

Dhaka, Monday, January 20, 1992

A Warning for Israel

The off-and-on Middle East peace talks are entering another difficult stage, with the Israeli Prime Minister Yitzhak Shamir launching a drive for an early general election. Although Mr Shamir might insist that the election or its outcome — as always, he is confident of his victory — would not affect the current peace negotiation, few outsiders would bet on the Israeli leader's optimism. Hopes for an early accord between Israel and the Arab states being dashed all the time, we are yet to see any light at the end of the tunnel.

The indication from Mr Shamir to go for an early general election has been forced on him by the threat of two of his right-wing coalition partners, Tehiya and Moledat, to leave the government in a bid to halt the current talks between Israel and the Palestinians.

Meanwhile, there are indications that Israel's opposition Labour Party will launch a move to oust the Shamir Government through a no-confidence motion. With the extreme right-wing parties deserting the coalition and abstaining from voting, the present cabinet may well fall, but without giving the Labour the necessary majority to form the next government. Again, even if the opposition just manages to set up a make-shift coalition administration, it is doubtful if it can carry the country in a moderate bid to reach an agreement with the Arab states and Palestinians through sensible compromises on issues facing all concerned.

In the long run, it may be a little easier for the present hard-line Shamir government than a moderate Labour administration to sell some kind of an agreement to the Israeli people.

Assuming the proposed no-confidence motion of the Labour Party fails to oust the present government, the possibility is that Mr Shamir will probably call for the general election in June. Next five months will, therefore, be very crucial for the Middle East peace process.

During this period, Mr Shamir must carefully review his government's stance on all the complex questions which divide Israel from other participants in the peace talks. His opposition to the establishment of a Palestinian state in the occupied territories, his refusal to halt the settlement of Russian Jews in Arab lands and his negative position on the question of the fate of Jerusalem — these are all stumbling blocks which must be removed if there has to be any progress towards an agreement. It is only the United States which can persuade Israel to move back from its rigid line and thus offer an accommodation to the Arabs and Palestinians. Here, the most immediate issue concerns the settlement of Russian Jews in the occupied territories, which, financially and otherwise, is a massive undertaking for Tel Aviv. It is said that this is where President George Bush is planning to take a strong line. It is reported that he proposes to let Tel Aviv make a choice: Either more Jewish settlements in the Arab territories or the US-backed multi-billion-dollar loan guarantees. Let us hope that Washington is serious about giving Tel Aviv the choice that, we think, has been long overdue.

Helping Out the Weaver

Man must not only eat but wear as well in order just to survive. And it is not enough that man merely survive, for to be man he must be something more besides. Apparel, as a necessary ingredient of civilisation, have been one of the main sources of that extra something which one may call refinement — refinement of the mind and of man's ways about his own society. Like the Phoenician path-breakers of civilisation who braved the seas to sell their main merchandise of a red-coloured cloth popular around the shores of the Mediterranean, the equally ancient people of the Bengal delta had been weaving and selling around fabrics of a far superior quality not only to far lands but also to other continents at about the same time, more than a thousand years before Christ, that is, Bengal was at it till the coming of British colonialism only two centuries back.

Colonialism of both the British and the Pakistani hues is decidedly gone but there is yet no sign of the self-same Bengal delta, now constituting the state of Bangladesh, recovering from the fall to rise again to its pre-eminence as the maker of mankind's finest fabrics. The reason is not far to seek — the individual weaver doesn't have the financial clout to influence the macro-economic forces into being congenial to him. He can't invest, he can't promote, he can't market. Poor fellow, he can only weave dreams into real fabrics of wondrous look and touch — and be bullied about by non-weaving middle people of all kinds: the money-lender, the yarn-merchant, the dye-seller, the forward-buying big shop-wallahs from the towns. And even the cannibalistic leading men among the weavers themselves. All of these people are all the time killing the goose that lays the golden egg.

The textile mills that weave were a menace enough to the glorious weaver community of Bengal. To that formidable threat has joined the dangers from smuggled and imported fabrics and the used-clothes bales. Weavers here, as such, for the last so many years are leaving their traditional calling and going over to farming or anything available, begging included. Situation for them often turns into such that anything becomes better than this accursed weaving.

That a sizeable section of our population — eriviably skilled manpower at that — is being starved out of existence is bad enough. Once its effects on the national economy are appreciated, no one will be able not to shudder at the prospect. It is imperative, in the interest of the nation as a whole, that the handlooms are worked again to their full capacity and the weaver prosper and those leaving the loom go back to it. How to pull off that magic?

The Handloom Board has just come up with a very promising device. They have suggested the setting up of a handloom bank. We are all for giving this a sincere and serious try. This has an unmistakable look of being able to help the weaver. Congrats to the Board.

A news item appeared in a leading vernacular daily recently giving an analysis of production cost of jute goods. This follows as:

Manufacturing of one ton Hessian cloth costs at Adamjee Jute Mills Ltd Tk 69,382.00 and at Latif Bawany Jute Mills Ltd, Tk 30,835.00. This is sold abroad at Tk 25,000.00 only, to which government pays subsidy at the rate of 25 per cent.

Manufacturing of one ton sacking cloth costs: i) Adamjee Jute Mills Ltd Tk 44,178.00 ii) PJJM Mills Ltd Tk 20,432.00. This is sold at Tk 16,000.00 per ton.

Manufacturing of one ton carpet backing costs: i) Adamjee Jute Mills Ltd Tk 60,786.00 ii) Latif Bawany Jute Mills Ltd Tk 34,889.00 iii) Karnaphuli Jute Mills Ltd Tk 32,373.00

In practice, the dollar value of jute added to the bonus/subsidy comes to Tk 69.00 and not Tk 42.00. Such inflationary onslaught is ransacking the national economy.

Turning to the demand for wage hike the report apportioned the cost of wages and salary from total cost of production as: i) Adamjee Jute Mills Ltd. wages — 49% of production cost and employees' salary — 11% ii) Karim Jute Mills Ltd. wages — 28% of production cost and employees' salary — 8%.

Deterrent Factors

The revelation above was reportedly made in the course of a discussion on the prospect of raising the wages of the one lakh workers employed in the jute sector alone. It did, however, highlight the overall anarchic situation obtaining in this particular industrial sector vis-a-vis other sectors of industry. And if we allow ourselves an objective analysis of such an intriguing situation, we shall be able to identify the causes behind. They are:

Carrying forward the accumulated loss emerging from total mismanagement and large-scale corrupt practices for long. Acute dearth of trained

and capable managers; Unpractical production planning and faulty implementation policy; Indifference of management to regular maintenance and repair of machinery and equipment. Hazy idea and ineptitude amongst workforce on quality control of goods produced; Procrastination in procurement of raw materials, underhand collusion between the suppliers and officers/employees with vested interest at the cost of approved quality and prices; Ever-increasing size of inventory and consequent unproductive investment; Lapses in marketing and sales management of goods produce and unholy gambles by vested interests; Inconsistent manpower planning and over employment; Environmental imbalance, innate weaknesses of management, labour-unrest, local — non-local antagonism, unfair tradeunionism, and labour practices and on top of everything, conflicts due to differences in political ideals; Excesses emanating from the eerie protection of the undue interest of so-called non-employed labour leaders from outside. Inconsequential expenditures and their inevitable impact on the cost of production; Unreasonable demands of the work force notwithstanding the already accumulated financial burden; 'Go slow' policy in normal working time and forced overtime work and bills; Unpaid bank loan and compound interests thereon; Frequent power failure; Natural calamities, political unrest; High rate of labour reduction in harvesting seasons.

Many more causes (not reasons for obvious reasons) may be there accounting for the present debacle. If the production is consumer items, the ordinary buyers are the eventual casualty. On the other hand, the cost of production being higher, those locally produced goods cannot compete with similar imported items selling at lesser prices. Thus there is invariably stockpiling. For example the cotton yarn and textile fabrics produced by local mills, particularly in the public sector get stockpiled because of higher prices compared to those imported goods. As a result they are smarting under dead-weight of heavy bank loan with ever compounding interests.

Sickly Disinvestment

Now let us turn to the oft-quoted 'sick industries' and their proposed rehabilitation to be undertaken by the government. Even though the new Industrial Policy-1991 has outlined the identification programme for sick industries, the result is yet to be known, not to speak of the programme for or the ultimate aim of their rehabilitation. This fluid position poses a big question when considered with other intriguing aspects of disinvestment announced by the government in the same breath.

The 37 member Industrial Development Council was reportedly set up by the present government 'with the objective of speedy industrial growth.' Against such an express objective the observation dished out by the FBCCI President Al-haj Md Akram Hossain on the creation of as many as seven investment board 'we have now seven ghosts in place of one' and the instant support given by BNP MP Wing Commander Hamsidullah 'we are setting up only nets to stop advancement', suggest that the issue at hand is apt to be more confusing.

Prospects of Recovery

It is true that disinvestment, prima facie, assures government of 20% down payment but the rest 80% contracted for repayment over a period of next 15-20 years seldom come off. The new

by Kazi Alauddin Ahmed

'lords' have by then eaten up everything around giving pleas like — continual labour unrest (often their own creation); loss of production due to power failure; unstable sales due to imports etc.

Neo-Industrialist

Wherefore shall he pay? He wonders but prefers silence. Reminders start coming in succession in the form of telex telegraphic messages of threats. This spell continues for sometimes and thereafter is followed by legal notices. He is still undaunted. But makes up his mind to do something. In the course, he gets the signal from one who matters. Agents run the errands between the two. A clandestine deal soon settles the issue temporarily. He gets the breather.

But the commotion he has already sparked off in the mills has brewed in intensity. Sporadic clashes ensue on demands for reinstatement. Violence mounts and the mill is eventually locked out or laid off. This has been the most common feature observed in most of the disinvested industrial units. Responsibility is invariably affixed on the poor workers for raising protest against their 'bread takers'. Curiously enough, the neo-industrialist takes advantage of the situation and puts this as a pretext for his inability to repay government dues on time. And such a queer excuse finds easy favour with the bureaucratic machinery. The effect is superficially magnified, the causes recede out of vision.

In such a situation, one thing becomes crystal clear that it is mismanagement, rather than management, that sets everything upside down. It is not that such a situation prevails only in cases of disinvested mills, rather, it applies to those entrepreneurs who run into an almost identical

quagmire with their investments in industrial undertakings.

Preventive Measures

Much of the wounds could perhaps be healed if the following steps could be taken:

i) an analytical study of the past industrial experience of the entrepreneurs willing to invest in industries; ii) determine compatibility of the knowledge and experience of the sponsor (s) and/or the technocrats with the type of the proposed industry in which investment shall be made; iii) obtain indepth review and analytical examination of the feasibility study for the project by an expert not related to the project or the sponsors in any manner in order to make an independent scrutiny as to the accuracy of the statistical data and other information in the study; iv) devise an effective mechanism to ascertain the adequacy of the sponsors' cash resources individually and jointly; v) objectively measure and to make and independent assessment of the personal liabilities of the sponsors and also to clearly outline the inevitable impact of such personal liabilities is likely to have on the implementation of the project in time; vi) objective determination of the volume of imports of the items to be produced in the proposed industry and link with the local demand. The total output of the already existing similar industries may also be considered as a determinant factor; vii) draw up an action-based joint-management plan, for the period of implementation, which shall comprise sponsors and representatives from the fund-giving financial institutions who should be at site full time.

Anarchic Freedom

It is been distressing to observe that no importance is

given to the last item not to speak of existence of such a binding clause in the implementation programme. In its place, a representative of the lending banking institution on the board of directors is retained only to function as a co-signatory to the cheques for disbursement of the loan instalments. The sponsors on the other hand enjoy the absolute controlling power from the beginning of the process of implementation to the end. Thus the element of check and balance remains a far cry giving the sponsors authority and freedom to go his own way of doing things.

Such freedom often eclipses the legal binding of sponsors to repay the loan. There have been many instances when money drawn from the lending Bank on particular item of work as per determined schedule are not utilised on that score, rather done on some other account not at all related to the project itself.

There is yet another side of the story. There have been instances where plans on project implementation are not reality-based or not drawn on the basis of practicability. Such a plan spread over a longer period and seldom takes into cognizance the escalation of prices of construction materials due to time factor. Such a situation invariably necessitates reappropriation in the budget. That will eventually, lock the sponsors in another round of battle with the finding bank.

The above is the picture in the field of investment. Unless this is taken care of, the list of defaulters shall continue to be extended. Let also the man at the helm affairs find the almost invincible gap between what has been and what should have been. The answer to the problem is just in front of them to behold with open eyes and clear minds. Only then they will be able to diagnose precisely the so called 'sickness' of the industrial units and prescribe the right cure.

Problems Plague Industries

'Never Going Railway' Finally on the Track towards Modernisation

Jan Sharma writes from Kathmandu

of Kathmandu. Indian officials say the project has a 'fairly good chance' of pushing through.

Indian experts in 1990 found it feasible to have a railway link between Raxaul and Hetauda, a bustling Nepali township on the Himalayan foothills. Their report recommended the Raxaul-Hetauda link as the first phase to be followed by a Hetauda-Kathmandu connection.

A high level Indian delegation visited last September to lay groundworks for feasibility studies. The delegation included MK Parthasarthy, advisor to the Indian railway board, and officials of the Indian Railway Construction Company which has projects in Bangladesh, Malaysia and Indonesia.

Landlocked Nepal, which often has to fight for free passage to the sea port at Calcutta

as a matter of right, sees such an electricity-run railway link particularly useful for uninterrupted transit right.

Prime Minister Gijra Prasad Koirala says he wants to make use of Nepal's abundant hydroelectric potential for

have also fund the project 'exorbitant' in terms of capital investment and cost returns. The Raxaul-Hetauda link is estimated to cost US\$10 million.

'Railways may be a costly capital investment,' says one official, 'but think also of the

Nepal's railways would be more attractive in museums because they exist nowhere else in the world

railways to cut down transportation costs.

Critics, however, have warned that such rail links with India, apart from security consideration, will further precipitate the migration of Indian labour to Nepal and eventually strengthen Indian dominance of trade and commerce.

A team of Indian experts

enormous amount of investment we are making in building roads and maintaining and repairing them with World Bank loans.

Nepal's railways manage to increase their income by an average of 15 per cent a year. But half that income is spent on buying coal. This leaves little for employees' wages and maintenance work.

The rising prices of coal and its recurrent shortages and irregular supplies from India have prompted suggestions to replace steam engines with diesel or electric locomotives.

'With most equipment nearing the end of their lives, the government would have to decide whether the railway line is to be run on modern lines or dismantled and replaced by roads,' according to a study made by the Asian Development Bank.

The study recommends the building of roads if Kathmandu was serious enough to develop its transportation system. The ADB and the World Bank are pumping several million dollars for the repair of roads linking Indian border towns to Kathmandu.

The Economic and Social Commission for Asia and the Pacific (ESCAP), the UN

Development Programme (UNDP) and the UN Centre for Trade and Development (UNCTAD) have strongly recommended an intermodal container service for Nepal by using broad gauge railway flat cars.

India's North Eastern Railway has completed a survey of the proposed Sunauli-Bhairahawa (east Nepal) broad gauge rail link. Nepali officials say the shortest and most economical link would be the 550-km Calcutta-Biratnagar (on Nepal's side) line or the 566-km Calcutta-Kakarhitta line.

The latter route is recommended by UNDP experts. When a Japanese-aided road linking Kathmandu to Sindhuli is finished, it would reduce the link to Kakarhitta by 173 km because it would open direct route to the east of Kathmandu Valley.

UN experts have also recommended that container traffic was needed at the border points in Biratnagar in the east, Birjura in central Nepal and Bhairahawa — the three main routes linking Nepal to foreign trade.

— Depthnews Asia

Lee Kuan Yew on the Comeback Trail?

Recent pronouncements by former Prime Minister Lee Kuan Yew have raised speculations that the Grand Old Man of Singapore politics is ready to take charge again. Surya Gangadharan of IPS reports from Singapore.

Lee has used this crisis in the ruling party, of which he is the secretary-general, as a platform to launch his prescriptions for the future of PAP.

Lee believes the PAP by emphasising Chinese culture and language can woo back the ruling party the 'Chinese grassroots' — the Chinese-educated Chinese majority which form the lower-income sectors of Singapore society.

Chinese-educated Singaporeans were left out during the 1970's in Singapore's vigorous drive to industrialise — promoted by Lee himself — in which English-language qualifications became the door to a better life.

Graduates from Chinese-language schools had great difficulty finding jobs. The government was forced to phase out Chinese-language schools because of the demand for English.

'Those who are Chinese-educated... feel deep down in their hearts that they have been sidelined, that they would have done better if they had learnt English first,' said Lee.

There is considerable public dissatisfaction with the rising cost of health care (up by nearly 10 per cent), education (6.8 per cent) and public transport (19 per cent), according to analysts.

'Government's job is to improve their educational capabilities... train them for specific, high-income jobs,' Lee said.

He has called for a survey of the age and educational problems of shopkeepers and suggested that Chinese-language clan associations be given more government funds to reinvigorate them.

But speculations that Lee's sudden interest in strengthening the PAP is an attempt to stage a comeback is 'needlessly cynical,' according to an analyst.

Lee initiated the process of building up a second tier of leadership in the PAP about seven years ago. Goh may not

have been his first choice, but he took Goh's political initiation in hand.

What worries Lee more now, according to the analyst, is how, despite the wide network of PAP community organisations, the wrong signals went to the leadership. As a party cadre said, 'who told them the ground was sweet? Not us.'

He claimed the complaints about the rising cost of living were never taken up by the party leadership, which means the party has taken a backseat to the government and the powerful bureaucracy.

Lee as party boss, is likely to initiate a thorough restructuring, according to the party cadre. Grassroots party activists may be given more leeway than they have before.

At a time of so much generational change within its ranks, the PAP will be looking to Lee for guidance. Singapore's Grand Old Man is going to be around, not in the driver's seat perhaps, but somewhere close to it.

To the Editor...

Retirement age

Sir, The news item published under 'Administrative snags: 22 Secretaries retire next year' in your esteemed daily on January 7, has drawn my attention. In the news, the main tune, as I understand, is to highlight the indispensable existence of bureaucrats for the country, and to advocate the extension of their retirement age up to 60.

Yet the bitter reality is that, although under their administrative leadership this poor country has been run for so many years after independence, we do not find any significant change taking place in its development scenario. Rather the country has been losing her potential to thrust

forward. It may be added here that many of these people could not even hope to come at their present position, if the country had not have gained independence. But they did not show any sign of gratefulness to the country for their gain. They remain more a 'foreigner' than a 'Bengalee'. So the country needs to get rid of them.

They could argue in the line that for this poor situation other factors are responsible. Yet these people also compromised with evils and collaborated with evildoers. As they were and are at the executive leadership, who else are responsible and accountable? Their argument to increase the limit of retirement age as

it has been done in other countries does not get ground. Since these people have been rendering their service to the nation from their very early twenties.

Now young people cannot get entry to government service even at their thirties. Yes, retirement age limit should be increased for the new entrants, who get entry after relaxation of entry age limit. The bureaucrats should go!

Nasir Ahmed Chowdhury
Pakpara, Mirpur,
Dhaka.

'Environment'

Sir, Thanks to Prof M. Zahidul Haque for his welcome letter under the above caption

(Star, Jan 9). It has been on a very vital issue. Those who ponder over the problem will find a great relief on the news that a 'Bangladesh Society for Conservation of Environment'

of which Mr. Haque happens to be a member will start positive work soon. We eagerly look forward to know further through news columns. Prof Haque's thoughts and ideas as is known to the reading public is very much encouraging. I am very much optimistic that with his unending and fruitful cooperation BSCE will be able to chalk out certain standing decisions which are very much needed in the matter. The pros and cons of giving the problem 'preventive' as well as 'curative' measures would be in

the best interest of our people and society who have of late been subjected to the hazards of this menace.

M. Ibne Glas
Mirpur, Mirpur,
Dhaka.

Morgue for Women

Sir, How ironic that the members of parliament are concerned about the welfare of women after death! To 'uphold the dignity of women' is given as one of the reasons for establishing separate morgues for women all over Bangladesh. Have these members ever thought that female dignity in our country is

constantly being abused in real life? So why talk about death? Instead of wasting time and money on creating separate morgues, I am sure women would prefer to seek solutions to the harassment/violence meted out to them! Instead of having separate morgues, a woman would rather not be beaten or murdered by her husband and not be raped by a gang of hoodlums, nor harassed on the streets with verbal abuse. These are the problems that need to be addressed. Are they not much more important? Women want dignity first in life and then in death.

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