Dhaka, Friday, May 1, 1992

A Crisis Central Bank Could Avert

The suspension of all activities of the Bangladesh Commerce and Investment (BCI) Ltd., the issuance of warrants of arrest against 20 directors of the company, including the Managing Director Mustalizur Rahman, now in hiding with several other directors, and the setting up of a system to audit the accounts of the 24 branches of BCI are all long overdue moves taken by the Bangladesh Bank (BB). The delay in taking these moves which were prompted by pressure from the Parliamentary Standing Committee on Finance, have greatly damaged the reputation of the central bank or whatever is left of it, to an immeasurable extent, caused new doubts about credibility of the banking system in the country and sent in fresh shock waves among depositors and clients of a large number of our financial institutions. The question now in every one's mind is, which bank or financial institution will go down next?

The most dismal, almost tragic, part of the whole debacle is that the disaster was wholly and we repeat wholly - avoidable. The two major non-banking deposit-taking investment companies and a couple of lesser ones had been extremely active in their operation during the previous authoritarian regime. A section of trading circles had enough reasons to believe that some of these institutions were involved in activities which were totally against all financial norms as well as against rules set by the central bank for deposit-taking investment companies. We refuse to believe that the BB was not aware of the situation. In fact, it is now revealed that it had served a few reprimands, perhaps not serious warnings, on two of these institutions to desist from their "illegal" activities. Perhaps these signals were too gentle to have any effect on these institutions. especially on BCI.

It is just possible that political pressure from the top had prevented the central bank authorities to act firmly enough against these institutions, especially the BCI. However, it has been now more than a year since the democratically elected government replaced the Ershad regime. Why, then, during this period, the BB failed to press its panic buttons, instead of letting the BCI directors go on looting the deposits of the institution, in crores, and then go into hiding when warrants for their arrests were issued? How could the authorities in the central bank — and indeed the Ministry of Finance — let this happen, thus creating a new crisis for the financial world, a crisis that is certain to slow down the return of confidence in the private sector?

At this stage, it is not the question of giving more power and autonomy to the BB. The most urgent question facing the institution is one of using the authority it already enjoys, as a watchdog over all financial institutions in the country, with firmness and efficiency, putting into action its mechanism, if there is one, that deals with a crisis situation with a sense of urgency?

In a matter of days, the BB is expected to submit its full report on the BCI. We would like the report to cover the activities of other deposittaking investment companies. What is more important, at some point the central bank must tell the country what it proposes to do to overhaul its own structure so that next time the country faces another banking crisis - we hope, it does not this all-important institution wakes up to its own responsibilities, instead of being paralysed into inaction.

Ensuring Dignity of Labour

Like all great events, what began as a small protest at Chicago's Hay Market exactly one hundred six years ago were to change the relations in the world's system of production. In the incident the workers laid down their lives for a cause worthy of the great sacrifice. By the standard of the time it surely was an insignificant event but the tumultuous force within had the whole world in its sway soon. The labour-management relations responsible for turning out an astounding amount of consumer goods and gazettes and other materials the world over have since changed beyond recognition thanks to the history's first organised industrial protest in Chicago. So the world today observes the historic May Day.

One hundred six years to the day, the workers all over the world are now better placed. But comparison even has its flaws on a number of diverse counts and hence the whole gamut of industrial relations ought to be reviewed from time to time. For example, the legal provision as covered by the constitution of a country is not enough to ensure the rights of the less privileged, most of the working class included. Discrimination in multifarious forms at work places is reported from most of the countries. Sometimes even the laws themselves are highly discriminatory.

In a country like Bangladesh, where the agricultural work force far outnumbers its industrial counterpart, the employer-worker relations are a bit intriguing. In most of the cases the agricultural labourer's job is not covered by labour laws; only patch works have been done at times to avoid any major protest in the sector. The real problem has remained where it was. The protest rally recently held by women farmers in front of the National Press Club is a reflection of the treatment labour receives in this country. Then the growing number of landless people focuses on the crisis from a different angle. But one can under no circumstances accept the entrenched system in which the farmers become a helpless victim of a process at the end point of which they become workers of unpredictable jobs with an uncertain future.

Obviously, the interrelations between the agricultural activity and the industrial performance are closely connected; for the supply of workers - trained or no trained - from one to the other decides the productive means as well as the value of labour in a country. Considering this point, there is a need to rationalise the use of productive hands instead of just exploiting them for the sole purpose of profit. The point here is to raise the quality of life for as many people as possible and thereby ensure the dignity of labour. Let the pledge of the May Day be just this much.

Indo-Pak Dialogue: The Show Must Go on

What jolted me was the remark by the one Pakistani participant, outside the conference, that if India did not

make up with Pakistan on Kashmir, Islamabad would put the relationship with new Delhi on the back-

HIS was our third dialogue. The venue was Islamabad, Some of us, journalists, intellectuals, politicians and former civil and military officials, reassembled last week to discuss how to normalise relations between India and Pakistan. The sponsors were the Pakistan

Institute of Strategic Studies.

We are still testing water Most of us are not yet going out of the formulations which we and the two governments have lived with for years. We seem to cover the same ground again and again and tend to go into the sterile history. At times we have felt ex asperated. But there is a determination to continue the dialogue, however few the achievements.

We picked up the thread from where we had left it in New Delhi on November 3, 1991. The irritants between the two countries had been singled out then. One of them was the interference in each other's internal affairs. Our recommendation was that the governments should respect the sovereignty and territorial integrity of each other, noninterference in each other's internal affairs..."

The Pakistani participants were not prepared to admit that their government was guilty of conducting a proxy war, which the Indian side alleged. And there was no doubting of their sympathy to the Kashmiri militants. None said that there was ever any training camp on the Pakistani soil. This was despite the fact that President Bush's special envoy, Robert Gates, now the CIA chief, had told New Delhi that Pakistan had closed 37

HE International Labour

L playing a pivotal role

across the globe in the area of

poverty alleviation, employ-

ment creation and the imple-

mentation of social justice. In

the sub-continent also as in

India and Pakistan, the ILO has

been working closely and to be

precise, with the Bangladesh

Government's policy of poverty

alleviation, skill training and

creating job both for the rural

poor and the urban unemplo-

Office in Bangladesh was estab-

lished on 25th June, 1973, at

a time when the country's war

wounds had not still died and

when any help from abroad

was like a soothing balm to a

burning wound. The ILO's en-

try at that time was much a

needed one and welcomed by

all. The country's economy like

in any post-war situation was

seemed gigantic at that point

handicrasts development, ILO

assistance dates back to 1977

and it is mainly focused on

strengthening the capability of

Industries Corporation

(BSCIC). On poverty alleviation,

projects namely Manpower

and Employment Programme,

and Technologies for Rural

Employment with Special

An ongoing ILO project is

Garment Industry which will

upgrade the capability of the

Garment Training Institute lo-

Reference to Women.

In the area of cottage and

The International Labour

Organisation has been

burner and cultivate the central Asian republics and Islamic countries around. training camps at Washington's instance. In fact, some Pakistani participants alleged india's interference in Sind.

ers on the Indian side. Kashmir, as usual, dominated the three-day-long dialogue. The Pakistani team reiterated its support to the right of self-determination for the Kashmiris, although the demand for a plebiscite was less vocal than before. I found this time hostility towards Amanullah Khan, leader of the Jammu and Kashmir Liberation Front (JKLF). In many observations and side remarks, it came out as if he was denying Pakistan the plum which was

This time, there were no tak-

bound to drop into its basket. However, it appeared that most Pakistanis supported the thesis that it would be far better for Kashmir to stay independent than continue to be part of India. The impression was that independent Kashmir would one day join Pakistan. My proposal for a trieste like solution, that is, the valley enjoying autonomy in its own affairs, while both India and Pakistan retaining their parts of Jammu and Kashmir, seems to have evoked a favourable response. The Pakistants had taken note of some articles in foreign newspapers talking about the solution on the same

It envisages converting the present line of control into the international border, keeping the valley borders soft. At the last dialogue, I had said that

Zulfikar Ali Bhutto, former Prime Minister, had agreed to making the line of control the international border. Agha Shahi, former foreign minister, had challenged me to produce any evidence of it. I have been able to retrieve a part of the interview which Bhutto gave me in March 1972, before

the Shimla conference. The relevant part is: "We can make the ceasefire line a line of peace and let people come and go between the two Kashmirs. After all, why should they suffer? Let there be some the brink of losing Kashmir. The perception of the Pakistani participants was different, although some of them conceded that the militancy was not at the peak it used to be. There was an assumption on their part that the "uprising" would gain momentum now that the winter was over. A few of them believed that once the number of Indian soldiers reached a figure of 400,000 in Kashmir, the cost for New Delhi would

Between the Lines Kuldip Nayar

free movement between them Then one thing can lead to an other After all, simultaneously we hope that there will be exchanges of views, of officials and non-officials

When we broached the subject of cultural and other contacts, the Pakistanis were lukewarm. Even free trade across the border did not enthuse them, not because they did not appreciate the eco nomic benefits but because they felt that no contact would last for even a month if the Kashmir problem remained unsolved. Prime Minister Nawaz Shartf also felt the same

Some of us pointed out that the militancy in the valley was waning, and that it was wrong to imagine that India was on be so high that it would be forced to guit the territory, as

Washington did during the Victnam war.

Before participating in the

dialogue. I had discussed Kashmir with some Bharatiya Janata Party (BJP) leaders in New Delhi. They were quite categorical in saying that the future of 110 million Muslims in India was linked with the decision that 3.5 million Muslims in Kashmir would make. Were the latter to decide against India, the demand would be that the Muslims in the rest of the country had no justification to stay. The BJP leaders' argument was that if after 45 years the Kashmiri Muslims wanted to break away from India just because they are Muslims, the very basis of secular polity in India would be in jeopardy.

This kind of argument justifiably evokes anger in Pakistan and they wonder whether our secularism was only a cover to hide Hindu communalism. Nonetheless. they concede that the disturbance of status quo in Kashmir would adversely affect the Muslims in India. The violations of human rights were raised but the Indian side did not try to gloss over the excesses. It even pointed out how the Pakistan government had utilised in the world forums the reports by the Indian teams which had themselves brought out the deliberate misuse of force.

Besides Kashmir, the bomb raised the maximum heat. The Indian side was on the defensive, although it made the point that New Delhi did not possess the bomb. Where Pakistan had better of us was on the offer that they were willing to accept the Indian worded agreement on the control of nuclear programme.

I learnt for the first time that New Delhi had accepted to participate in the five-nation conference which Nawaz Sharif had proposed to discuss the banning of the bomb. I was told that Washington was able to break our resistance. Whether this was true or not the Indian side was divided on the Nawaz Sharif proposal. And most members conceded that India should discuss the mat ter with Pakistan without any

At the last dialogue I had proposed that the Pakistanis should read our history books and we theirs because I found the Pakistani school history books playing up the wars between Hindus and Muslims with the latter always emerging victorious. Mohammed Bin Qasim and Mahmud Ghaznavi, the first two Muslim invaders of India, were glorified for destroying kafirs (infidels) The Pakistanis countered that Indian history books "ran down the Muslim kings." Both sides agreed to place before the next dialogue specific instance of prejudice and mutilations.

What joited me was the remark by the one Pakistani participant, outside the conference, that if India did not make up with Pakistan on Kashmir, Islamabad would put the relationship with new Delhi on the back-burner and cultivate the central Asian republics and Islamic countries around. The evidence cited in support was the part played in Kabul despite the staunch opposition by Hikmatyar, the Afghan leader of Mujahideen, and his fundamentalist supporters in Pakistan.

I have heard the same talk of switching off the relationship with India every now and then. We shall be better off the remark made by many when they feel that they are not reaching anywhere in their talks with India, officially or unofficially. This may become the dominant mood again. But as Bhutto told me once: Pakistan cannot run away from geography." I think the bond of common history is equally strong.

ILO Plays its Role in Poverty Alleviation and Employment Creation

cated at Bangladesh German Technical Training Centre at Mirpur, Dhaka. This project will primarily upgrade the skills of the supervisors of the garment industries and thus help the Government of Bangladesh to have a fullfledged training establishment to meet the present and future skill requirements of the garment industries in the country.

Due to expansion and modernisation of the economy. there is an ever increasing need for skilled and semi skilled workers in various sectors. ILO's vocational training and skill development programme is geared towards meeting such skill requirein shambles and ILO's role ments expressed in the country's successive development plans. The first two ILO projects in vocational training were Marine Diesel Training Centre, Narayanganj and Assistance to the Technical Training Centre in Chittagong Bangladesh Small and Cottage both under the Bureau of Manpower, Employment and Training (BMET). Since then ILO implements two specific several projects were undertaken by ILO (funded by NORAD, UNDP and IDA) to improve the overall performance of the skill training programme of the Ministry of Labour and Manpower imple-Training and Employment in

> mented by BMET. The Fourth Five Year Plan of

> Bangladesh has emphasised

the need for socio-economic

This project contributes to the ongoing programme of the Directorate of Women's Affairs and help it to identify and introduce new and innovative technologies for adoption by poor rural women in the pro-

Tourism Training (HTTI) of the Bangladesh Parjatan Corporation is another examplc of ILO's skill training programme. ILO assistance to HTTI, which comprises prophases, has helped it to become a fully-operational training institute. HTTI provides training courses on travel

by Syeda Zakia Ahsan

uplistment of women. A project entitled "Technologies for Rural Employment with Special Reference to Women" is in operation since 1st May 1990 Funded by the Government of Norway, the three and a half years project is expected to disseminate the use of appropriate improved technologies for poverty alleviation, employment creation and to increase productivity through selected income gencrating activities and reduce the strain, drudgery and burden of work for rural women in different areas of Bangladesh.

Assistance to Hotel and jects in three successive

agency/ tour operation, bakery and pastry, hotel management and calering etc.

Productivity is an important but relatively new area for the country Improvements in productivity are essential for fair wages for workers as well as adequate profit for employcrs. The ILO has completed a project which assisted the National Productivity Organisation (NPO) to develop its professional capability. A regional project on productivity improvement for small and medium scale enterprises is in operation now. This project will help to develop a system of consultancy support to the small and medium enterprises through various national institutions. Another project of ILO, funded by Asian Development Bank (ADB), is helping the Small and Cottage Industries Training Institute (SCITI) on entrepreneurship development for the potential small entrepreneurs.

Besides the ongoing technical co-operation projects mentioned above, ILO main-

tains a continuous dialogue with the employers and workers organisations. A good example is the UNDP-funded project with the Bangladesh **Employers Association (BEA)** The main purpose of this project is to upgrade the capability of the Productivity Services Wing of the BEA and develop a system of regular consultancy services to the small production units for productivity growth and increased prof itability

Traditional ILO areas of interest like conditions of work, occupational safety and health, labour administration etc. are promoted in the country through short-term training courses, technical advisory services, seminars and workshops. These activities are carried out in collaboration with the Government (mainly Ministry of Labour and Manpower) as well as the employers and workers' organisa-

Monitoring and stocktaking of various socio-economic trend and strengthening of information gathering capability of the Ministry of Labour and

Manpower and various departments under it continue to be an area of ongoing ILO collaboration. One ILO Regional Project on Low-cost Computerbased Labour Market Information Systems assists the Ministry to strengthen its data collection capability on various kinds of labour market data. Similarly, another Regional Project helps the Ministry to prepare various audio-visual aids in support of self-employment programmes. Another Regional Project on International Labour Migration gives policy advice and country-specific activities relating to overseas migration such as migration statistics, trends of migration, social security and protection of migrants, and reabsorption of returnee migrants in the national econ-

The International Labour Organisation's activities in this part of the world are as elsewhere, based on international labour standards as enshined in the Convention and Recommendation which have been adopted International Labour Conference. Its activities have contributed effectively and most successfully to the Government's efforts in uplifting the plight of the Bangladeshi populace from the morass of debilitating poverty.

ply on routes designated by the

authorities within the organi-

sation responsible for the

OPINION

Easing Transportation Crisis During Holidays

bustling capital. A familiar sight in the city is rickshaws and pedestrians clogging the thoroughfares and footpaths. Twice during the year, however, this familiar sight disappears. As the Eid holidays ensue, the streets of Dhaka wear a descried look and the chaos and commotion, din and bustle, so characteristic of Dhaka, subside. A major share of Dhaka's population, being only first or second generation urbanites, still have strong roots in the musassil or rural areas and set off for their ancestral homes for the Eid family reunions. On the eve of the holidays, people can be seen leaving Dhaka on whatever means they can, huddled in buses, crammed in trains or crowded on launches. An affluent few can afford the

The temporary mass exodus from Dhaka cases the pressure of population off the metropolitan city and offers some respite to its permanent dwellers. But this happens at a cost to those who move out. The journey out of Dhaka and back, towards the end of the holidays — is a nightmarish experience. The demand for transportation from and to Dhaka at the beginning and the end of the vacation rises steeply for a brief period, but the supply remains static, or virtually so. At best a few extra buses and trains, a few extra rail compartments and perhaps a few additional plane flights and lunch trips are arranged - a far cry from the actual requirement. The result is inevitably overcrowded vehi-

cles and vessel, which causes

not only extreme discomfort

and inconvenience to the hap-

luxury of a comfortable air trip.

K M Maniruzzaman less passengers, but also, not

infrequently, fatal disasters. Drivers lose control over their overcrowded buses and ram into roadside trees or dive bed before their designated destinations. Moreover, the transport service operators and workers take advantage of the demand-supply differential and extort higher fares from the

passengers illegally. It is unlikely that an casy viable solution to this problem can be found. But attempts to reduce the intensity and scale of the problem may yield good results. Adoption of imaginative strategies that resolve the problem partially is possible and should be encouraged. One such solution may lie with the fleets of buses owned by different government and semi-government bodies, sector corporations, banks, insurance companies, universities, industrial and business houses etc. These are used to transport their staff to their workplaces dur-

ing weekdays. How many such buses are in active service at the moment is anybody's guess, but the number is presumably not insignificantly low. The important fact is, these vehicles lie idle during the Eid festivities, since the offices are closed, and this is exactly when extra buses are required on the streets for transporting passengers from Dhaka on interdistrict routes. Devising a modus operandi for pressing these buses into service for transporting Etd vacationers should not be difficult.

Offices, departments or institutions owning buses can offer transportation services to their respective employees and their families during the Eid vacation. The buses would

transport pool. The owner organisation would incur no losses since the buses would be used only when they are not needed for their usual regular services, and the passengers would pay at normal rates to meet the cost of fuel, management and personnel for the service. Such a scheme would enhance job satisfaction of atleast a section of the employees. It would considerably improve office attendance immediately after the holidays (which tend to be dismally poor at present) since the buses would depart Dhaka on the first day of the holidays (or on the evening before) and return on the last day. A scheme like this would mean extra work for the drivers, which they would eagerly accept because they would be paid for their services, from the fare collected from the passengers, at rates comparable to or higher than the overtime rates stipulated by the government.

Minor aspects of the proposal can be sorted out easily by the concerned authorities and transport officials. The question is, do they have the intention? Would it be too much to expect that there would be atleast a venturous few who would give the proposal a try on an experimental

Moreover, since the drivers

themselves mostly hatl from

outside Dhaka, the destination

of the vehicles can be planned

to roughly match, as far as

practicable, the home district

of the respective drivers.

The writer is a lecturer in the Despit of Urban and Regional Planning, BUET.

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

Hidden treasure in Cox's Bazar

Sir. This is neither a fairy tale nor fiction. This is true and truth is always stranger than fiction. In 1970 I miraculously found deposits of millions and millions of tons of valuable minerals in Cox's Bazar. But government has taken no step for the utilization of the valuable minerals as yet. The staff is locally called "black gold."

In this connection I met our Prime Minister Begum Khaleda Zia in the month of August last year. On her initiative she was kind enough to form a national committee on valuable minerals the black gold of Cox's Bazar but nothing has been done so far. The valuable minerals

founds in Cox's Bazar and popularly known as 'black gold' contain monazite, zirconium, ilmenite, rutile etc. Monazite and zirconium are radio active. Ilmenite is used in paper, steel and paint industry. Zirconium is used in paper industry, ceramics, nuclear fuel and high temperature refractories. Rutile is used in paint industry and monazite in manufacturing colour TV, gas plants etc. These are very valuable minerals in the international market. How long would we be sitting idle and how long would the valuable minerals be lying un-

derground as waste? once again declare that

whenever asked I would show the hidden treasure, the black gold of Cox's Bazar, to the members of the national committee and the journalists and prove them through a practical demonstration that the 'black gold' of Cox's Bazar is commercially viable. Seeing is believing. We must use our valuable minerals found in Cox's Bazar two decades ago without further loss of time. God helps those who help themselves. O H Kabtr

Deduction on dividend

Wart, Dhaka.

Sir. I would like to bring it to your kind notice for the general information of the public that mediocre investors are being totally demotivated seeing the government's quantum of deduction on annual dividend. Out of my saving I invested

Tk. 500/- in the share of Usmania Glass Sheet Factory Ltd, the only government organisation where I have seen that this year they have allowed 35% dividend for the year 1991; which is not only remarkable but also praiseworthy on the part of the public sector itself. But unfortunately they have deducted Tk 17.15 as Income Tax, Jamuna Bridge Levy Tk 7/- and Development Levy Tk 10.50. Thus total government deduction was Tk

35/- and the net dividend allowed was Tk 140/-. A deduction of 20% on dividend of 35% is not only exorbitant but also unbelievable in any country where government encourages investment.

I earnestly appeal to the government through your paper to kindly review the deduction policy on investment to encourage shareholders to invest their savings, otherwise they will be simply discouraged in savings.

Ashraf Saleheen New Circular Road, Dhaka.

Cold storages and mushroom farming

Sir, I was delighted to read the news item "Prospect for mushroom farming very bright" published in a local daily on 18th April. Most of the countries of Far East are growing mushroom in the pre-cooling chambers of potato, fruit. vegetable and fish preservation cold-storages. Pre-cooling chambers generally remain idle and unused for about 9 months in a year.

About 300 such cold storages are available within Bangladesh. Crop Wing of Agricultural Extension may be asked to transfer this technology to these cold storages so that they can produce this nutritious vegetable full of protein and vitamins whereby foodgrain import and malnutrition among our people will be minimized.

Respective cold storage associations may come forward to contact the above Govi Deptt for the benefit of their member units and the country as a whole.

M Alauddin West Nakalpara, Dhaka.