

# The Daily Star

FOUNDER EDITOR  
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## Another round of attack of wheat blast?

Take steps to avert last year's loss

IT has been a year since wheat blast decimated wheat production in the country, and there are indications that the disease may recur this year too. Last year, farmers sustained loss to the tune of Tk 1,800 crore, up to 40 percent of total wheat yield, in eight south and southeastern districts of the country. The 'blast' strike affects the crop so quickly, within a week from the time it strikes, that it leaves farmers helpless to take any action. Since February 2016, authorities have discouraged farmers from growing wheat in the affected districts and many have shifted to growing other crops.

Now the question is, precisely what measures are authorities taking in case the situation is repeated this year? Merely discouraging farmers to not grow wheat in large-scale is simply not an answer. What sort of financial security do our farmers have against a major outbreak of a fungus like wheat blast? Tk 1,800 crore financial loss last year put most of those farmers in a bind as there was no way for them to recoup from such a shock.

Although experts have pointed out that the fungus may not be as widespread as last year, because it requires rain, and weather conditions may be favourable around February, we should not leave it to the elements to decide the fate of thousands of farmers. Needless to say, we need improved wheat breeds that are better able to withstand such outbreaks. At the same time we need to think about farmers' insurance that would help them withstand such shocks because, at the end of the day, wheat is a major staple in our diets.

## End of Obama era

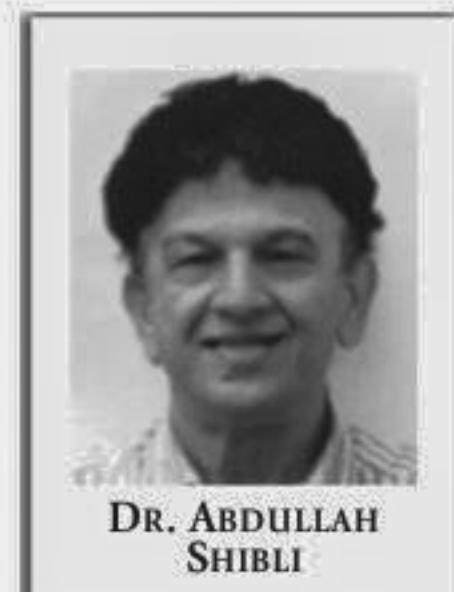
Will we see a walled America?

AFTER eight years, covering two terms, the tenure of the first African American President of the United States of America came to an end on January 20. It is for the Americans to evaluate President Obama's performance. We offer our views, distant as we are from the USA, but nonetheless influenced by the consequences of some of his policies.

Obama's tenure, as was his campaign, was one of hope. His contributions for the benefit of the minorities in America, his forward thinking policies, including Obamacare, his great oratory skills and his conduct will be, and for good reason, remembered. Despite a hostile Congress, he strived to rise above partisanship, and till his last days fought to achieve what he believed in, from closing Guantanamo to ending Israel's occupation of Palestine through a two-state solution.

But, as Guantanamo showed, his administration was marked with its lows as well. The unprecedented number of drone strikes in the Middle East, Afghanistan and Pakistan under his command tops the list. His commitments towards withdrawing troops from Iraq remained unfulfilled as did his stated intentions of bringing stability in the region. The lacklustre efforts of America in the refugee crisis should also be a reflection on the extent of his actions.

What he did do was show that dirty mudslinging need not be the way of politics. Obama, till his last day, remained aloof from parochial and exclusionary rhetoric. He was a cerebral President with a global outlook and a desire to make public administration inclusive and people-centred. His contributions, whether in terms of social security or climate action, now face uncertainty. History will be the best judge of the man. But, it is, without exaggeration, the end of an era that promised hope.



DR. ABDULLAH SHIBLI

Another way of looking at this phenomenon is a confirmation of an age-old dictum that an increase in per capita income does not always necessarily spread across the spectrum. In some policy circles, there has always been a hidden mantra: "A rising tide lifts all boats". However, there is indisputable evidence to debunk this theory, but most importantly, we see in one country after another that this creed is not acceptable even as national policy.

In an article for *The Daily Star* at the beginning of Obama's ascendancy to power, I wrote an op-ed piece entitled "A rising tide lifts all boats: A myth" (February 18, 2010) and in a display of rhetorical flourish, called out, "Mr. President, a rising tide does not lift all boats. Some boats suffer damages, some lose their occupants, and others become too costly to run. And while the big boats and newer boats can sail away, the ones that stay behind need a little help to join the rest to sail out." I am, after all these years, glad (because we proved to be correct) and somewhat saddened that Obama is now leaving behind a legacy of greater wealth inequality. There is no doubt that one reason the Democrats lost the 2016 presidential elections in the US, and Britain voted to quit EU is precisely because the average person is still shouting "Don't leave us behind".

I don't remember where I read it for the first time, but there is a pithy and funny quote falsely attributed to Mark Twain, "Everyone talks about the weather, but nobody does anything about it." These days one could say the same about a new catchy word, "inclusion". Everyone talks about inclusiveness but nobody does anything about it. Economists, politicians, sociologists, and even the priests are incorporating the term "inclusion" in their lectures or sermons. Political leaders in most modern democracies never hesitate to declare their commitment to inclusion while running for elections or

when they lecture before the parliament or the UN. But, as we know, only actions speak louder than words. The lip service to inclusion has remained only that because while pushing GDP growth is easy and usually demonstrable, achievements in the area of income inequality, reduction in the number of poor, or jobs for those on the bottom rungs of the ladder are tricky and rare.

Bangladesh, like all other developing countries, faces the challenge of inclusion on many fronts. While the country's economy is strong, and employment opportunities are increasing, the nation cannot fail to address the needs of those left behind. According to recent Asian Development Bank (ADB) data, 31 percent of the population remains below the poverty line. This is in sharp contrast

due to recruitment fees and charges by intermediaries make opportunities highly skewed in favor of people in higher-income groups. Continued government oversight of the overseas recruitment process is needed.

Turning to market economies in advanced countries, the role of policy instruments to promote inclusiveness is getting renewed attention. At the 2017 Annual Conference of the American Economic Association held in Chicago on January 6-8, Prof. John Horton of New York University offered some evidence that many well-intentioned legislations, such as raising minimum wages in big cities, may adversely affect some workers, and even have some undesirable consequences by pushing them off the job market. The policy

Admittedly, fast income growth is a necessary condition to reduce poverty. In a frequently cited cross-country study, Aart Kraay of IMF shows that growth in average incomes explains 70 percent of the variation in poverty reduction (as measured by the headcount ratio) in the short run, and as much as 97 percent in the long run. We also note that most of the remainder of the variation in poverty reduction is accounted for by changes in the distribution. The Organization for Economic Co-operation and Development (OECD) suggests that growth, at any level, often fails to tackle three overarching elements: poverty, unemployment and inequality. Therefore, there is a need to address the quality and inclusiveness of economic growth. These questions have recently acquired added relevance because of the slowdown of growth in rich countries and the simultaneous rise in inequality.

Fortunately, this call for inclusiveness is not only coming from progressive circles, but also from international agencies. IMF proclaimed that policymakers need to focus on the poor and the middle class. Research done by economists at IMF "has shown that income inequality matters for growth and its sustainability. Our analysis suggests that the income distribution itself matters for growth as well. Specifically, if the income share of the top 20 percent (the rich) increases, then GDP growth actually declines over the medium term, suggesting that the benefits do not trickle down. In contrast, an increase in the income share of the bottom 20 percent (the poor) is associated with higher GDP growth. The poor and the middle class matter the most for growth via a number of interrelated economic, social, and political channels." That indeed is a bold statement!

And finally, UN agencies have also geared up to push inclusiveness in their Sustainable Development Goals. Likewise, the World Bank has embraced the goal of boosting of shared prosperity and growth of the bottom 40 percent as a companion objective to reducing global poverty to 3 percent by 2030, finally conceding the harsh truth that "the type of growth that inequality stimulates is the type that further advances inequality."

The writer is an economist who writes on public policy issues.

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to 21.9 percent for India and 6.7 percent for Sri Lanka. And these statistics should not be surprising. In Bangladesh, growth in recent years has been driven by the rapid expansion of the ready-made garments sector and remittances from abroad, both of which are at one level widening the gap between the have and the have-nots.

According to a study by ADB entitled "Overseas Employment of Bangladeshi Workers: Trends, Prospects, and Challenges", the recent trend to seek employment overseas, "... has become a major driver of the economy, comparable to the importance of the dominant garment industry... But the economic impact of working overseas is not being spread evenly. High costs of migration

implication is that legal efforts to raise minimum wages must be accompanied by a programme to offer training to unskilled workers or to those who might have recently become unemployed.

One lesson we have learned from the experience of the US and UK is the continuous need to manage economic policy in a fashion to balance growth objectives with the goal of inclusion. Often, depending on the political party in power, policymakers do not hesitate to create a false dichotomy between growth and inequality. Pronouncements such as "Growth will create inequality" or "We must promote growth before addressing inequality" or "The benefits of growth will trickle down" are in abundant supply.

# The ascent of President Trump

ABDUL HANNAN

WHAT once seemed like a stunt and a fantasy is now real. Donald Trump was sworn in on Friday as the 45th President of the United States of America with his favourite mantra 'America first' and 'Make America Great Again', a veiled warning of exclusion of outsiders in America and protection of American trade and manufacture.

He was sworn in with the lowest approval rating of 40 percent compared to 82 percent of Barack Obama. Trump won the presidential election by a majority of Electoral College votes and was short of 3 million popular votes raising the question of legitimacy of his election. Over sixty US congressmen abstained from attending his inauguration as a mark of anguish, disapproval and protest.

Donald Trump has been derided as a racist, xenophobic hate-monger preaching the ban of Muslims' entry into America and the closure of mosques, denouncing the rights of religious minorities, deportation of illegal immigrants and insulting Mexicans, Latinos and African Americans. He has been despised as a sexist misogynist who boasted of groping women and who humiliated them. He has been called a megalomaniac fascist demagogue given



US President Donald Trump takes the oath of office with his wife Melania and son Barron at his side, during his inauguration at the US Capitol in Washington, DC, January 20, 2017.

PHOTO: REUTERS/KEVIN LAMARQUE

*Within hours of taking office, President Trump signed an executive order to start rolling back Obamacare, the landmark affordable health care insurance programme which provides health insurance coverage to more than 22 million underprivileged people and 3 million children.*

to calling dissenting reporters "dishonest disgusting scum".

What future does his presidency hold for the Americans and the world?

His usual combative and impulsive attitude and utterances about domestic

and foreign policy issues are a matter of deep concern. Within hours of taking office, President Trump signed an executive order to start rolling back Obamacare, the landmark affordable health care insurance programme which provides health insurance coverage to more than 22 million underprivileged people and 3 million children. He was angry with the US intelligence community for their briefing of US congressmen about Russia's interference in the election as well as an unsubstantiated intelligence Russian dossier containing compromising material on Trump. Trump compared the US intelligence with Nazi propaganda and dismissed the report as phony.

Trump said he will revisit women's rights concerning abortion. He said he will walk away from the Paris Agreement and will dismantle the nuclear deal with Iran. He said he will review relations with NATO which he considers obsolete. He dismissed the EU as a puppet of Germany. His comparison of German Chancellor Angela Merkel with Putin was repulsive and certainly raised eyebrows of disapproval in Germany and Europe. He infuriated China by dismissing the 'One China' policy. His decision to shift the US Embassy from Tel Aviv to East Jerusalem makes a mockery of the two-state solution. These are disturbing signs that do not bode well for the future.

The choice of his cabinet of billion-

aires, bankers and generals does not offer much hope and comfort either. Certainly they will not serve the avowed interests of poor working class Americans who largely voted Trump to power. The character and composition of the cabinet confirm the suspicion that they will only implement and strengthen the populist, far-right, illiberal, reactionary and intolerant views of President Trump without healing the fractured American society. There is no doubt that America and the world have been thrown into a vortex of shocks and shudders.

The new Secretary of State, Rex Tillerson, is the CEO of Exxon Mobil and the biggest oil mogul on the planet. The new Energy Secretary Rick Perry is an oil man and a climate change sceptic. Scott Pruitt is the new head of the Environmental Protection Agency (EPA), a body he has spent much of his career fighting as Oklahoma Attorney General. All three of them are pro-carbon and anti-climate change. The new Treasury Secretary Steven Mnuchin is a former Goldman Sachs investment banker whose stated policy is to cut corporate tax by half. He will join former Goldman Sachs banker Steve Bannon who is Trump's chief strategist. Gary D. Cohn, Goldman Sachs President and COO, will be the chief economic adviser. Tom Price, who will lead the

Department of Health and Human Services, is a critic of Obamacare. The controversial Betsy DeVos, daughter-in-law of billionaire Amway cofounder Richard DeVos, will be the Education Secretary. There is apprehension that Senator Jeff Sessions as the Attorney General will roll back voting rights for African Americans. In all probability President Trump's pick for the new Supreme Court justice will ensure a conservative majority.

Generals will occupy key roles in his cabinet. James Mattis, known as 'Mad Dog Mattis' for his tough ruthless persona as military commander and who fought in Iraq and Afghanistan, is the Secretary of Defence. The temperamental Islamophobe Michael Flynn is the national security adviser. John Kelly will be in charge of the Department of Homeland Security and Mike Pompeo will be the new CIA director. Trump's cabinet thus raises the dark spectre of escalating drumbeats of war in the Middle East and conflict with potential adversaries.

Is this the beginning of parochialism, deception, exclusion and hatred of atavistic tribalism? Is this the end of decency, grace, human dignity, fairness, inclusion and compassion in American politics?

The writer is a former diplomat.

## LETTERS TO THE EDITOR

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### Session jams are detrimental to our development

Session jams in many of Bangladesh's public universities cause students to enter higher education at least two to three years late. Does it not have a negative impact on our development?

It causes uncertainty in the students' lives, many of whom come from middle class families. Quite a lot of them are made to delay their plans of pursuing further studies abroad. They are also unable to sit for two or more civil service exams, thereby losing out on job opportunities they had been hoping to avail. Inconveniences such as these are curbing the youth's development in comparison to our international neighbours.

We must bring about a solution to this bug in the education system of our country.

Robin Paul, On email

### Let the stock market be

We were dismayed to read yesterday's stock market article published in *The Daily Star*. We have to realise that the situation today is quite different from that of 1996 or 2011. With 25 percent more shares in the market compared to 2011, a DSEX index of above 7000 would have been more rational and pragmatic. The above index would have reflected the strength of the market and the confidence of the 'now mature' investors. The index was abysmally low last year, contrary to expectations, but it is bound to go up as the country develops. Periodic ups and downs are normal. We must refrain from harming the stock market and allow the natural flow of events.

Dr. SN Mamoon, Dhaka