented, legal aid can truly provide access to justice for the poor. Let us all join hands in the celebration of National Legal Aid Day, and remember the long road ahead in making legal aid truly meaningful to the people.

The writer is Team Leader, Community Legal Services Bangladesh, a DFID funded safety and justice programme.

A number game for FY 15 budget

MIRZA AZIZUL ISLAM

ACCORDING to media reports the finance minister has indicated that the size of FY 15 budget is going to be Tk. 2,50,000 crore. In a country like Bangladesh, characterised by one of the lowest government expenditure as proportion of gross domestic product (GDP), the desire to increase it is understandable. However, such desire needs to be tempered by a sense of realism. Otherwise, the budget would be viewed as a paper exercise with adverse implications for the government's credibility. This paper seeks to give an estimate of what should be a reasonable size of FY 15 budget.

The size of a budget is equal to the sum of revenue and deficit. It should, therefore, be determined by the realistic possibility of raising revenue and of the amounts that can be collected from various sources of financing deficit.

Revenue scenario:

Revenue collected by the National Board of Revenue (NBR) is the largest source. The collection from this source in the current fiscal year has been rather disappointing. The government has already decided to revise the estimate downward from Tk. 1,36,090 crore targeted in FY 14 budget to Tk 1,25,000 crore. Assuming that (i) this revised target is realised (ii) growth of GDP in current prices during FY 15 would be of the order of 13% -14% and (iii) growth of collection would slightly exceed current price GDP growth, a reasonable growth of NBR tax revenue in FY 15 can be estimated to be 15% over the revised estimate of FY 14. However, mention should be made of some downside risks to this estimate.

Apparently the government is under intense pressure to reduce corporate tax rates as well as taxes on export income. There is a demand for raising the exemption limit of personal income tax. The government is likely to yield to some of these pressures. There is also a risk that the present lull in the political climate may not be sustained, leading to problems in collecting revenue from all three major heads, namely, personal and corporate income taxes, value added tax and import duty.

The collection from non-NBR taxes has been similarly dismal, amounting to slightly over 50% of budget provision during the first nine months of the current fiscal year. A major component of this source is the sale of non-judicial stamps. Given that the real estate sector is in a state of doldrums, one cannot expect any significant acceleration of collection of non-NBR taxes.

Information on the collection of non-tax revenue during the current fiscal year suggests that the budget target may just be met. This source is not generally income-elastic and therefore GDP growth does not exert much influence on collection from this source. It would be reasonable to assume a figure of Tk. 28,000 from this source representing an increase of about 7% over FY 14 budget provision.

Financing of deficit:

The disbursement of external grant and loans presents a rather pathetic picture. During the first seven months of the current fiscal year, the disbursement was less than 30%, amounting to just over Tk. 6,000 crore. Even an indomitable optimist would not expect eventual disbursement to exceed Tk. 15,000 crore. The projection of target for FY 15 adds another 15% to this figure.

As regards domestic sources, government's borrowing from the banking system has so far proceeded at a very slow pace. Based on past experience it can be assumed that this pace will gain momentum in the third and fourth quarters of the current fiscal year in tandem with acceleration of expenditure in the later part of the fiscal year. The present paper assumes that borrowing from the banking system will reach the level proposed in FY 14 budget and adds 10% to that level to estimate FY 15 target.

With regard to borrowing from the banking system

some people argue that there is no problem for the economy at present if the government borrows heavily. The argument derives its logic from persistently growing excess liquidity in the banking system and hence little possibility of "crowding out" out of credit to the private sector. There is, however, a flak: the growing excess liquidity is largely accounted for by the rising share of what are dubbed as unencumbered approved securities the share of which in total liquid assets rose from 67% at the end of February 2013 to 73% at the end of January 2014. In the situation of virtual non-existence of secondary market, these securities comprising primarily government bonds can be hardly considered liquid.

The last remaining source of financing deficit is non-bank borrowing of which the major component is the sale of saving instruments. The government has already exceeded the budget provision for FY 14 under this head. The demand for purchase of saving instruments has received a stimulus from the falls in interest rates paid by banks on deposits. But the government needs to exercise restraint in the use of this source as the associated cost is the highest. The estimate for non-bank borrowing for FY 15 reflects this caution.

Budget FY 14 realization and FY 15 target			
FY 14 Budget Provision	Realization	Reasonable FY 15 target	
Major revenue sources			
NBR tax	1,36,090 (July 13- March 14)	1,43,750	
Non NBR tax	5,129 (July 13- March 14)	6,000	
Non-tax	26,240 (July 13- March 14)	28,000	
Sources of financing deficit (Net)			
External grant	21,068 and loans (a) Banking system	17,250	
Domestic borrowing from (b) Non-bank sources	25,993 7,971 Of which Net sale of saving instruments	5,193 (July 13- Jan 14) 6,061 (July 13- Jan 14) 6,351 (July 13- Jan 14) 4,983 (July 13- Jan 14)	28,600 11,300 8,000
FY 15 budget size (Revenue + deficit) = 2,34,400			
*All numbers are in crore taka			

Domestic borrowing from either bank or non-bank sources imposes serious fiscal burden. This point is illustrated by the fact that FY 14 budget provision for interest on domestic borrowing amounts to nearly 20% of non-development expenditure. In contrast, the provision for interest on foreign loans is less than 1.3%.

It is worth reminding the readers that in an article following the announcement of FY 14 budget (The Daily Star, June 15, 2013) I predicted that the government would not be able to realise the targets of NBR tax revenue and external financing. Those predictions have unhappily proved to be correct. One area where my assessment has proved to be wrong relates to net sale of saving instruments. The reason has been alluded to above.

Based on the blend of caution and ambition contained in the preceding analyses I propose that the size of FY 15 budget should be Tk. 2,34,400 crores. Item wise figures are presented in the following table.

In view of the limited space I will not delve into the question of expenditure priorities. However, I would suggest that the size of annual development programme may be fixed at Tk. 67,000 crore. Even this will entail a significant jump considering that during the nine months of the current fiscal year only Tk. 28,300 crore was spent. Another factor which would necessitate conservative allocation for ADP is that non-development expenditure will have to be boosted in view of the likely increase in the remunerations of government officials on the basis of the recommendations of the Pay and Services Commission.

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Bangladesh looks for 29 cents

RUBANA HUQ

A year on from the April 24, 2013, Rana Plaza factory collapse in Bangladesh, the world's attention largely seems to have shifted away from the problems in the garment industry that were exposed by the tragedy. There has been some tentative progress to improve conditions for workers. But serious challenges remain if the 1,132 deaths in that accident aren't to be in vain, let alone repeated.

The government in Dhaka and the foreign retailers who buy garments from Bangladesh have not been idle. Starting in December, the minimum wage has been increased to \$69 per month from \$39 without overtime. The Labor Law also was amended last year. New provisions include a requirement that factories with more than 5,000 workers have a clinic and a lower threshold (of 100 workers as compared to 200 before) above which factories need to offer compulsory group insurance. And workers are starting to organise to press for better safety standards and pay.

Meanwhile North American retailers' Alliance for Bangladesh Worker Safety, and European brands' Accord on Fire and Building Safety, a five-year programme committing to improve factory conditions and source from safe factories that comply with structural integrity along with fire and electrical safety. These initiatives are unique and are not applicable to any other country.

All of these moves are helpful. Yet the fundamental economic problems facing the industry remain unsolved. Consider some simplified calculations for a small factory of four "lines," or rows of 50 sewing machines:

The minimum wage hike works out to 20 US cents per garment for this hypothetical factory, and suppose a recent audit shows that the owner has to spend \$132,000 in building improvements within a year. An approved fire hydrant system will cost \$75,000, a reservoir for the fire hydrants will be \$15,000, a fire-system control panel will be \$25,000, and nine fire-proof doors will cost a total of \$17,000. Assuming this factory produces 1.4 million pieces annually, it will incur an additional cost of approximately 29 cents per piece in wages and safety standards.

Yet the prices the factory's foreign customer are paying haven't increased at the same pace. A boy's shirt may now be sourced at \$3.90 per piece, up from \$3.70 per piece a year ago. But of that increase, 11 cents have been spent purchasing the same fabric at a higher price this year. That leaves the factory with only 9 cents per piece, a shortfall of 20 cents compared to its pay and safety expense.

To bring the fixed cost of safety improvements down to an affordable per-piece level, the factory would need to produce 200% more shirts. That's utterly implausible

given Bangladesh's poor infrastructure and the finite demand for boy's shirts.

And manufacturers still need to compete on price to attract orders. Despite their efforts through the Alliance and the Accord, foreign retailers are not always willing to pay more for garments. With factories mostly idle from April to July, retailers know they can bargain hard and factories will accept orders at very competitive prices just to keep the factory spaces filled.

For bigger factories with better existing safety conditions, remediation is costly but possible. But those factories aren't the source of the problem anyway. Rather, the concern remains so-called Tier 3 factories, smaller operations running on shoe-string budgets that accept work subcontracted out by larger manufacturers.

Some have suggested simply shutting down these small factories. But hundreds of workers, many of whom are their families' primary breadwinners, would suddenly find themselves unemployed. The challenge therefore lies in making these factories immediately safe through minimum safety measures and then ultimately through relocation.

Although compliance cannot be changed overnight, manufacturers have made small and affordable rectifications in the workplace. With pressure to form trade unions, the voice of the workers has surfaced with an alternative platform of elected Workers' Participatory Committees. In four of my own factories, we introduced elections for workers' representatives. In one of my factories, workers complained of not having enough female supervisors, which eventually led the manager to promote six more women to supervisory positions the following month.

The process of remediation of unsafe factories must also not rest only with Accord, Alliance or the ILO. Every stronger factory should assume responsibility for boosting the industry's reputation by helping smaller factories comply with new standards. If 250 responsible manufacturers could each monitor and mentor 10 smaller factories on compliance issues, that would then alter the reality for 2,500 factories.

Razia Khatun, a worker at New Wave Style Limited, lost her right arm during the Rana Plaza collapse and when interviewed, looked at the camera lens and asked a few straight questions: "Why don't we see your offices collapsing? How can our workplace, an eight-story commercial building be reduced to two floors? Why are our lives not important?" These are questions that can never be answered by the manufacturing community alone. We often talk about the brands and the vendors being partners. Now is the time to prove it.

The writer is Managing Director of the Mohamadi Group, a garment manufacturer and exporter in Bangladesh.

LETTERS

TO THE EDITOR

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We are deeply ashamed!

Bangabandhu Sheikh Mujibur Rahman once ruefully commented, "Everyone gets gold mine, I have got a thieves mine." Little did he know at that time that the 'thieves mine' will be infested with dacoits, killers, rapists, kidnappers and all sorts of vices that could be mentioned.

The morality of our people has deteriorated so much that they did not even hesitate to steal gold from the crests which were presented to the friends of Liberation War. It is alleged that in each crest there was 75% less gold than specified and silver was substituted by other less costly metals. We have no place to hide our shame; how could our people stoop so low? We want to know what steps have been taken by the authorities concerned against the criminals who committed such a deplorable act.

Nur Jahan
Chittagong

Question paper leakage

My younger sister, who recently completed her JSC examination, isn't interested in her studies anymore. She says, "What is the necessity of studying hard, when exam papers are leaked very often?" I was totally unable to motivate her to study.

Now my younger brother is appearing in the HSC exams. The question papers of the exams are already available everywhere. We live in Nilphamari, far away from Dhaka. But the question papers are available here before any public examination is due. Not only that, questions of public university admission tests, medical college admission tests and BCS exams are also being leaked frequently, which is really a big threat to our education system.

How can I blame my sister? Seeing all this, I myself have lost the motivation to study for BCS exams!

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Why are watermelons so red and sweet?
Each and every watermelon now available in the markets of Bangladesh is so red inside and so sweet in taste that it raises suspicion. This was not the case a few years back. A few years ago it was