

ed to rape. Press reports highlighted the nightmare of Shameem, an 8-old domestic servant who reports that her baji (uncle) hit her with *chimita* (a type of tongs) or knife. She had some burn spots on her

Another incident reported that of 13-year-old girls, who worked as a cleaning and cleaning girl in a house. Her employers brutally punished her on her failure to remove stains from the shirt which had washed.

The women working in brick kilns are in many cases bonded labourers. Their masters use force and their young daughters are used for any purpose they like, including sex.

The general attitude of

society towards women workers is far from ideal. Male members try to dominate female co-workers. The tricks used by the males in exploiting female workers are many and one or a combination of these are used to lure or force the women workers to accede to their wishes. They include:

- Suggestive compliments about appearance and dress.
- Making physical contacts either making it look unintentional or by deliberate suggestive touching.
- Making sexual jokes or comments.
- Bold or hidden sexual advances.
- Displaying sexually explicit materials.
- Forcing personal staff to sit after office time.

• Obnoxious calls through inter-office lines.

• Highly visible patronising attitude.

• Non-cooperative attitude to force submission.

• Bullying women through intimidation or humiliation.

• Using authority to harness female colleagues.

• Forcefully making offers for dinners/parties.

• Demanding sexual favours.

• Various threats on refusal to accede to demands.

Very few members of fair sex stand-up to these challenges. The girls in big cities like Karachi, Lahore and Islamabad enjoy relatively better working environment than that enjoyed by women workers in rural areas and small cities.

## Family outsiders

Port/import and are not free of the cumbersome procedures of opening a letter of credit or how to get a pre-shipment inspection done.

The women aspiring to do business are not properly educated. During a seminar on women entrepreneurs organised by Lahore Chamber of Commerce, a woman complained that the banks do not provide her credit facilities although she was reporting regularly to Iran. In fact she was sending goods to Iran informally and could not qualify for credit. Ironically her husband was involved in the manufacture of auto-parts and she was a regular exporter of these parts through existing channels.

It came to light during this seminar that most of the women entrepreneurs were operating informally, exporting

goods to Iran, Iraq, Middle East countries or even Europe and USA. They were operating through their relatives stationed in those countries. They stopped doing business if that contact moves out of the country or they strained relations with him. They were the losers in such cases as they could not claim their money in case of dispute with the contact in the absence of proper documentation.

Women entrepreneurs are generally denied access to credits. They are mostly provided micro-credit. More than 58 per cent of the credit provided by the First Women's Bank, the only banking institution catering to the need of women entrepreneurs, is in the form of micro-credit. FWBL has provided credit to a little over 22,000 women that is

more than one-third of the total credit available to the women in Pakistan. In Bangladesh the Grameen Bank alone has provided micro-credit to over 10 million women.

Credit to women in most of the developing countries is also a sort of threat to their security. A UN report reveals that women the world over are very particular in servicing their debt. In conservative societies like Pakistan the credit provided to them often falls into the hands of males in the family. There have been reports of domestic violence and there have even been cases where the women had to resort to prostitution in their bid to repay their loans after the actual amount had been snatched away by their husbands or brothers.

— Mansoor Ahmed

meeting on the media was held in April and a consultation meeting on the judicial system was held in May. In addition, the authors also held consultations with a wider community that included non-government organisations, holding meetings in Paris, in London and in Amsterdam. The team also conducted a series of Video Conferences with audiences in Bangladesh, Brazil, Egypt, Japan, Mexico, Morocco, South Africa and Thailand.

In the first part of the report, the authors discuss how to build effective institutions? How do institutions support markets? How do institutions support growth and poverty reduction? Part II of the report concentrates on firms. It addresses institutional issues that affect productivity and risk management in agriculture; the right to land, credit in rural areas and the institutions that support innovation and dissemination of ideas in agriculture. It also concentrates upon the problems of governance for firms, looking at institutions, internal and external to the firms that enhance investment in firms and ensure good management. It draws on new research on the role of politics in financial development, institutions to secure access for new borrowers, and the effects of foreign bank entry and privatisation.

Part-III of the report concentrates on the government. It examines how political institutions support good governance, focusing on policymaking processes, the incentive for corruption, and institutions of taxation. It next explores issues of judicial efficiency and the experience with reforms aimed at improving efficiency and examine the causes and consequences of cross-country differences in judicial producers from a survey of over 100 countries.

Part-IV concentrates on the society. It discusses how norms and codes of conduct in societies

credit to the geographically scattered small farmers. So interest rates on formal loans to small farmers, if loans are available at all, tend to be prohibitively high. Similarly, cost of judicial services and marketing of produce are also high because of distance between farms and major towns. Second, farming in many countries has historically suffered from urban bias in public policy. Third, agriculture is heavily dependent on the vagaries of climate.

Corporate governance institutions are defined in the report as organisations and rules that affect expectations about the exercise of control of resources in firms. Well-functioning governance institutions allow entrepreneurs to invest resources and create value that is shared among the investors in a firm, the managers and employees as well as with the entrepreneur. These institutions therefore determine the expected returns to committing resources in firms. Where governance institutions are weak, the emergence and growth of firms are discouraged.

The role of institutions as media is also discussed. According to the report, the press has become an impetus for commerce. Newspapers give accounts of commercial voyages, the risks and opportunities of new trading routes. The vernacular media, particularly radio, carries information and encourages commerce in geographically isolated markets. Access to public information is essential for the media to investigate issues effectively and transmit news to the public.

The report concludes that the media as an institution can play an important role in development by effecting the incentive of market participants — business, individuals or politicians and by influencing the demand for institutional change. Information flow through the media can affect the people's ideas, monitor their actions and thereby create constituencies for change and

# Pakistan Steel

er wrote, "As predicted in the columns some months ago, Pakistan Steel is well on its way for making a profit in the financial year 2000-2001. In the last four months its average sale have been in excess of the monthly net of Rs.1,300 million for break-even. By... October, 20 actual sales topped the mark of Rs. 5,493 million, which is some Rs. 700 million more than the highest ever (4,799 million) sale recorded during this period. It also Rs. 293 million over and above the amount required for the break-even. Figures for the months of September show sales of Rs. 1.5 million till the 11th instant, and if this trend of production and sale is maintained, the Pakistan Steel will cross the break-even mark of Rs. 15,600 million by the end of the fiscal year, a profit of well over Rs. 1 billion after absorbing the costs of the blast furnace repairs for the long overdue vital repairs".

Pakistan Steel did emerge as a profitable organisation by making a profit of 580 million in the financial year 2000-2001. However, due to the difficult situation, it evolved because of the market condition and was

later much aggravated by the September 11 incident, it is finding hard to move ahead at the same pace as in the last financial year. However, under the pressures emerging at the international level in the steel market which compelled the USA and other countries to save their steel industry by imposing high import tariff, Pakistan Steel would have come to a grinding halt had the restructuring and other reforms not been carried out.

The circumstances under which Pakistan Steel has been working can be well judged by comparing the same with the steel industry in the neighboring India. The Indian Steel Industry (annual capacity 22 million tons) not only enjoys the benefits of economy of scales but also of cheaper labour. It has been enjoying a tariff protection of up to 63 per cent. In spite of all these arrangements the Steel Authority of India suffered a loss of Rs. 7286.6 million in the last financial year ending March 2001 and the losses suffered for nine months of the current financial year i.e. up to December 2001, amounted to Rs. 12898.2 million. (<http://sail.co.in/financial/uaresults.htm>). When viewed

against this backdrop, Pakistan Steel with a meager annual capacity of 1.1 million tonnes, coming into profit with duty protection having been brought down from 70 per cent (in 1993-94) to 35 per cent and then further brought down up to 10 per cent, has performed reasonably well.

So far the quality of products is concerned Pakistan Steel is using the highest quality of Iron Ores available in the world, obtained at competitive prices through tenders in the international market. The laboratories and other technical departments of Pakistan Steel are ISO-9002 certified, and, as such, the quality of its products is maintained at par with international standards. Like everywhere in the world, in Pakistan Steel too, the deviations from given specifications are allowed in some cases, only and only within acceptable limits and, as such, the quality of the finished products is not affected in any way. The issue pertaining to the events of March 8 is, however, under consideration of a high-level committee appointed by the Ministry of Industries & Production and therefore need not be commented upon.

Part-IV concentrates on the society. It discusses how norms and codes of conduct in societies influence market and public institutions and in turn are influenced by market development. It also explores the role of media in expressing and disseminating the concerns and values of the society.

Bibliographic notes, background papers and references are also given at the end. Development data is given in a reduced set of tables, boxes and figures. The World Development Indicators 2001 cover a full range of development data produced by the World Bank. The four main tables retain the layout of earlier editions of the Selected World Development Indicators, presenting comparative socioeconomic data for more than 130 economies. For the first time, this edition of the Selected World Development Indicators use terminology in line with the 1993 System of National Accounts (SNA). Because data quality and inter-country comparisons are often problematic, readers are advised to consult the Technical Notes.

For making institutions more effective, the report has recommended, firstly that institutions should be designed to complement what exists — in terms of other supporting institutions, human capabilities, and available technologies. Secondly, innovate to design institutions that work — and drop the initiatives that do not and thirdly, connect communities

through the media can affect the people's ideas, monitor their actions and thereby create constituencies for change and institutional reform. To achieve these outcomes, the media needs to be independent, to reach people and to be of high quality — it must have the capacity to reflect diverse views and the ability to report on various subjects and be accountable.

The report has dealt with a complex task of building effective institutions. It provides us a framework for institutional development. It builds on the work of several disciplines, combining theory and evidence. It extends empirical evidence on the details of institutional design across a wide range of countries, and within countries over time, to understand the process of institutional change. It also provides guidance on how to build new institutions, modify existing ones and create forces for change.

The report, however, does not address all possible institutional problems. It does not cover in detail the institutions that the previous World Development Report has already covered. The report, one in a series looking at critical development issues, is a natural continuation of the World Development Report 2002/2001, which discusses the role of markets in the lives of poor people. It leaves some important issues for World Development Report 2003, which will focus on issues related to the environment as well as on social cohesion and stability.