

Export sector needs identification of areas

By Khaled Salahuddin Ahmed

Windows of opportunities in the export sector need to be identified to move fast to avail those.

Bangladesh Export Promotion Bureau has already identified as many as seven sectors where there are opportunities of boosting exports.

The responsibility now lies with Ministry of Industries to organise private initiatives to develop those sectors. With mainland China rapidly developing its base of export oriented manufacturing including high-tech electronics, these windows of opportunities may not remain there unless Bangladesh moves fast. With the development of European Economic Community (EEC) cooperation, potential events

in East Europe and free trade negotiations in North America region, difficulties in international trade may increase manifold.

What Bangladesh needs is jump start economy as often urged by American economist Dr. Jeffrey Sachs in his struggle in the development endeavour of different countries.

While the democratic government makes the assess-

ment of priorities, resource allocations are to be made for new, productive and profitable sectors and competent people are to be identified for efficient utilisation of allocated resources.

It will need an open ended revolutionary view of the political party in power, politicians and bureaucracy to create trust between technocrats (business) and the government for

rapid development of new sectors specially for export market.

This process must involve direct communication with the people at the various stage of development of a project (new industry) with resource allocated from public sector to private entity, through national broadcasting network and press.

Friendship to all and malice to none may be a very good starting point and in that case we must not create unnecessary travel restrictions for visitors including business people. Freedom of movement is one of the many pre-requisite to foster free economy and market economy and also to attract foreign investments.

While few most developed countries (even India) provides three to five years multiple entry visa to foreign diplomats and businessmen, Bangladesh policy allows diplomats to have one year multiple entry visa and there is almost no stipulation multiple entry visa for businessmen. These provisions of entry and exit visas must be reviewed to promote friendship without any malice.

A better alternative of creating jobs for innocent jobless citizens must be created citizens to make quality products and export to those countries.

In the present international arena there is an extraordinary improvement of east-west relationship where every country is reassessing priorities of their national interest and reorganising the political system according to new reality.

Demand for establishing a democratic society is directly related to the progress and prosperity of the people. It is the responsibility and moral obligation of all politicians to have consensus on national issues and prepare development strategies and courageously pursue it for the benefit of the people.

The short twenty years history of Bangladesh has shown that whenever there was a change of government, irrespective of manner in which changes transpired, people's hope and aspiration for better future augmented as reflected through jubilant processions in the streets. New regimes in power also made false promises to bring prosperity, and did not care to take any direct action for rapid growth, resulting high inflation and multiplying miseries of the people.

If present government can form a research wing to look at the news papers of 80's, they may not be surprised to discover that they are repeating similar promises and almost in same rhetoric.

When politicians in power urge people to resist bribery, corruption and injustice they forget that they were voted to power to eliminate those, and to ask people to do it is virtually asking them to revolt against the government.

Time is running out for all of us. First six months are gone to manage a natural catastrophe and to resolve in respect of form of government. Second six months may keep the nation busy in solving problems of VAT, indemnity issue and United Nations exercise. Any earnest desire for rapid industrialisation will remain bogged under artificial constraints and

if few hundred thousands new jobs are not created, these people again appear in the streets of Bangladesh, with legitimate vengeance.

Bangladesh needs a firm commitment from the political party in power, all politicians, bureaucracy, technocrats and the people, to meet challenges ahead. The economy of this desperately poor country is in a bad shape. The commitment to meet challenges ahead must be backed by the people with rigid sense of right and wrong and with continuously innovative mind, willing to make decision at the highest level of integrity.

South Korea in the past three decades, demonstrated a phenomenal economic growth, raising their GNP of 150 US Dollar to 5,569 US Dollar, and with its 43 million people achieving yearly export of 65 billion US Dollar. Bangladesh with its 115 million people, current GNP 179 US Dollar and yearly export of 1.5 billion US Dollar can only go up because there is no more room to go down lower.

There is no disagreement in the country about the fact that salvation of Bangladesh depends on rapid industrialisation with emphasis on development of export oriented industries. Although the recent industrial policy showed a pragmatic view to create opportunity for rapid industrialisation, government must determine strategy and find people for implementing the policy.

It is also true that rapid industrialisation can not happen in isolation and it has to be a part of overall advancement of the nation.

Industrialisation process is directly dependent on education, knowledge, innovative mind and experience. With current anarchy in the educational arena it will be impossible to sustain long term industrial growth. We have seen the pattern of growth of high tech industries of Silicon Valley in the USA around Caltech, Berkeley and Stanford universities and Massachusetts Technology area around M.I.T. and Harvard.

Democratic process must create opportunity for efficiency to prosper. It takes lot of resource, knowledge and courage to establish good, de-

pendable and efficient institutions in business, industry, engineering and construction. Such organisations can become assets for a democratic government in implementing its development policy and to reach desired benefits to the people.

The change in the form of government with those who made it happen is one of the rare opportunity for Bangladesh to establish rule of law and a tangible relationship between crime and punishment and also between efforts and rewards. Contemporary history has clearly shown us that prosperity, development and advancement of a legitimate, honest and just society depends on gun in good hand and democracy is a proven process to provide a nation with that hand.

For sustainable development with a high growth performance like that of Korea, Thailand and Malaysia, imaginative and creative appraisal of the current Fourth Five Year Plan by the newly elected democratic government is called for the appraisal should lead to a radical changes in the priorities in allocation of resources. If necessary, why should we not delay the construction of Jamuna bridge by a few years and divert a part of the resources (except those provided by foreign donors specifically for this project) to create ten lac new jobs and develop export oriented industries to advance our export by another 8 billion US Dollar by 2000? Until the bridge is made an efficient ferry system can be developed at the same location. Once explained, people would undoubtedly prefer to have ten lac new jobs and tolerate the temporary inconvenience of ferry.

The contributor, Khaled Salahuddin, is Managing Director, Silicon Village (Pvt) Ltd. In this article, the writer makes his own assessment of the prospects for export-oriented industrialisation process in Bangladesh, keeping in view the domestic socio-political and economic realities as well as the changing international scenario. The views expressed here are the contributor's own and not necessarily those of The Daily Star.

- Economic Editor

Leather industries face shortage of hides

By Inam Ahmed

The leather sector is suffering from shortage of raw materials specially of hides, industry sources said.

There is about 25 per cent shortage of hides supply. The production capacity of 65 leather units is about 180 million square feet of finished and crushed leather. But the quantity of locally available supply of hide is about 150 million square feet, the industry operators started.

Due to the shortage, Bangladesh has to import hide from China and USA, sources said.

"Export of hides from abroad puts the cost of our finished product higher," a leading industry owner said. "We need to have a policy to increase our cattle heads for both milk self sufficiency and leather supply."

Out of 65 units producing crushed and finished leather, eight produce finished leather. Recently, about 25 units have gone into Balancing, modernisation, Replacement and Expansion (BMRE).

The sources said the leather units are facing problems regarding power supply, water supply and gas supply. They said the high power tariff puts the cost of their leather higher making it less competitive in the global

market. The units do not have regular water supply. For this reason, most units have set up deep tubewells of their own.

The same sources said many countries including India has given subsidy on gas consumption to the industries. They suggested that similar concessions could be given to the operating units in Bangladesh.

Meanwhile the wastage from the leather units is a major cause for environmental pollution. An anti-pollution plant for the total Hazaribagh Industrial belt would cost about ten million US Dollar.

Leather Industry Association had urged the government to set up a plant in the area but without any effect.

In the export operations in 1990-91, the leather sector showed a 22 per cent fall in earning difficulties to reach the target due to ban on wet blue leather, according to some operators.

The other reasons, as identified by the EIPB were that the failure of units under BMRE programmes to go into full production, frequent power disruptions, lack of funds to provide equity support for BMRE projects and absence of "promising entrepreneurs".

Sharp rise in share trading

Star Economic Report

Trading at Dhaka Stock Exchange (DSE) witnessed a sharp rise on Monday.

In all 10,287 shares and debentures changed hands compared with Sunday's 2,212. Traded issues valued Taka 9,38,941.75 against the previous day's Taka 2,88,280.00.

Advancers were more in number. But decliners involved more transactions in value terms. As a result DSE All Share Price Index, which is the broad indicator of price movements of all the listed stocks, lost to 296,9581 points from Sunday's 299,5346.

Transactions involved twenty-nine stocks. Of them seven lost, thirteen gained and nine remained unchanged at their previous quoted prices.

Islami Bank and BTC declined Taka 10.00 and Taka 3.00 to Taka 1,190.00 and Taka 42.00 respectively. BGIC Insurance, Bengal Food, Beximco Pharma, Sonali Paper and Monno Ceramic lost within the range between Taka 0.02 and Taka 1.00.

Beximco Pharma, the lone traded debenture, advanced Taka 2.13 to Taka 1575.32.

City Bank moved up Taka 5.00 to Taka 280.00.

Green Delta Insurance and Kohinoor Chemical gained Taka 2.00 and Taka 1.76 to Taka 113.00 and Taka 73.76. National Bank, 6th ICB Mutual Fund, United Insurance, Metalex Corp, Oxygen, Ashraf Textile, Talu Spinning, Chittagong Cement and Milton Tannery advanced within the range between Taka 0.17 and Taka 1.31.

Dhaka Stock Exchange

Market Profile

August - 26

134 Listed Stocks

13 Gains, 7 losers, 114 Unchanged
114 Unchanged stocks include nine traded on the day at its previous quoted prices.
DSE All Share Price Index = 296.9581
Issued Capital = Taka 5,439,680,590
Market Capitalisation = 8,485,653,707
Turnover = Taka 9,38,941.75 (Value) 10,287 (Volume).

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on August 26, 1991.

Company	EV/ML*	Closing Rate	Company	EV/ML*	Closing Rate
BANKS (Ten)			PHARMACEUTICALS & CHEMICALS (Fifteen)		
AL Baraka Bank	1000/1	800.00	Ambee Pharma	10/50	15.00
AB Bank	100/5	180.00	Bangla Process	100/5	52.00
City Bank	100/5	280.00	Beximco Pharma	100/5	178.31
IFLC	100/5	185.00	Glaxo	10/50	125.00
Islami Bank	1000/1	1190.00	ICI	10/50	10.00
National Bank	100/5	108.65	Kohinoor Chemical	100/5	73.76
Pubali Bank	100/5	105.00	Petro Synthetic	10/50	15.50
Rupah Bank	100/10	80.00	Pfizer	100/5	110.00
U.C.B.L	100/5	129.00	Pharma Aids	100/5	165.00
Uttara Bank	100/5	190.00	Pharmaco	100/5	50.00
INVESTMENT (Eight)			Progressive Plastic	110/5	-40.00
1st ICB M.Fund	100/5	90.00	Reckitt & Colman	10/50	240.00
2nd ICB M.Fund	100/5	300.00	Rahman Chemicals	100/10	40,000.00
3rd ICB M.Fund	100/5	165.00	Therapeutics	100/5	40.00
4th ICB M.Fund	100/5	148.00	The Ibisina	100/10	90.00
5th ICB M.Fund	100/10	138.00	PAPER & PRINTING (Six)		
6th ICB M.Fund	100/10	96.23XD	Eagle Box	10/50	14.60
7th ICB M.Fund	100/10	63.00XD	Monospool	100/5	105.00
ICB Unit Cert.			Paper Converting	100/5	113.00
Sales Price		115.00	Paper Processing	100/10	106.00
Re-purchase		110.00	Padma Printers	10/50	50.00
INSURANCE (Four)			Sonali Paper	10/50	54.00
BGIC	100/10	109.00	SERVICE (Two)		
Green Delta	100/10	113.00	Bangladesh Hotel	10/50	12.00
Peoples	100/10	120.00AL	Bd. Service	10/50	NT
United	100/10	122.75	TEXTILES (Eighteen)		
ENGINEERING (Nineteen)			Alhaj Textile	10/50	NT
Afah Automobiles	100/5	202.00	Arhee Textile	100/10	NT
Asis Bangladesh	10/50	40.00	Ashraf Textile	10/50	27.57
Asis Pipes	100/5	240.00	Chand Textile	10/50	NT
Bangladesh Autocars	100/5	102.00	Chand Spring	10/50	NT
Bangladesh Lamps	100/5	295.00	Desh Garments	100/10	67.00
B.Thal Aluminium	100/10	92.00XD	Dulamin Cotton	100/10	86.00AL
Boraj Carbide	100/5	250.00	Eagle Star	10/50	34.00
Boraj Steel	100/50	18.00	G.M.G Ind. Corp.	10/50	13.00
Eastern Cable	100/5	80.00	Modern Dying	100/5	37.50
Howlander PVC	100/10	101.00	Quamem Silk	10/50	8.00
Karim Pipe	100/5	125.00	Rahim Textile	10/50	50.00
Metalex Corp.	100/5	106.00	Satham Textile	100/10	77.00
Monno Staffers	100/5	200.00	S.T.M. (ORD)	100/5	17.00
Monno Jutea	100/5	350.00	Sylcraft	100/5	100.00
National Tubes	100/10	108.00	Swan Textile	100/5	60.00
Panther Steel	10/50	6.00	Talu Spinning	100/10	118.00
Quamem Drycell	10/50	8.10	MISCELLANEOUS (Fourteen)		
Reznick Jainnagar	100/5	66.00	Apex Tannery	100/5	155.00
Singer Bangladesh	100/5	100.00	Aramit	10/50	NT
FOOD & ALLIED (Twenty one)			Bata Shoe	10/100	37.50
AB Biscuit	100/5	190.00	Beximco	10/100	9.25
Alpha Tobacco	10/50	48.00	B.S.C.	100/5	45.00
Aman Sea Food	100/5	36.00	Chittagong Cement	100/5	171.31
Apex Food	100/5	340.00	C. G. Ball Pen	10/50	50.00
Aroma Tea	100/5	60.00	Hilmadri Ltd.	10/100	NT
Barga	100/5	305.00	Milon Tannery	100/5	31.00
Bengal Food	100/5	147.12	Monno Ceramic	100/5	143.00
B.L.T.C.	100/5	600.00	Phonix Leather	100/5	90.00
B.T.C.	10/50	42.00	Savar Refractories	100/5	122.00
Chg. Vegetable	100/10	100.00	The Engineers	100/5	100.00
Dhaka Vegetable	100/5	138.00	Uromax Glass	100/5	141.00
E.L. Camelia	100/5	700.00	DEBENTURES (Four)		
Frogleg Export	100/50	4.50	Bengal Food	900/1	900.00
Gemini Sea Food	100/15	100.00	(18.5% 1992)		
Modern Industries	100/5	160.00	Beximco Pharma	1571/1	1575.32
N.T.C.	100/5	270.00	(17% 1997)		
Rabeya Flour	10/100	NT	Quamem Silk	2000/1	1675.10
Rupam Oil	10/100	6.25AL	(17% 1994)		
Tulip Dairy	100/10	94.50AL	DEBENTURES (Four)		
Yousuf Flour	10/50	NT	Apex Tannery	1000/1	1008.77
Zeal Bangla Sugar	10/50	8.20	(17% 1992)		
FUEL & POWER (Three)			Bengal Food	900/1	900.00
Padma Oil Co.	10/50	40.00	(18.5% 1992)		
Eastern Lubricant	10/50	14.00	Beximco Pharma	1571/1	1575.32
Oxygen	10/50	52.00	(17% 1997)		
JUTE (Twelve)			Quamem Silk	2000/1	1675.10
Ahad Jute	100/10	NT	(17% 1994)		
Amowara Jute	10/50	NT	DEBENTURES (Four)		
Delta Jute	10/50	6.50	Bengal Food	900/1	900.00

** FV = Face Value ML= Market Lot NT= Not Traded, AL=Allotment Letter



Chairman, Bangladesh Sugar & Food Industries Corporation, S M Nuruzzaman receiving the Sher-e-Bangla Memorial Award-90 from Speaker Abdur Rahman Biswas. Nuruzzaman was given the award by Bangladesh Youth Front for his notable contribution in the field of technology.

Scheduled Banks Affairs

(Statement of position of scheduled banks at the close of business on August 7, 1991)

Following is the statement of position of scheduled banks as at the close of business on August 7, 1991, says a press release:

1. DEMAND LIABILITIES IN BANGLADESH TAKA IN UNIT	
i) Deposits (General)	3753,87,29,000
ii) Deposits from banks	108,33,01,000
iii) Borrowings from banks	176,31,33,000
iv) Borrowing from non-banking financial institutions	N.A.*
V) Other demand liabilities	1006,16,94,000
2. TIME LIABILITIES IN BANGLADESH	
i) Deposits (General)	16856,38,45,000
ii) Deposits from banks	161,32,32,49,000
iii) Borrowings from banks	N.A.*
iv) Other time liabilities	1049,66,11,000
3. BORROWINGS FROM BANGLADESH BANK	
i) Against issuance bills	N.A.*
ii) Against Promissory Notes	85,00,00,000
iii) Against approved securities	N.A.*
iv) Other borrowings	4008,42,52,000
4. CASH IN BANGLADESH	
i) Bangladesh Notes	321,29,33,000
ii) Bangladesh Taka coins	7,63,15,000
iii) Bangladesh subsidiary coins	49,000
5. BALANCES WITH THE BANGLADESH BANK	
i) Principal office	1847,08,54,000
ii) Other offices and branches	70,08,61,000
6. BALANCES WITH OTHER BANKS IN CURRENT ACCOUNT IN BANGLADESH	115,06,13,000
7. MONEY AT CALLS & SHORT NOTICE IN BANGLADESH	264,16,13,000
8. INVESTMENTS (AT BOOK VALUE)	2991,29,24,000
9. CREDIT PROVIDED IN BANGLADESH	
i) Advances except those to other banks	21164,67,09,000
ii) Advances to other banks **	N.A.*
iii) Inland bills purchased and discounted in Bangladesh	87,12,07,000
iv) Foreign bills purchased and discounted in Bangladesh	399,18,38,000

Note: Figure shown in column No. 9(i) above includes foreign currency loans of Taka 176,75,34,000. *N.A.=Not Available
BCCI (Overseas) Ltd. operators in Bangladesh are suspended from July 6, 1991.

BSFIC Chairman honoured

Star Economic Report
The Chairman of Bangladesh Sugar and Food Industries Corporation (BSFIC), S M Nuruzzaman was awarded the Sher-e-Bangla Memorial Medal-90 by Bangladesh Youth Forum for making notable contribution in the field of technology on Sunday.

Receiving the medal, the Chairman said that the introduction of Sher-e-Bangla Medal would contribute greatly towards promotion of technology in the country.

Exchange Rates

SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, (BCh) and Overseas Drafts (OD)	SELLING
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