

Unbridling Newsprint Market

The present crisis of newsprint may not itself be critical but it is indicative of something really ominous. This ominousness stems from the fact that a general callousness is manifestly responsible for the sudden drop in the production of the country's premier newsprint mill.

We do not know which version is correct but we can say either of these can be a dangerous drift from the commitment that is necessary for industries to succeed. The mill authority is said to have filed 15 cases against robbery in the Sunderbans and its vicinity without being successful in moving the law enforcing agency of the area into action.

Evidently, each one's contribution is responsible for an intractable chaos to reign in the industrial sector. Once things have gone out of control, it is the consumers who are penalised. Sometimes arbitrary price rise even does not save the day for the factory or industry concerned.

If KNM falls as an industrial venture with generous and cheap supply of geoa logs, certainly we run the risk of repeating the reversal almost in all other sectors. Already another increase in price of newsprint has been under consideration.

Meanwhile, there is no point barring the import of newsprint, particularly when its production and supply are erratic and uncertain. Let the mill survive on its own. That it will be receiving subsidies and yet fail to provide the consumers with the required amount of good quality newsprint, and importantly, at prices comparable to those in the international market is unacceptable.

Morillon's Suggestions

French General Morillon of Bosnia fame gave Dhaka newsmen the other day the benefit of his first hand knowledge about the UN peace-keeping operation in war-torn former Yugoslavia.

He has proffered a four-fold suggestion for revitalising the UN peace-keeping operations based on his deductions in the test case of Bosnia-Herzegovina. Keeping peace in a war zone cannot be likened to spreading an olive branch, it has to have an enforcement mandate.

The firm political commitment of the international community that is being pictured here relates to a minimal will to set up a UN Trusteeship on a temporary basis, for a hot-spot. This is quite practicable but requires the underpinnings of efficient military capabilities to match the powerful arsenal of a formidable aggressor.

UN Secretary General Boutros-Ghali's pet idea of a rapid deployment force at his disposal to move to a trouble-spot on a short notice has received support from French General Morillon. At present UN forces commissioned from different countries in pursuance of a Security Council resolution take over three months to reach their destination.

The UN's peace-keeping role has vastly increased in recent times and, in some respects, it has also come under fire to the extent that in the case of Somalia the UN force has earned the sobriquet of an 'occupation force'. The divergence of opinion on a peace-keeping mission, as had clearly occurred in Somalia, has to be checked.

General Morillon's proposal for a declaration on the rights of communities like the universal declaration of human rights strikes a responsive chord in us. The way human rights are being violated today on religious and ethnic grounds, the subject of community rights doubtless deserves a special treatment.

An international seminar on Islamic Common Market was held in Dhaka during December 18-20, 1993. Now-a-days, the surge of interest in economic integration can hardly be overlooked in view of the growing importance of economic blocs world wide.

However, mainly for two reasons, the proposed market appears to portray a divergence from the conventional wisdom of economic union or common market. First, a common market could possibly be termed as an extreme form of economic integration which, to reach, requires many layers to be crossed.

The achievement of a common market by a single stroke is considered to be very difficult. Those evidenced in the present world are reflective of initial stages like Customs Union, Free Trade Area etc. that might tend to graduate to common market or economic union in due course.

ALMOST half of all Vietnam-born immigrants who come to Sydney live at nearby Cabramatta.

Just about all shops and services at Cabramatta are operated by Vietnamese. The streets are crowded with non-Europeans. The large shopping area looks like a vast Asian complex.

Vietnam-born Nghiep Nguyen is a 53-year-old immigrant now prominent Cabramatta citizen. After fleeing Vietnam 13 years ago, he arrived in Australia with his wife and three children with no possessions and no money.

But he worked and studied long hours. Mr Nguyen obtained two diplomas from the University of Western Sydney.

Today, he is an elected member of the local city council, and is an environmental health and building consultant. He is a representative of the Asian community on various government health boards.

But Mr Nguyen's adjustment may be an exception rather than the rule. Many Vietnamese are well aware of mounting incidents of racial discrimination against them, of unlawful police harassment, and of a community that is apathetic to their problems and is generally unaware of their needs.

An Uncommon Common Market

by Abdul Bayes

As far as the size of the proposed market is concerned, it stands at 50. Although the size of the gains depends on the size of the market, a priori, a 50-nation market appears unmanageable. What is more important, however, is that the member-countries are widely dispersed geographically and the lack of geographical proximity is likely to raise transport cost to outweigh the initial cost advantage from production.

hardly become effective and in many cases, worth pursuing.

The Gains From Economic Integration

International economics teach us that any form of economic integration ushers in two types of benefits for the participating countries. The first one is static in nature and is called Trade Creation and Trade Diversion Effects. The former implies the incremental benefits in terms of enhanced producer and consumer surpluses.

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that usually go up as a result of wider market from integration.

However, the magnitude of the perceived gains (both static and dynamic) is positively correlated with a volley of factors. Some of them are: (i) size of the economic bloc; (ii) geographical proximity among member countries; (iii) complementarity in production structure; (iv) diversity of the economies; (v) pre-union level of tariffs imposed by member-countries on imports of member country goods and services; (vi) the elasticity of demand and supply of the traded products and services; and (vii) the pre-union level of trade among the member-nations.

The Islamic Economies As far as the size of the proposed market is concerned, it stands at 50. Although the size of the gains depends on the size of the market, a priori, a 50-nation market appears unmanageable. What is more important, however, is that the member-countries are widely dispersed geographically and the lack of geographical proximity is likely to raise transport cost to outweigh the initial cost advantage from production.

Intra-trade of OIC member-countries constitutes about 11% of their global trade which appears to be gradually falling.

Such a low share of intra-trade essentially reflects a lack of complementarities on the part of member country economies as well as lack of close trading links and regional arrangements. Over four-fifths of the exports of a large number of the countries in Islamic Ummah comprise primary commodities and fuel. Countries such as Algeria, Chad, Gabon, Mali, Niger, Uganda etc. depend almost totally on primary exports.

Coming on to the elasticities of supply of products, most of the Muslim countries tend to depict inelasticity of supply mainly attributable to the under-development of social and economic infrastructures. Only a few of them (mainly the oil rich countries such as Saudi Arabia, UAE, Brunel, Malaysia etc.) tend to display a good supply response but their total share in intra trade is small. On the other hand, the demand

elasticity is suppressed due to lack of higher per capita income. Out of 44 Muslim countries (excluding Palestine and Central Asia), 19 could be dubbed, using the World Bank status, as the 'least developed' countries with a per capita GNP (1991) of US \$ 170-520, and where, half of those (including Bangladesh) fell below US \$300.

The 'other low income' countries such as Pakistan, Egypt, Niger and Indonesia averaged a GNP of US \$500 and a growth rate of 3%. There are 11 'middle income' and 7 'upper middle' income countries with a mean per capita GNP of US \$5000 and US \$15000. The major determinant of demand elasticity i.e. the rate of growth of per capita GNP tended to show a negative sign for half of the countries over the period 1980-91.

The above snap-shot preview, quite obviously, would lead us to take a dim view of the efficacy of the proposed Islamic Common Market in the short and medium terms. Given the underdeveloped socio-economic

and political structure in majority of the Islamic countries, it appears that formation of a common market would divert more trade than it would create and thus may cause the total welfare of the whole Ummah to fall. However, materialisation of the objective of Islamic Common Market in the long run would depend on a number of factors. First, it would be better at the beginning to be content with modest objectives of strengthening cooperation in different spheres. This calls for, inter alia, a diversion of surpluses of the rich Muslim countries to the investment need of the poorer ones.

This implies that to promote growth and welfare of people through trade and investment, the theory of exchange and specialisation should be the prime concern rather than religion. A market is a market where buyers and sellers haggle for the determination of price, not of caste, creed and religion. On that account, for the moment, Bangladesh should carefully see whether the proposed SAPTA could yield any dividend.

The writer is a professor of economics, Jahangirnagar University.

Boat People Down Under, but Not out

Vincent W Stove writes from Sydney

Discrimination against the Vietnamese is widespread and increasing

At least 60 per cent of them are buying or have already bought their own homes. Most families have at least one car.

Material gains have been made despite the enormous unemployment problem among Vietnamese — exacerbated by the country's economic recession, the tendency of many employers to give preference to Europeans (despite anti-discrimination laws) and language difficulties.

Unemployment rates in all categories among Vietnamese are double the rates for other Asian immigrants. They are four times higher than among the Australian-born.

Some 65 per cent of young Vietnamese are unemployed. The rate would be higher if it were not for the fact that many of them work within the Vietnamese communities in small factories, shops and restaurants.

Most unemployed Vietnamese are in two age groups — those aged between 15 and 24 and those between 40 and 65. Prospects for those in the older group obtaining

steady long-term jobs are not good.

Vietnamese are usually at the bottom of the employment ladder and have a greater unemployment rate than all other groups in Australia except the indigenous Aborigines. But they consider they are better off here than in Vietnam and that their future prospects, especially those of their children, are better.

About 155,000 Vietnamese are now in Australia. Some 120,000 of them arrived as refugees.

Just about all the refugees suffered some sort of trauma, extreme hardship, persecution or long periods of terror in Vietnam. Many fled the country as boat people and spent years in refugee camps before arriving in Australia.

As a result of this, most have made a greater commitment to Australia than other Asian immigrants. In excess of 50 per cent of them have applied for (it is not compulsory) and have been granted Australian citizenship.

To the Editor

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.

Japan today

Sir, It does not matter as to who controlled the Diet in the past or who is the present Prime Minister of Japan. The land of the rising sun and the rising yen continues to rise higher and higher in all fields especially in science and technology, international trade and commerce and she has no match in the world today.

After the collapse of the giant Soviet Union the balance of power of the world has been abruptly and adversely affected. The USA, UK and France have set up a 'new world order'. But the so called 'new world order' has created a disorder all over the world and Palestine, Kashmir, Somalia, Bosnia, Afghanistan, Ireland, Mexico, Georgia and Arakan continue to bleed unabated and the problems like Indo-Bangladesh Ganges river water sharing, plight of the refugees, poverty, hunger and disease hang over our head like sword of Damocles.

The power of the world has become totally imbalanced today. London and Paris are no longer world powers politically, economically and militarily but they obtrude upon international senses unnecessarily and unpleasantly.

Time has come to change and to replace the so-called 'new world order' consisted of USA, UK and France with a revised and pristine world order comprised of countries like the USA, Japan, China etc. consistent with the requirements of time.

percent of the annual budget expenditure of the UNO, whereas the UK and France are making pittance contributions.

Japan is both a friend and rival of the USA. We are confident that Japan's inclusion in the United Nations Security Council as a permanent member would help resolve many global conflicts in a free, fair, impartial and peaceful way.

O H Kabir Dhaka-1203

Bangladeshi cabbies in US

Sir, Bangladeshi driving taxis in New York have lately become vulnerable to the scoundrels forcing them off the streets at night.

Crimes, particularly murder, rape, robbery, and assault have been increasing steadily in the US since last decade securing the country's record of the world's highest crime rate.

This trend of rising violence in the land of immigrants can be as much disheartening to the residents having American dream as to the rest of the bipolar world.

The human rights oriented policy of the US government barring discrimination does not restrict measures for its residents to be eligible for social protection of some kind against aggression.

their motherland. Regardless of national origin of the drivers, cab is one of the most convenient and efficient means of rapid transit transports in urban America apart from the gaining popularity of high-speed railway competing against highway network as well as skyjamming air routes in the state of space-shuttles.

M Rahman Zila School Road, Mymensingh

National drug policy

Sir, It is a matter of regret that Bangladesh National Drug and Medicine Policy is yet in a state of doldrums which has triggered off racketeering in drugs and medicines following loopholes in the Drug Act of 1982, hatched during Ershad's time. The main lacuna and loophole in this Act is that about 1700 items of medicine have been banned on the plea that these are harmful. Had it been really so, why these did not produce a gross adverse effect during the preceding periods when also these were in vogue?

Since the enforcement of this ban, many unscrupulous medicine and drug traders have covertly started selling these medicines, at exorbitant prices to the retailers, who in turn sell them at a much higher rate to the consumers. There might be some stray cases of harmful effects of some medicines if taken in higher doses, but in correct doses these are still considered as curatives.

This ban has also resulted in smuggling of these medicines from neighbouring countries only because these banned medicines often are badly needed and believably prescribed by doctors here.

Our pharmaceutical manufacturing companies, including the multinational ones, are producing medicines, tablets, injections etc. but their quality control is yet a doubtful element, although, to some extent, multinational companies have maintained a minimal degree and semblance of quality control.

The Director General of Health Services, with the assistance of expert and qualified quality control officers should carry out in-depth and intensive quality control of locally produced medicines in respect of potency, ingredients and composition and if found standard, only then these should be released to the market.

The mushroom growth of unauthentic medicine and drug manufacturing companies most likely producing spurious drugs should rather be banned under the relevant law. The Bangladesh Trading Corp should also be strictly monitored.

Pricing is another important factor and its jurisdiction and determination should be left with the Health Ministry. The manufacturing companies should submit the cost of production to the Govt who should fix the wholesale and retail price and the consumers should not pay beyond MRP (maximum retail price) which must be printed on each packet, bottle, blister, strip etc. The chemists and druggists should display a price list in their shops.

We fail to understand why, despite this issue being discussed in various fora, seminars, etc and numerous reports, editorials and letters published in newspapers, no action has been taken to update a National Drug and Medicine Policy, particularly when our Finance Minister (about two/three months back) and the Deputy Leader of the House have appreciated the need to do away with all restrictions and bans on medicine, retaining however the quality control and price factor with the Govt? How it can be 'Health for All by the Year 2000' which is only six years away?

N H Sufi Dhaka

OPINION Business out of Garbage

S M Zakaria

The idea (report and editorial in The Daily Star on 4th and 5th January, respectively) of transferring the responsibilities of cleaning the metropolis — at least partially — is a pragmatic and welcome one. The developed countries are already doing this. Dhaka is one of the dirtiest cities in the world — its environment is being polluted seriously everyday by tons of garbage, motor-vehicle smoke, industrial smoke and effluent etc. While the whole world has been crying for arresting such pollution, we have been turning back to the issue. We live below poverty line and are deprived of bare necessities of nourishment. Most of the people — even the capital dwellers — are naturally weak in resisting diseases. Unfortunately, this weak resistance is being worsened by the environmental pollution that is being caused every day, specially by the mismanaged or unmanaged garbage situation. One can hardly move through the city streets — not to talk of the narrow lanes and by lanes — without suspending his/her breath or putting a handkerchief on nose. And what about the poor streetman, or the slum dweller?

Many elements are related to the issue of maintenance and improvement of national health. Environmental pollution is one very important among them and we must get rid of this as fast and as far as possible. The government effort has so far been found very poor at this. Is it because the allegation that people on the government payroll if not get incentive in terms of money and other benefits to their demand, works remain undone or half-done? Piles of money are being spent, but the city continues to remain dirty to the detriment of public health. And this piling of dirt inside also sends bad odour outside, doesn't it indirectly hamper foreign investment, tourism etc.?

Now, who makes the dirt? The public; then let a few members of the public do the cleaning. Not free, of course. Rather, against incentive — let the whole work be part of a business. This is how the damn garbage is being done away with elsewhere in the developed world. Though formed late, the idea of handing the city cleaning responsibilities over to the private businessmen sparks the hope that we may find a chance to breathe a fresher air some time in future. It is the task of the government to create new

business avenues and show the avenues to the private entrepreneurs as a hen calls her babies and points to a new found food stuff so they can jump upon it. Our Finance Minister, Mr M Salfur Rahman is adept in it — some time ago he suggested the banks to create their own insurance subsidiaries and the other day he incited the businessmen to end monopoly of Biman, by chartering cargo flights etc. This is really good news.

I wish to take part in the good thinking about city cleaning by putting the following proposals for consideration of all concerned:

1) The cleaning works may be divided into two parts — internal cleaning and external cleaning. Cleaning of katcha bazars, supermarkets, hospitals, government buildings may constitute 'internal cleaning' and cleaning of roads and streets and other public places may constitute 'external cleaning'.

2) Separate authorities of hospitals, government and private office buildings may call tenders from private cleaning firms (to be established in future) for internal cleaning and the municipal corporations may call tenders for internal cleaning of katcha bazars and for external cleaning of roads, streets and other public places.

3) The cleaning work being gradually vested with private companies, the employees (municipal) engaged in this work may lose jobs. The government may take initiative to employ them elsewhere, or they may be given the opportunity of a golden handshake, or the future cleaning firms may be required to absorb these employees in their brigade of cleaners as a mandatory requirement.

4) The would-be private cleaning firms may be encouraged and given the opportunity and necessary assistance to recycle, where possible, the garbage for beneficial uses. This will greatly reduce the dumping-ground problem and enhance interest of the businessmen and help create a 'business out of garbage' phenomenon.

What is important is if things are linked to business and personal initiative, works tend to get done efficiently. Therefore, government's current tendency to give a break to business and personal potential is a welcome venture, indeed.