

## Making Tea Competitive

The country's tea industry is passing through a critical period, not because this exportable commodity has lost its demand in international market but because it has become uncompetitive. So, unlike jute the demand for which has registered a sharp decline in the international market, tea is facing a crisis created by the industry itself over the years. Consumption of tea has gone up worldwide and new entrants as exporters in the market alongside our traditional rivals in the business have been faring quite well in the burgeoning tea trade while we languish in incompetiveness.

At the 34th annual meeting of the country's Tea Association most of the speakers dwelt more or less on this theme. But the chief guest, trade secretary Mofazzal Karim, asserted that the government is always trying to solve the problems in the sector and ready to extend co-operation for any improvement and expansion of the sector. What the trade secretary means by the government's continual effort to solve problems in the sector is however not very clear to us. Neither are we informed of the specific type of government co-operation.

We however understand that the decline of our tea has come about gradually and the once-booming industry has been systematically deprived of the supply of fresh blood it needs for going vibrant. Most of the tea estates now wear a very poor look owing to decades of neglect. Except only a few, the tea gardens have to make do with plants more than a century old. Its natural outcome has been a fall both in quantity and quality of the produce. In the past the country exported more tea than it consumed locally. The local consumption has certainly gone up but the export has gone down too.

Both India and Sri Lanka have long adopted policies, effecting reforms in their tea industries and their efforts have been amply paying. Today their competitive edge has enabled them to capture wider markets. In the meantime if misfortune loves company, our cup seems to have become full with some epoch-making international developments. With the disintegration of the Soviet Union we have lost a big tea market. Read against the increase in world production of tea by one crore 50 lakh kg in the first six months of the year, our problems in the sector look all the more disappointing.

There is need for a fresh approach to the sector. Recent medical elucidation of tea as a drink points to the fact that people across the globe will increasingly value its merits, augmenting its demand further in the international market. It will be foolish not to seize the opportunity of an expanding market. The tea association has asked for lowering the interests on the Krishi Bank loan from the usual rate of 12 per cent to six or seven per cent. This is perhaps too much to ask. If other farmers accept loans at the going rate of 12 per cent, the tea sector cannot be given the unusual concession. However, we do think that the interest on agricultural loans in general should be brought down and this sector can then benefit from such a measure.

That the production of one kilogram of tea is more costly than the international market price does not call for a special concession in credit. If this is entertained, a lot of candidates will be clamouring for credits. It is wiser — and reasonable too — to pay attention to the inherent weakness of the tea sector. This can be done through accepting scientific co-operation and latest methods of cultivation from international organisations and bodies. Developing our indigenous expertise to help boost the commodity's production and quality should however be the ultimate aim.

## A Matter of Name and Fame

Well, you have achieved more than you have ever aspired for. Parthasarathy, of the south Indian industrial city of Coimbatore, had a life-long obsession for seeing his name on the Guinness Book of Records. What has he not attempted to earn a place in that book! And successfully too! And we are sure quite a number of these haven't ever been beaten anywhere in the world. To name some — driving a mustard seed — one single pod and not the whole bean — for half a kilometre with — imagine you what — his nose. This he must have done at one go, not stopping for an instant — which obvious fact the Press Trust of India, disseminator of the impossible stunts of the young man, forgot to mention even as the Guinness Book forgets to make a note of the interesting doings of the Coimbatore boy, done all for the glory of the Book.

And imagine eating up 35 eggs in just 15 seconds. No, you can't. Well, can the Guinness men do that — not the eating but the imagining, we mean. Possibly not. In the 83rd of such fantastic feats, Parthasarathy has chewed 9,500 black peppers and washed it down his gullet in a matter of 5 minutes. Perhaps the Guinness people take some time to get their facts and to sift and verify them with an eye on what would sell their book more. Parthasarathy beat them to world news with the black pepper act. His feat should in all possibility have by now reached more people than continued editions of the Guinness Book would have done in spite of the staggering number of that publication's circulation.

Now, shall we call Parthasarathy or the tens of thousands that hanker after the same goal as his, cranks and abnormals? There is no compelling reason to do that for people down the ages have done things more harmful to others or even to nations or the mankind and globe as a whole than Parthasarathy's — but to the same end, to earn name and fame. Many of those curses of humanity have been rewarded for their evil acts with honoured places in history.

If, however, we choose to treat the Coimbatore young man with a steered resolve as a crackpot, we are bound, for fairness's sake to look for this madness's sources. Sadly enough, the source is that venerable book of records itself. What records? Most items in that famous volume inform its readers of incredible facts of human capacity, capability and power and endurance, bordering not infrequently on caprice. Parthasarathy and his kind get their ideas from the weird information dished in the Guinness Book. We do not propose to stand Guinness on the dock for millions have derived pure joy out of the bits of this book. All we want is fairness.

If the pepper act fails to impress Guinness — 9,500 peppers down the gullet in 5 minutes — they sure can treat this as a record, the fact of Parthasarathy's 83 attempts. We feel that this is one performance not to be easily beaten by those anointed by the Guinness as superhumans.

# Participatory Banking — a Step in Reform

by Dr Md Habibullah

INDUSTRIALISATION in its broad sense is a key issue in economic development. Productive efficiency is maximised when factors of production are marshalled and blended optimally. Finance has been called the life-blood in the development process for which banking received top priority. The Industrial Revolution first occurred in UK rather than in France because UK had a more sound system of banking though these two countries were equally rich in material resources. Financial management involves three processes, namely, procurement of fund, use of fund and protection of fund.

Industrial units in Bangladesh, both in the public and private sectors, accord more attention to procurement of fund than to its use and protection. Professional economists have been stressing determination of targets to be achieved, tasks to be performed and the manner of using fund innovatively, carefully and rationally. This prompted late president Ziaur Rahman to say "Money is not the Problem".

Money comes spontaneously if project viability is tested intelligently and realistically after careful analysis of cost data and benefit data. Zia laid more emphasis on managerial competence while channelling massive doses of capital through DFIs and banks. Bangladesh has developed specialised banking system after the Japanese model for the transfer of funds from people who are net savers to business firms and entrepreneurs who need capital for lubricating the wheels of development. Researchers have expressed disappointment at the quality of bank service. This had been attributed to inadequate preparation and equipment of DFIs and commercial banks to scrutinise and test economic viability of industrial project submitted for fund. Banks do not in all cases wave compe-

tent managerial talents capable of assessing investment worth of the projects and the credit-worthiness of the loan seeking clients. Report of the Banking Commission contains instances of non-economic factors influencing loan sanction and loan disbursement. Some critics even talked about symbiotic relationship between bank people and enterprise management in the eighties.

Even today one hears cases of inadequately trained manpower, unsoundly prepared projects, depicting of a rosy picture of profitability, over-optimistic financial projections, uneconomical method of factory building construction, machine purchase and installation as well as delayed project completion leading to cost over-run.

Recent banking policy in Bangladesh emphasises lowering of interest rates and grant of autonomy to the management of individual banks. This

has negative impact on people to keep savings in the banks. Government seems to favour investment in company shares and debentures. Japan made people investment-minded this way. In the nineties, people's confidence in company shares and debentures was shaken as some of the listed companies incurred losses and failed to declare dividend. Recently Security Exchange Commission has been activated and dynamism has been injected in the stock market. This is a positive direction of financial reform.

Another feature of the Bangladeshi banking system is concentration of bank credit in the hands of sponsor directors and their fellow colleagues who can avail credit facilities easily and readily for the expansion of their entrepreneurial activities. This is not bad if credits are used wisely and employment is generated in the economy. In the

eighties, large sums of loans were granted by BSB, BSRS, BKB, BHBFC and also by commercial banks. This rather promoted default culture and prompted sickening of industrial units. Research study showed that about 80 per cent of BFI provided loans are now non-performing. Board of Investment survey showed that out of 6044 units registered with it, 4798 were not found in the given address. In the circumstance, Finance Minister Saifur Rahman was right calling some of the loan defaulters as being intentional. He was right in saying that intentional defaulters are jeopardising the whole development process.

Saifur Rahman has been stressing participatory banking which proved highly useful in German industrial development. Our banks have some seasoned executives. Their ideas, experience and knowledge can be profitably utilised by the emerging captains of our industries. Some African

countries have been using supervised industrial credit. Participatory banking can be a useful tool to ensure transparency, a frequently talked about idea of the Finance Minister. Banks can act as a watch dog to see where the money advanced by them goes. Let us go for participatory banking. Let our banks and industries work together. There is no reason to shun the idea because majority of the bank directors have own industries.

They are aware of the problems of both. Let us go by Cost-Benefit analysis. Let us recruit qualified financial accountants. Cost accountants and economic accountants to help us by generating cost data and benefit data in objective manner for correct decision making. Survey by Institute of Chartered Accountants showed lack of these personnel in many cases.

The writer is a Professor, Department of Accounting, Dhaka University.

## South Africa Looks Forward to Crossed Lines

Ronald Watts writes from Katete, Zambia

*The world's media is focusing on the Rwanda-Zaire border as thousands of refugees continue to die and border politics add an extra complication to their return. Further south, however, there are signs of better times ahead along borders that have also seen massive movements of refugees in the last 20 years. Gemini News Service examines new links in a peaceful southern Africa.*

AFRICA continues to suffer from the disruptive effects of the artificial boundaries imposed last century by Queen Victoria and a clutch of other European kings and presidents. But in southern Africa at least, the prospects are at last in sight for easier movements across borders that have divided peoples and trade and held back the continent's development.

The preamble to the 1885 Treaty of Berlin which carved up Africa for the benefit of foreigners stated that its purpose was to further "the moral and material well-being of the native populations" and to promote free trade. The effect has been the opposite.

A chance to rectify the situation was lost at independence when the new leaders agreed to stick to the colonial boundaries rather than risk the upheaval that might follow a re-drawing of the lines. Much upheaval has ensued in any case, for which artificial boundaries are partly to blame. As a result of this, Zambian schoolteacher Micheal Njovu lives less than two kilometres from the border with Mozambique but has always reckoned it too dangerous to make the crossing to visit his fellow Nsenga people. Millions of others like him

have similarly been cut off from people sharing the same language and culture. Another group in Zambia, the Chewas, belong to an ethnic group divided not by one but by two national boundaries.

Now, however, thanks to the change of government in South Africa, the end of the liberation wars in Namibia and Zimbabwe and moves to end the foreign-fuelled civil war in Mozambique, the prospects for cross-border travel in many parts of southern Africa are looking better than they have for years.

Governments see opportunities for trade and tourism in the new situation, and as a result of the easing of regional tensions and immigration rules. Njovu may soon be able to visit the land he has seen across the Luangwa River for much of his life.

Tens of thousands of other southern Africans are also looking forward to an easing of restrictions, despite the comment of the Zimbabwean

Registrar-General — faced with thousands of applicants wanting to visit the new South Africa — that "a passport... is not a right but a privilege."

Travel controls are particularly irksome for people living in border areas who may have to travel to their own capital before they can cross.

But a recent conference on free movement within the area called for an easing of restrictions on travel from country to country.

"(We) are working towards abolishing passports and visas to facilitate free movement," said Kaite Mbuende, executive secretary of the Southern Africa Development Community (SADC), whose predecessor, the Southern Africa Development Co-Ordination Conference was founded in 1980 to harmonise economic development among countries in the region to reduce their dependence on apartheid South Africa. SADC's members are A-

ngola, Zambia, Namibia, Botswana, Mozambique, Zimbabwe, Tanzania, Malawi, Swaziland and Lesotho. South Africa will join in late August.

Some moves to ease restrictions have already been taken. Zambia, for example, has introduced customs and immigration facilities at Mfuwe airport in the Luangwa Valley to assist tourists who want to visit the area without the inconvenience of a stop-over in the capital, Lusaka. Tours are now being offered which incorporate Botswana and Malawi with a visit to Luangwa.

Beitbridge, the only border crossing between South Africa and Zimbabwe, epitomises the problems that borders have brought to Africa. Up to 10 million tonnes of goods and 1.1 million people have been crossing the border every year, some being forced to spend up to 10 hours queuing in the sun.

Zimbabwe has had to build a new border post and, before

the South Africa government changed, an agreement was struck to apply similar rules on both sides of the border and to negotiate a new bridge over the Limpopo river.

Peace would also bring life to the deserted tarmac road connecting Zambia's Great East Road with Tete in Mozambique, the shortest route to the Mozambican port of Beira from Lusaka, or Mchinji in Malawi.

This is a potentially valuable trade route. But the link also shows that some cross-border roads will continue to be bumpy: fighting has disrupted the area since the road was completed in the 1970s and there is still a camp of rebel Mozambique National Resistance (Renamo) soldiers in the vicinity. The border here divides the Chewas, and Zambian Chewas have to be content with one-month passes to enable them to visit their tribes people on the other side of the divide.

Another new route set for development is a bridge across the Zambezi, which forms a border between Zambia, Botswana and Namibia.

The Canadian International Development Agency is funding a feasibility study for the bridge between Kazungula and Katima Mulilo, which would improve Zambian access to the Atlantic Ocean at Walvis Bay where another troubled border situation has been resolved with South Africa's agreement to hand over the enclave to Namibia.

One of the most pressing concerns in opening up the borders of southern Africa is landmines. Among the 27 countries worldwide in which an estimated 100-200 million active mines are a major hazard are Angola, Mozambique and Zimbabwe.

One of the most visible minefields is alongside the Zambezi river, above the Victoria Falls, an area seen by thousands of visitors to the area every year. The hope is that Mozambique, which has an active mine-clearing programme, will expand its efforts to clean up the area after its October elections.

RONALD WATTS is a British freelance writer who has lived in Africa for 30 years.

## Arafat's Return to Gaza : Victory or Humiliation?

Mounir B Abboud writes from Lebanon

*Those celebrating the self-rule accord between the PLO and Israel will be fighting each other soon*

BEHIND the jovious celebration that marked Yasser Arafat's recent historic return to Gaza Strip hangs the threat of continuous armed struggle by 10 anti-Israeli Palestinian groups.

These groups have recognized the new Palestinian self-rule policy on the condition that there will be no interference in their fight against their Zionist enemy — Israel. They reaffirmed their commitment to continue armed attacks against Israeli soldiers and settlers as long as they remain in any part of the territories occupied in the 1967 Middle East war.

Some cynics say those who were celebrating the self-rule accord between the Palestinian Liberation Organization (PLO) and Israel will be fighting each other soon. Palestinian police in Gaza has called on the people to hand over their weapons, which Mr Arafat earlier estimated to total 35,000

pieces. A representative of the Islamic movement Hamas based in Syria has warned police against attempting to disarm their people. The other groups issued similar warnings.

Anyone who attempts to deprive the Hamas people of the right to confront Israel will be killed, a group spokesman said.

Mohamoud Zohar, a leading Hamas figure in Gaza, said: "If Arafat comes to serve the Palestinian cause, he is welcome. If he serves Israeli goals, I don't think he will be welcome."

It could be recalled that Hamas officials held a series of meetings recently in Gaza and the West Bank with the faction of Mr Arafat, PLO chairman, aimed at establishing peace.

In his peace commitment to Israel, Chairman Arafat assured leaders of that country he would curb anti-Israeli vio-

lence and maintain peace in the Gaza Strip.

How Mr Arafat plans to keep his promise is not yet clear. One possible way is by bringing his opponents into the Palestinian self-rule authority.

Reports from the West Bank said the Chairman had actually offered some Islamic activists various posts in the National Authority Council. Several had rejected the offer while others said they would consider it.

Economic recovery is believed to be one way of scaling down anti-Israeli violence. Poverty over the years has been blamed for the escalation of anti-Israeli violence in the West Bank and Gaza Strip.

Mr Arafat's return to the

land he spent most of his life fighting for has drawn mixed readings of its significance. Some Arab papers described it a victory while others considered it a humiliating experience.

Some Lebanese papers noted there was something amiss. There were no tears of joy, no ecstasy, no feeling that history was unfolding before their very eyes.

To most, the crucial questions were: Is this really worth all the sacrifices of thousands of martyrs over the past 50 years of conflict? Is this the end which the Palestinians and the Arabs have been waiting for?

On the other hand, other newspapers observed that after

decades of conflict, Palestine has not been dissolved unlike other nations that have been under foreign aggression.

Palestinian reaction to Mr Arafat's return to Gaza ranged from extreme caution to total rejection. While an estimated 70,000 Palestinians went out to greet the PLO leader upon his arrival, many were suspicious of his future actions.

Press reports said some fear he might try to impose restrictions on his Muslim fundamentalist rivals like Hamas and Islamic Jihad under the pretext of maintaining law and order, thus preventing the two groups from continuing their guerilla operations against Israeli targets.

Palestinians in Jordan would rather wait and see what Mr Arafat's visit would contribute to the restoration of Palestinian rights. The radical Palestinians in Lebanon and Syria had extreme views on this.

The former commander of Chairman Arafat's Fatah forces in Lebanon, Col Munir Makdah, said: "All honourable Palestinians should work to kill Arafat because of what he has done to the whole Arab cause."

In a statement issued in Damascus, the Hamas group condemned Mr Arafat's visit as shameful and humiliating. It had hoped that the PLO Chairman's entry into the Palestinian world would reflect the spirit of the people's struggle against foreign aggression.

The Palestinians' celebration of their first taste of freedom after 27 years of Israeli occupation was a rare manifestation of their unity. Such unity seems to be evident only during times of crisis such as the 1971 war in Jordan and the 1982 Israeli invasion of Lebanon.

— Depthnews Asia

## To the Editor...

### SAARC Info Centres

Sir, The SAARC member states may consider opening a SAARC Information Centre in each metropolis, where the newspapers and magazines would be made available to the members of the public. This free reading centre would close the information gap as far as the mass media is concerned.

Also, the Governments may subsidize the airmail subscriptions of newspapers and magazines for a limited period of, say, three to five years, to enable the middle-class fixed income group to keep in touch with the SAARC region. There are no joint periodical SAARC cultural and art shows; nor any integrated tourism packets (through the tourist travel agencies in the private sector).

First the information gap has to be reduced — the rest will follow, everything about SAARC is not at official level — people's participation is a must.

A. Zabr  
Dhaka

### Clarification Requested

Sir, In The Daily Star of 13.8.94 it is found that the Star agrees with the B M A that the suspension order of the 12 doctors "could have

been preceded by show cause notice." The point made by the B M A is that show cause notice should have been served first and then suspension order might have followed. The age old rule/system has been that if a 'prima-facie' guilt is detected, the defaulter is suspended at once and the show cause notice/explanation asked for giving the defaulter reasonable time and allowing him prescribed portion of his salary during the suspension period. I am not aware if the rule/system has been changed by reversing the sequence — first show cause notice then suspension.

A clarification from the quarters concerned is requested to avoid unnecessary misunderstanding/confusion.

A retired Govt. servant  
Dhaka

### The golden age of travel

Sir, Tourism was once only for the elite, those who had time and money to get out could only enjoy travelling. But we now all can get to bask in the sun and the golden age of travel has come. In the West and in places where tourism has developed, we find soaring sale of suntan creams, swimsuits and anti-diarrhoea tablets — two weeks of basking in a foreign climate is now almost a

common practice.

The vast summer travel—better call it migration, is a very recent phenomenon. Most experts on tourism say that foreign holidaymaking started in early 1855, when first package tour to the Rhine and other places of interest were conducted in an organised manner from UK. Study tours, the benefits of sunlight or the heliotherapy etc, gave further boost and most of the summer resorts started coming up with direct air-flight links.

Even a cursory glance of things that are available nowadays will indicate that for most people the advent of foreign tour or holidaymaking came as recently as 20 or even 10 years ago. And price has drastically been cut, air flights adjusted to suit most people's needs and one can find holiday hotels, sea beach resorts etc, everywhere to be safe and handy.

This social revolution, every bit as extraordinary as those effected by televisions, cars and refrigerators, has produced several problems. Once unspoiled coastlines are now filled with hotels, local ecologies have suffered greatly; traditional way of life has suffered due to the insurance of alien cultures; and it has created outbursts of contempt and hatred for certain unruly creatures having no regards for the cultures of others.

Tourism helps the local economies but often at the cost of traditional ways of life. But this attack on the ways of life could be checked and benefits derived if the authorities are alive to the situation and foreign tourists are regulated with strict orders. The pros outweigh the cons and therefore, the authorities must find out ways, and means to attract tourists — in which the successive governments of Bangladesh have failed so far. Faced with the evils of population explosion, deficits, and resource constraints, unemployment etc, we have very little option but to open the frontiers to the tourists. This is the golden age of travel and the tourists will visit the world; why not change with the time, rejoice and enjoy — also at the same time get benefits out of it.

Col Mirza Shafi (Rtd)  
Dhaka

### Taslima Nasreen

Sir, Ms Yasmin Murshed's diatribe against Taslima Nasreen (two instalments) had quite put me off my mood for a few days (though some may of course have liked the pieces). Ms Murshed talks of Taslima's bad writing verging on pornography, etc. She probably has not read all her works. As for Ms Murshed's term the 'so

called' Fatwabaz — I would like to ask her what she would like to call the Imams who in actuality issued fatwas against Noorjahan (Syhel), Noorjahan (Faridpur), Feroza and Kadbanu, to mention only a few. In the last two years there have been as many as 50-60 individual cases of officially reported fatwas against women resulting in death by suicide and burning, divorce, etc. A distortion of the pristine values of Islam, I agree. But the fact remains rural society at large had to accept these from religious clerics who took resort to (their version of) the shariat. In such a case Ms Murshed's pen would have been better put to use if directed also against the fatwabaz mullah rather than Ms Nasreen alone.

But every cloud has a silver lining they say. And The Daily Star provided it in the form of Mr Abu Abdullah's wonderful rejoinder to Yasmin Murshed's piece in the letters to the editor column on Aug 13, 1994.

S. Amin,  
Lalmatia, Dhaka

name was not mentioned. I really cannot get it over as how the columnist brings up the issue of 1971 war criminals with the protest and condemnation to blasphemous and derogatory remarks against Islam and Quran ul Karim. How does it correlate? Are they not two different issues? Protest and condemnation against Taslima's derogatory and blasphemous remarks against Islam and the Holy Quran are not just individual feelings but a united reaction from common Muslims. Religious sentiments can not be suppressed.

But on the other hand, where the question of trial of 1971 war criminals are concerned, I, as a proud Bengali, certainly do want them to be tried without further delay. As a matter of fact, the war criminals should have been tried much earlier; that would have been more appropriate and meaningful. But then again, matters pertaining to protest and condemnation against blasphemous and derogatory remarks against Islam or any other religion do not compromise nor correlate with the issue of the trial of 1971 war criminals and this may lead to rift and misunderstanding among the Muslims of this soil.

Salim Ahmed (Bobo)  
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