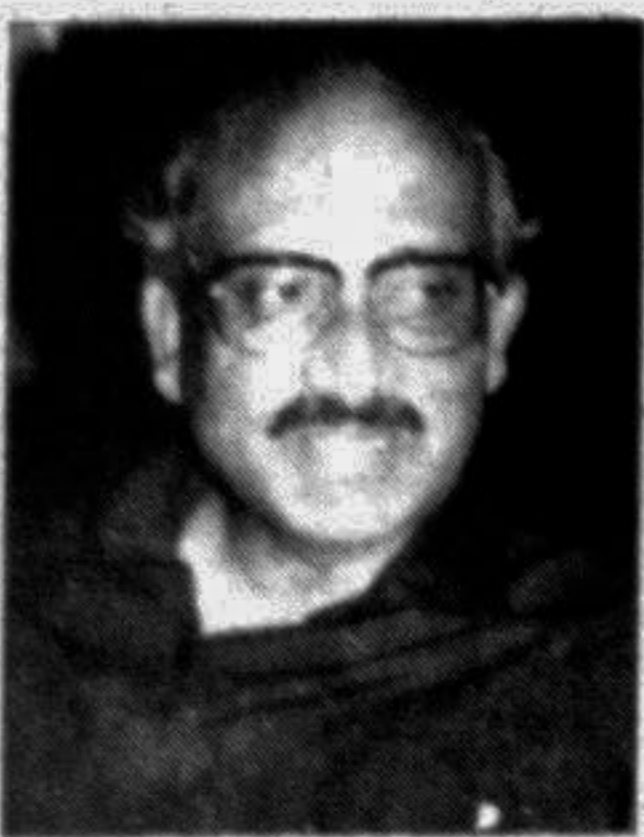


PARLIAMENT ROUND-UP-II

Saifur defends reforms amidst questions about disinvestment, withdrawal of agri subsidies

By Nurul Kabir



M Saifur Rahman

The national budget for 1993-94 fiscal pleased the trade circle, it also did not make the industrialists unhappy. The industrial workers, however, agitated against the budget, while the reaction of the peasants, still unorganised, could not reach the city.

Most of the city people accepted the budget with a gesture of indifference as it neither increased their cost of living nor it reduced the cost.

Finance Minister M Saifur Rahman placed the Taka 19,952 crore expenditure budget, with an overall deficit of Taka 7,617 crore, in the House on June 10.

The revenue budget, however, showed a surplus of Tk 12,335 crore with revenue receipts estimated at Tk 12,335 crore and revenue expenditure estimated at Tk 9,300 crore.

But the deficit becomes apparent when anybody adds the cost of Annual Development Programme (ADP) estimated at Tk 9,750 crore and a few other expenses with the Tk 9,300 crore revenue expenditure. The ADP, certainly an integral part of the budget, is heavily depen-

dent on foreign aid. The contribution of domestic resources in the ADP has been estimated at Tk 3,213 crore — 33 per cent of the Tk 9750 crore. In the last fiscal, the contribution of the domestic resources in the ADP was 27 per cent.

The budget showed no fresh taxation but proposed collection of an additional revenue of Tk 388 crore through various administrative measures during the current fiscal.

The Finance Minister, while giving his budget speech in the House, found no reason to impose further taxes on any items — be it domestic or imported ones — through statutory regulatory orders (SROs). But the Finance Minister's observation proved to be wrong. The government increased taxes on a few items within two weeks of the passage of the budget on June 30.

In his budget speech, the Finance Minister expressed satisfaction over the government's achievement of remarkable success in restoring macro economic stability through various reforms. The minister pleaded for continuing changes at the macro-economic level as it was a must to bring about qualitative changes in the micro economic areas. The minister felt that these changes would lift the nation from the abyss of poverty and put it on the road to prosperity.

Well, every change has a price. Saifur Rahman himself admitted, quoting a 16th century philosopher, 'change is not made without inconvenience' even worse to better.

However, the changes proposed by Rahman hit at the peasants as the government decided to remove subsidies on agricultural inputs and concen-

trated on ensuring their timely availability in adequate quantities to the farmers. These poor farmers, again according to the Finance Minister, contribute 40 per cent of the country's gross domestic products (GDP).

Critics did not like the Finance Minister's idea of change at the 'inconvenience of the teeming millions.' They complained that the hardship for the peasants was planned to ensure convenience to the urban rich. The criticism could be substantiated with the fact that the budget has reduced duties on car imports.

The Finance Minister, however, offered the Jatiya Sangsad

at protagonists of the capitalist market economy. Because, to them, disinvestment of the public sector to ensure development of the country's productive forces allowing the rich individuals to misappropriate public money in the name of disinvestment are not synonymous.

The opposition MPs, while taking part in the general discussion on the proposed budget, opposed both the government's removal of subsidies in the agriculture and the whole sale disinvestment policy.

Criticising the subsidy withdrawal, the opposition MPs reminded the Finance Minister

wealth. All the parties, excepting the Workers Party of Rashid Khan Menon, now pursue the capitalist economic system. However, no MP was heard pursuing the people's right of equal access to the resources of the country. The behaviour was definitely inconsistent with the concept of classical democracy preached by philosopher like Rousseau, as a professor said to the writer.

Why?

The Finance Minister himself showed a reason for it in his printed speech.

The minister said, today in Bangladesh different lobbies have cropped up to press the

bench MPs, who opposed a few budgetary measures, were tied because, according to the constitution, no MP can vote against his or her party's official positions.

To talk about the performance of the political parties during the budget session, it seemed that no party, except the Jamaat-e-Islami Bangladesh, had attached much importance on homework on the proposed budget before discussing it in the House. Taking part in the general discussion the Jamaat MPs did not repeat any issue already addressed by party colleagues earlier. As a result, they could have succeeded in discussing many issues, and of course critically, by and thus completely utilised the time allotted to the party.

Some individuals of different parties, however, made their points successfully. They include among others Barrister Moudud Ahmed of the Jatiya Party, Prof. Rafiqul Islam of the Awami League and Major (ret) Hafizur Rahman of the Bangladesh Nationalist Party (BNP).

Prime Minister and Leader of the House Begum Khaleida Zia was present in the House for six days during the 31-day session while Leader of the Opposition in Parliament and Awami League chief Sheikh Hasina too was present only for six days, being out of the country for as long as 21 days. Many were left with the impression that these two leaders failed to take the session as seriously as the people expected.

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At the philosophical level, many critics of the Finance Minister, on both sides of the House, do not believe that we are making much progress towards an equitable distribution of public resources.

a 'justification' for his subsidy cut in agriculture. In his printed speech, the minister said 'the poor are creative and efficient in the use of factors of production that they neither want nor do they need doles and subsidies which often stifle initiatives and prove counter-productive.'

The critics, however, felt that it was rather a peculiar justification for the government to implement its wholesale disinvestment policy aimed at protecting the interests of the rich.

The rich are not poor. So they, unlike the poor — who are efficient in using the production factors — really need and want (also get) both doles and subsidies to change their lot.

A terrible justification for handing over state owned industries and trades to the rich people at throw away prices!

This sort of justification is not acceptable even to the hon-

that the capitalist countries like United States, France, Japan have been providing subsidy to the agriculture sector.

On the question of the government's wholesale disinvestment policy, the opposition MPs argued that even the leader states of world capitalism had been showing reluctance in disinvesting their heavy industries like those of coal, oil, steel etc. The opposition legislators pleaded against disinvestment of the country's jute industries.

Some treasury bench MPs also supported the opposition views of providing subsidy to the agriculture and the not to pursue a whole disinvestment policy.

The Finance Minister, however, did not pay heed to the suggestions. The ruling BNP and the opposition parties in parliament do not believe, at the philosophical level, in the equitable distribution of public

demands and interests of various sectors of trade and industry. I have had the opportunity to enter into dialogues with many such groups. I am afraid, in the course of such dialogues, I did not have the good fortune to encounter a single lobby which really wants to protect the interests of the teeming millions and the poor common consumers of Bangladesh. Terming the legislators as last refuge of the poor millions, the minister urged them to consider their interests. Some of the MPs, including Motia Chowdhury of the Awami League and Rashid Khan Menon of the Workers Party, came out with specific suggestions to change the lot of suffering masses.

Their efforts proved to be futile as the government had its budget passed by the sheer strength of its party's majority in the House.

The hands of the treasury

Dhaka Stock Prices

At the close of trading on August 2, 1993

Turnovers increase

Both the turnovers on the Dhaka Stock Exchange (DSE) floor increased on Monday.

Volume reached 20193 issues from 16227 showing a rise of 24.44 per cent. Value increased to Tk 1268250.55 from Tk 710028 with a surge of 78.619 per cent.

The DSE Share Price Index decreased slightly. It dropped to 418.4977 from 418.8312.

The number of the stocks transacted on the floor was 32. Of these six gained, fifteen lost and eleven others traded at previous rates.

DAY'S TRADING AT A GLANCE

DSE Share Price Index	418.4977
Market Capitalisation (Tk)	15790042221.60
Turnover in Volume	20193
Turnover in Value (Tk)	1268250.55

Company's name	Previous price Tk	Closing price (absolute) Tk	Change Tk	Change (% of share price)	Number sold
Gains (06)					
Share:					
4th ICB M Fund	157.00	160.00	3.00	1.910	10
Bata Shoe	39.00	39.50	0.50	1.282	134
Apex Footwear	176.00	177.09	1.090	0.619	440
BEXIMCO	20.20	20.30	0.10	0.495	200
Usmania Glass	269.00	270.00	1.00	0.371	05
Tallu Spinning	95.00	95.34	0.340	0.357	290
Losses (15)					
Share:					
Frogleg Export	3.00	2.20	0.80	26.66	450
Dhaka Vegetables	74.25	71.17	3.08	4.148	120
Beximco Infusion	247.50	240.43	7.07	2.856	70
Cig Vegetables	64.00	62.44	1.56	2.437	90
Ashraf Textile	29.87	29.56	0.31	1.037	12566
5th ICB M Fund	102.00	101.00	1.00	0.980	620
Cig Cement	200.00	198.08	1.92	0.96	250
6th ICB M Fund	57.50	57.02	0.480	0.834	580
Kohinoor Chemical	64.75	64.25	0.50	0.772	05
Stringer BD	856.00	850.00	6.00	0.70	25
Eastern Cables	82.32	82.00	0.32	0.388	225
United Insurance	205.76	205.00	0.76	0.369	220
Monno Ceramic	288.08	287.02	1.06	0.367	205
BOIC	205.75	205.50	0.250	0.121	80
National Bank	100.00	99.88	0.120	0.120	200

Traded at previous rates (11)

Shares: BD Autocars (20), Padma Textile (280), Quasem Silk (1000), Rahim Textile (15), Tamjuddin Textile (70), Beximco Pharma (695), Pharmaco (10), Ractitt & Colman (50), TBL (50), Apex Tannery (10), Beximco Infusion Deb. (02).

DSE SHARES AND DEBENTURES

Company	PV/ML (Taka)	Closing Rate (Taka)	Share Price	Volume	NT
BANKS (12)					
Al Baraka Bank	1000/1	825.00			
A.B. Bank	100/5	200.00			
City Bank	100/5	330.00			
Eastern Bank	100/20	110.00			
IDLC Ltd	100/20	222.00			
IFJC	100/5	174.00			
Islami Bank	1000/1	1150.00			
National Bank	100/5	99.88			
Pubali Bank	100/5	100.00			
Rupali Bank	100/10	70.00			
U.C.B.L.	100/5	88.00			
Uttrara Bank	100/5	83.00			
INVESTMENT (06)					
1st ICB M Fund	100/5	100.00			
2nd ICB M Fund	100/5	375.00			
3rd ICB M Fund	100/5	178.00			
4th ICB M Fund	100/5	160.00			
5th ICB M Fund	100/10	160.00			
6th ICB M Fund	100/10	101.00			
ICB Unit Cert.					
INSURANCE (04)					
BOIC	100/10	205.50			
Green Delta	100/10	205.76			
Peoples	100/10	295.00			
United	100/10	205.00			
ENGINEERING (19)					
Afrah Automobiles	100/5	177.00			
Atlas Bangladesh	10/50	42.00			
Aziz Pipes	100/5	250.00			
Bangladesh Autocars	100/5	57.00			
Bangladesh Lamps	100/5	298.00			
B. Thal Aluminium	100/10	81.11			
Bengal Carbide	100/5	251.00			
Bengal Steel	10/50	20.00			
Eastern Cables	100/5	82.00			
Howlader PVC	100/10	107.03			
Karim Pipe	100/5	80.36			
Metalex Corp.	100/5	36.00			
Monno Staffilers	100/5	175.00			
Monno Jute	100/5	315.00			
National Tubes	100/10	60.00			
Panther Steel	10/50	8.00			
Quasem Drycells	10/50	9.68			
Renwick Jagnewar	100/5	85.00			
Stringer Bangladesh	100/5	850.00			
FOOD & ALLIED (23)					
A.B. Biscuit	100/5	200.00			
Alpha Tobacco	10/50	45.00			
Aman Sea Food	100/5	15.00			
Apex Food	100/5	650.00			
Aroma Tea	100/5	60.00			
Barga	100/5	120.00			
B.D. Plantation	100/5	500.00			
Bengal Food	100/5	118.00			
B.L.T.C.	100/5	800.00			
B.T.C.	10/50	74.00			
Cig. Vegetable	100/10	62.44			
Dhaka Vegetables	100/5	71.17			
E.L. Camella	100/5	1040.00			
Frogleg Export	10/50	2.20			
Gemini Sea Food	100/5	60.00			
Hill Plantation	100/5	550.00			
Modern Industries	100/5	320.00			
N.T.C.	100/5	210.00			
Rabeya Flour	10/100	NT			
Rupani Oil	10/100	4.30			
Tulip Dairy	100/10	50.00			
Yousuf Flour	10/50	NT			
Zal Bangla Sugar	10/50	6.50			
FUEL & POWER (04)					
BD Oxygen	10/50	72.00			
Eastern Lubricant	10/50	14.00			
National Oxygen	100/10	65.00			
Padma Oil Co.	10/50	41.00			
JUTE (12)					
Ahad Jute	100/10	NT			
Anowara Jute	10/50	NT			
Delia Jute	10/50	8.50			
Gawda Jute	10/50	NT			
Islam Jute	100/5	45.00			
Jute Spinner	100/5	80.00			
Mutual Jute	100/5	105.00			
TEXTILE (20)					
Ahaj Textile	10/50	NT			
Arbec Textile	100/10	112.00			
Ashraf Textile	10/50	29.56			
Chand Spinning	10/50	NT			
Deah Garments	100/10	50.00			
Dulamia Cotton	100/10	75.50			
Eagle Star Textile	10/50	14.32			
GMG Ind. Corp.	10/50	10.00			
Modern Dyeing	100/5	33.00			
Padma Textile	100/20	165.00			
Quasem Silk	10/100	2.60			
Quasem Textile	10/50	3.30			
Rahim Textile	100/5	100.00			
Safham Textiles	100/10	81.00			
S.T.M. (ORD)	100/5	20.00			
Stylcraft	100/5	130.00			
Swan Textile	100/5	13.00			
Tallu Spinning	100/10	95.34			
Tamjuddin	100/10	162.00			
PHARMACEUTICALS & CHEMICALS (18)					
Ambee Pharma	10/50	12.12			
Bangla Process	100/5	61.00			
BCIL	100/10	286.67			
Beximco Infusion	100/00	240.43			
Beximco Pharma	100/5	425.00			
Glaxo	10/50	125.00			
I.C.I.	10/50	10.00			
N Polymer	100/10				
Kohinoor Chemical	100/5	64.25			
Petro Synthetic	10/50	10.00			
Pfizer	100/5	450.00			
Pharma Aids	100/5	178.00			
Pharmaco	100/5	50.00			
Progressive Plastic	100/5	32.00			
Ractitt & Colman	10/50	95.00			
Rahman Chemicals	100/10	33.00			
Therapeutics	100/5	70.00			
The Ibrusta	100/10	101.00			
Wata Chemical	100/20	127.00			
PAPER & PRINTING (06)					
Eagle Box	10/50	21.50			
Monopol Paper	100/5	30.00			
Paper Corverting	100/5	70.00			
Paper Processing	100/10	17.25			
Padma Printers	10/50	50.00			
Sonali Paper	10/50	52.00			
SERVICE (02)					
Bangladesh Hotel	10/50	12.00			
Bd. Service	10/50	NT			
MISCELLANEOUS (18)					
Apex Footwear	100/20	177.09			
Apex Tannery	100/5	335.00			
Aramit	10/50	30.00			
Bata Shoe	10/100	39.50			
Beximco	100/10	20.30			
B.S.C.	100/5	60.00			
Chittagong Cement	100/5	198.08			
G. Q. Ball Pen	10/50	79.00			
High Speed	100/5	50.00			
Himadri Ltd.	10/100	6.00			
Milton Tannery	100/5	10.00			
Monno Ceramic	100/5	287.02			