

Commentary

Slow economic reforms may prove costly

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Guest Columnist

Though Bangladesh announced market-oriented economy as its goal back in mid-eighties, it is yet anywhere near that goal.

Those were withdrawn totally a few years later. From the beginning of eighties, the government decided to sell off the losing public sector enterprises to the private sector.

of '90s, and two years later it formally adopted a policy of market oriented economy for Bangladesh.

are progressing fast with reforms. Bangladesh, if wastes too much of time in the process, will be the victim of other's promptness.

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countries, both developed and developing, are also trying it. The reforms measures have some other constituents which aim at putting an end to capital flight and attract more foreign investment.

government to undertake all these measures to free the economy? First, the hard reality prevailing then in the country left no other alternative to be tried except accepting private initiatives in the economy.

Reforms involved two-pronged action: Privatising the public sector enterprises, and allowing the private sector an increasingly bigger role.

The bureaucrats say that they have already privatised some 500 state-controlled enterprises. But these 500 units make up of small units like flour and biscuit factories which in any case were to be sold to the private bidders.

Bangladesh has a peculiar past since its emergence as an independent state. Though it was not a socialist country in any sense of the term, the government took over more than 90% per cent of industrial capacities under public sector's control immediately after the independence by P.O. 72.

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Bangladesh was rather slow with the reforms despite beginning earlier than Pakistan or India. Before 1990s, there was strong political opposition against economic liberalisation, specially from the centre and off-centre left parties like Awami League, and other leaning parties.

However, socialist fervour did not last long. The nationalised enterprises started incurring losses right from the beginning. Government for a while sustained the losses by spending huge subsidy on them.

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The reform programmes throughout the world are the same, excepting some variations because of differences of local conditions. A competition in fact is now going on among the LDCs as to who can supersede whom in reforms programmes, because reforms are expected to offer a competitive edge in the world market.

In late seventies, the restrictions on the amount of private investment were adjusted to a much higher level.

BJA seeks low cost loan for jute exporters, traders

Bangladesh Jute Association yesterday urged the government to sanction loan with nine per cent interest rate for jute traders and exporters to rejuvenate the already shaken jute market.

Hailing the Finance Ministers proposal to reduce interest rate of commercial banks in a meeting with chairmen and managing directors of all commercial banks on June 22, Karim said it is a sure success for economic management of the democratic government.

US GDP rises by 0.7 per cent
WASHINGTON, June 25: The US gross domestic product grew just 0.7 per cent in the first quarter of this year, according to the third and final estimate released by the government Wednesday, says AFP.



Bangladesh delegation led by Abdul Mannan Bhuiyan, Minister for Labour and Manpower, attending the 80th session of the international labour conference in Geneva.

Kuwait lends 19 countries \$2.06b in past three-yr

KUWAIT, June 25: Kuwait has lent 621 million dinar (2.06 billion dollar) to 19 countries, mainly in the Middle East, Africa and Asia, in the past three years, the official Kuwait news agency said on Thursday, reports Reuter.

said Kuwait lent a total of 255 million dinar (846 million dollar) to the 18 other countries in the period, the agency said.

Tanzania 5.95 million (19.7 million dollar), Mozambique four million (13.3 million dollar), Botswana three million (10.0 million dollar), Maldives 2.8 million (9.3 million dollar), Philippines 1.9 million (6.3 million dollar) Rwanda 1.7 million (5.6 million dollar), Bhutan 1.5 million (5.0 million dollar), Angola 1.5 million (5.0 million dollar) and Cyprus 1.3 million (4.3 million dollar).

Shipping Intelligence

Chittagong Port

Table showing berth position and performance of vessels as on 24/6/1993. Columns include Berth No, Name of Vessels, Cargo, L Port Call, Local Agent, Date of Arrival, and Leaving.

VESSLS DUE AT OUTER ANCHORAGE

Table listing vessels due at outer anchorage with columns for Name of Vessels, Date of Arrival, Last Port, Local Agent, Cargo, and Loading Port.

TANKER DUE

Table listing tankers due with columns for Name of Vessels, Date of Arrival, Last Port, Local Agent, and Date of Arrival.

VESSLS AT KUTUBDIA

Table listing vessels at Kutubdia with columns for Name of Vessels, Cargo, Last Port, Local Agent, and Date of Arrival.

VESSLS AT OUTER ANCHORAGE

Table listing vessels at outer anchorage with columns for Name of Vessels, Cargo, Last Port, Local Agent, and Date of Arrival.

VESSLS NOT READY

Table listing vessels not ready with columns for Name of Vessels, Cargo, Last Port, Local Agent, and Date of Arrival.

VESSLS AWAITING INSTRUCTION

Table listing vessels awaiting instruction with columns for Name of Vessels, Cargo, Last Port, Local Agent, and Date of Arrival.

VESSLS NOT ENTERING

Table listing vessels not entering with columns for Name of Vessels, Cargo, Last Port, Local Agent, and Date of Arrival.

MOVEMENT OF VESSELS FOR : 25/6/93 & 26/06/93

Table showing movement of vessels for 25/6/93 and 26/06/93, categorized into Outgoing, Incoming, and Shifting.

Exchange Rates

Table showing exchange rates for various currencies, including US Dollar, Pound Sterling, DM, FF, S Riyal, D Guilders, S Kroner, Singapore Dollar, UAE Dirham, Kuwait Dinar, Indian Rupee (AMU), and Pak Rupee (AMU).

Dhaka Stock Prices

Weekly comparison: At the close of tradings on June 17 and June 24, 1993

Large table showing Dhaka Stock Prices for various companies and sectors including Banks, Investment, Insurance, Engineering, Food & Allied, Fuel & Power, Jute, Pharmaceuticals & Chem, Paper & Printing, Service, Textile, and Miscellaneous. Columns include Company, FV/ML, and prices for June 17, June 24, High, and Low.