

Rio Olympics: Surrogate glory, proxy pleasure

Explosion at fertiliser factory

Take measures to avert future accidents

WE are somewhat relieved that the fertiliser factory blast at Chittagong did not cause much physical damage. However, we are surprised at the statement issued by the Bangladesh Chemical Industries Corporation (BCIC) Chairman where he termed the explosion and subsequent release of ammonia into the atmosphere at the fertiliser factory as "just an accident". We do not know what we should make of it. We would like to differ with him. It was not just an accident. Had it been that, hundreds of people in the locality would not have fallen sick. It is fortunate that there were no casualties. And it is too early to assess whether there was any damage to the environment, although evidence of dead fish from a pond 50 yards from the plant points to the likely adverse effects.

We are informed that a probe committee has been formed. While the committee investigates and ascertains the causes of the blast, we are more concerned with what safety measures BCIC intends to put in place to prevent future accidents. Whether it was faulty design of equipment or whether requisite safety measures were lacking need to be identified and rectified. Trivialising the matter with instant comments appears to be an attempt to shrug off from the shoulders any responsibility for the blast. What if "just an accident" had caused deaths. Accidents cannot be foretold but adequate preventive measures and constant alertness can forestall it. We hope that the administration would address the safety issue with due diligence.

Party tag used as license for illegal acts?

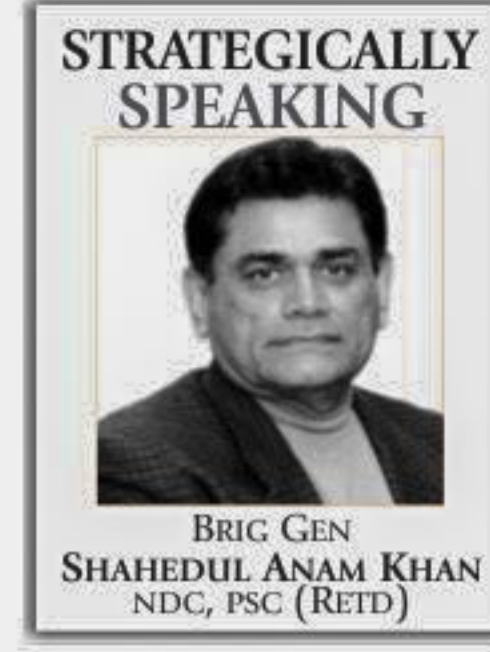
Ruling party should deal with errant members sternly

WE want to alert the prime minister to the very acts of gross imprudence committed in her party's name by party cadres over the last few days. When such acts are done using the ruling party tag, law enforcers and other authorities are naturally reluctant to intervene.

Law enforcers themselves are, in fact, quite frequently at the receiving end of their hooliganism. The attack on police by Bangladesh Chhatra League activists when stopped from riding a motorcycle with three on board, injuring six law enforcers recently is the latest example of that. Worse still, they resorted to exploding cocktails even, simply for being stopped from doing something illegal. This, of course, is nothing new. BCL men recently injured two policemen and the Chittagong University proctor on August 11 when stopped from stabbing a fellow student.

Such arrogance was again on display in Joypurhat where the Jubo Mahila League and the Awami League occupied government land to set up offices. A similar incident of illegal occupation happened in Sadullapur upazila also, where two ruling party front organisations blocked the quarters of the agriculture department supervisor. And there are, of course, numerous other such examples.

But what needs to be realised is that such behaviour does nothing but create public resentment against the ruling party. In its self interest, the ruling party must take action against such hooligans. Non-action in such cases is often taken as 'licence' resulting in more people joining in on such activities. We cannot over-stress the fact that it is high time for the ruling party to act.



BRIG GEN SHAHEDUL ANAM KHAN NDC, PSC (RETD)

THOUGHTS about the just concluded quadrennial sports extravaganza and the performance of the organisers and the sportsmen and women in Rio. I enjoyed immensely what I saw although that meant late to bed and early to rise to catch the fast moving events.

The Rio Olympics ended as it had started -- with a bang. Of course there were the usual carpers who tried to find faults with every little thing they could lay their eyes on and every place they could set their foot on. Many in the west did not give Brazil a fig of a chance to pull it off; till even last year many infrastructure projects were yet to be completed. The strike by the police just before the start of the games did not make it any easier for the organisers. But Brazil came out with flying colours at the end.

Despite what Brazil laid out it was sad but not surprising to see the short supply of praise from some western journalists. For the way the games were conducted -- 41 disciplines and more than 300 competitions -- whatever accolades came forth, one noticed, came very grudgingly. Rio didn't match Beijing or London, but it was not quite the "disaster" that some cassandras had predicted. Some participants chose to stay away from Rio because of Zika virus. The main absentees were the top ranking golfers, the 'brahmins' among the

TODAY'S piece is not remotely connected with the name of the column. But I couldn't pass up the chance of putting to paper some random

sportsmen and women, who found in Zika a handy excuse to stay away. After all, time is money and 10 days at an Olympic event was not worth the wasting, not even for a sport that was making its reappearance in the Olympics after a gap of over 100 years.

And of course Rio was not without pain and pleasure for individual sportswomen and men as well as

knows? Lasse Viren's double has been broken, albeit after 40 years, and at one time Mark Spitz's record of eight gold was thought unbeatable till a human albatross appeared in the form of Michael Phelps.

And how did we fare? It is daft to ask a question whose answer is so obvious. As usual our contingent has returned empty handed although one can take

craving for celebrations is strong. Just look at the rapturous ecstasy we throw ourselves into at any achievement at international level, either team or individual. And our desire and craving for both was demonstrated so starkly when we instantly related to Margarita Mamun's Gold in gymnastics. It was a typical case of reveling in vicarious delight. And it was indeed, as this paper had announced, gold for two countries. But while we are going gaga for Rita's success and claiming her win as ours, just think that her request to represent Bangladesh in international competitions about ten years ago was spurned by the Bangladesh Olympic Committee. And at the risk of sounding facetious, perhaps it was just as well. Given the degree of commitment of our sports bodies to development of games and sports in the country she might have been a talent wasted if she were taken under the wings of our gymnastic federation.

Regrettably, we have become a one-sport country with all the concentration and focus on cricket. Yes, we have done incredibly well in that sport and have produced some world class players who have done us proud. But that has been because of a few individuals' commitment to the sport, and who were adequately backed up by the state over the last two decades. Has that been the case with the other games and sports? One example might put the matter in perspective. A country like Iraq, for whom tomorrow has never been a certainty in the past 13 years, not only qualified for the Olympics football but did not also lose a single match in the final group matches in Rio, including with Brazil. Need one say more?

The writer is Associate Editor, The Daily Star.



Margarita Mamun

PHOTO: AFP

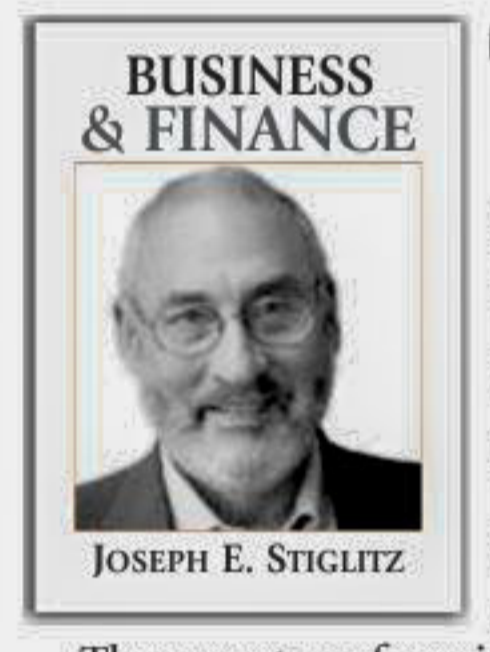
countries. Although it was spared the blanket ban, Russia was virtually out of the games, barred on grounds of ineligibility. It was of their own making, though at the end Russia did compete in many disciplines and eventually came out fourth in the medals table despite a complete track & field ban. We can consider ourselves lucky having seen the likes of Bolt and Mo Farah in the tracks and Phelps in the pool. There may not be the likes of them in future; but who

solace in the oft repeated adage that what matters is not winning but participating in the Olympics. But nevertheless we are in good company in South Asia. Except for India, no other country had anything to cheer about. And the world's second largest country in terms of population had only one silver and a bronze to show for its efforts.

Our urge for glory at international competitions is limitless and the

PROJECT SYNDICATE

Reform or divorce in Europe



JOSEPH E. STIGLITZ

TO say that the eurozone has not been performing well since the 2008 crisis is an understatement. Its member countries have done more poorly than the European Union countries outside the eurozone, and much more poorly than the United States, which was the epicentre of the crisis.

The worst-performing eurozone countries are mired in depression or deep recession; their condition - think of Greece - is worse in many ways than what economies suffered during the Great Depression of the 1930s. The best-performing eurozone members, such as Germany, look good, but only in comparison; and their growth model is partly based on beggar-thy-neighbour policies, whereby success comes at the expense of erstwhile "partners."

Four types of explanation have been advanced to explain this state of affairs. Germany likes to blame the victim, pointing to Greece's profligacy and the debt and deficits elsewhere. But this puts the cart before the horse: Spain and Ireland had surpluses and low debt-to-GDP ratios before the euro crisis. So the crisis caused the deficits and debts, not the other way around.

Deficit fetishism is, no doubt, part of Europe's problems. Finland, too, has been having trouble adjusting to the multiple shocks it has confronted, with GDP in 2015 some 5.5 percent below its 2008 peak.

Other "blame the victim" critics cite the welfare state and excessive labour-market protections as the cause of the eurozone's malaise. Yet some of Europe's best-performing countries, such as Sweden and Norway, have the strongest welfare states and labour-market protections.

Many of the countries now performing poorly were doing very well - above the European average - before the euro was introduced. Their decline did not result from some sudden change in their labour laws, or from an epidemic of laziness in the crisis countries. What changed was the currency arrangement.

The second type of explanation amounts to a wish that Europe had better leaders, men and women who understood economics better and implemented better policies. Flawed policies - not just austerity, but also misguided so-called structural reforms, which widened inequality and thus further weakened overall demand and potential growth - have undoubtedly made matters worse.

But the eurozone was a political arrangement, in which it was inevitable that Germany's voice would be

loud. Anyone who has dealt with German policymakers over the past third of a century should have known in advance the likely result. Most important, given the available tools, not even the most brilliant economic czar could not have made the eurozone prosper.

The third set of reasons for the eurozone's poor performance is a broader right-wing critique of the EU, centred on eurocrats' penchant for stifling, innovation-inhibiting regulations. This critique, too, misses the mark. The eurocrats, like labour laws or the welfare state, didn't suddenly change in 1999, with the creation of the fixed exchange-rate system, or in 2008, with the beginning of the crisis. More fundamentally, what matters is the standard of living, the quality of life. Anyone who denies how much better off we in the West are with our stiflingly clean air and water should

In response to asymmetric shocks and divergences in productivity, there would have to be adjustments in the real (inflation-adjusted) exchange rate, meaning that prices in the eurozone periphery would have to fall relative to Germany and northern Europe.

visit Beijing. That leaves the fourth explanation: the euro is more to blame than the policies and structures of individual countries. The euro was flawed at birth. Even the best policymakers the world has ever seen could not have made it work. The eurozone's structure imposed the kind of rigidity associated with the gold standard. The single currency took away its members' most important mechanism for adjustment - the exchange rate - and the eurozone circumscribed monetary and fiscal policy.

In response to asymmetric shocks and divergences in productivity, there would have to be adjustments in the real (inflation-adjusted) exchange rate, meaning that prices in the eurozone periphery would have to fall relative to Germany and northern Europe. But, with Germany adamant about inflation - its prices have been stagnant - the adjustment could be accomplished

only through wrenching deflation elsewhere. Typically this meant painful unemployment and weakening unions; the eurozone's poorest countries, and especially the workers within them, bore the brunt of the adjustment burden. So the plan to spur convergence among eurozone countries failed miserably, with disparities between and within countries growing.

This system cannot and will not work in the long run: democratic politics ensures its failure. Only by changing the eurozone's rules and institutions can the euro be made to work. This will require seven changes:

- > abandoning the convergence criteria, which require deficits to be less than 3 percent of GDP; replacing austerity with a growth strategy, supported by a solidarity fund for stabilisation;
- > dismantling a crisis-prone system whereby countries must borrow in a currency not under their control, and relying instead on Eurobonds or some similar mechanism;
- > better burden-sharing during adjustment, with countries running current-account surpluses committing to raise wages and increase fiscal spending, thereby ensuring that their prices increase faster than those in the countries with current-account deficits;
- > changing the mandate of the European Central Bank, which focuses only on inflation, unlike the US Federal Reserve, which takes into account employment, growth, and stability as well;
- > establishing common deposit insurance, which would prevent money from fleeing poorly performing countries, and other elements of a "banking union";
- > and encouraging, rather than forbidding, industrial policies designed to ensure that the eurozone's laggards can catch up with its leaders.

From an economic perspective, these changes are small; but today's eurozone leadership may lack the political will to carry them out. That doesn't change the basic fact that the current halfway house is untenable. A system intended to promote prosperity and further integration has been having just the opposite effect. An amicable divorce would be better than the current stalemate.

Of course, every divorce is costly; but muddling through would be even more costly. As we've already seen this summer in the United Kingdom, if European leaders can't or won't make the hard decisions, European voters will make the decisions for them - and the leaders may not be happy with the results.

The writer, a Nobel laureate in economics, is University Professor at Columbia University and Chief Economist at the Roosevelt Institute. His most recent book is *The Euro: How a Common Currency Threatens the Future of Europe*.
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 (Exclusive to The Daily Star)

COMMENTS

"Fire at mega mall again" (August 22, 2016)

Toufiqur Rahman

It's sad to see that the fire safety system of both our country and a mega mall like that is not enough to extinguish such a fire within a satisfactory time. Such fire incidents can occur anywhere, any time, so the authority should develop an efficient system to deal with it.

Samin Khan

It was a small fire but our firefighters are not well-equipped and well-trained; that's why they couldn't control it easily.

LETTERS TO THE EDITOR

letters@thedailystar.net

Death of Bangabhadur

The elephant Bangabhadur could have been saved if workers of the forest department, who tried to rescue it, were properly trained to deal with such a situation. Therefore, this should come as a wakeup call to the relevant authorities to upgrade their skills.
 A citizen
 Dhaka



PHOTO: STAR

CCC mayor's comment on bribe demands further investigation

Recently, the Chittagong City Corporation (CCC) mayor AJM Nasir Uddin's comment on some ministry officials demanding bribe raised quite a stir. The mayor claimed that the CCC did not get adequate allocation as he refused to pay 5 percent in commission. Mayor Nasir further

alleged that as he refused to give the commission, he had got only Tk 80 crore allocation, which would have been Tk 300-350 crore if he had agreed. He also alleged that a joint secretary demanded a Pajero jeep in exchange for cooperation.
 We know that we live in a country

where everyday hundreds of issues rise and the old ones get suppressed by the new ones. But in this case, we want a fair investigation, as the mayor himself has claimed that he had all the evidences in favour of his allegation.
 Jahan Ara Begum
 On e-mail