Dhaka, Sunday, March 12, 1995

Fertiliser Setback

Fertiliser — the chemical variety to be precise - has been making screaming headlines for days. All because the commodity is not available where it is needed most at this time of IRRI cultivation. The fact that enraged farmers in Gaibandha even looted a truck-load of fertiliser speaks of the farmers' desperation. But this is a development that could be avoided had there been no manipulation at some points of the distribution system. It is really unbelievable that a country producing surplus of the item has to face such a crisis. And that too exactly at the time of peak cultivation.

As far as we know, the production of urea has not suffered any setback and therefore the supply of the commodity was not expected to come under any undue stress. The problem lies with the distribution of fertiliser. It is the private dealers, holding government licence, who are manipulating the market by creating an artificial crisis of chemical fertiliser. The impression is that the government has failed to take any action against the manipulative dealers. Worse still is the alleged selection of the dealers more on the consideration of party affiliation than on professional

The point we need to make here is that the government is failing itself by its wrong choice of dealers. The dealers who have been distributed the favour are not only discrediting their own government but also bringing into disrepute the whole privatisation programme. Notably, the distribution of fertiliser was a BADC (Bangladesh Agricultural Development Corporation) responsibility. Handing it over to the private sector was meant to bring improvement in the delivery system. Instead, it has worsened. This is bad enough Those opposing privatisation are actually being given a handle by default to propagate their views. Third, after the crop loss had been suffered due to drought, here was a real chance of making up for the food shortage through smooth supply of fertiliser to the farmers.

Instead, some greedy traders seem to be bent on complicating the food situation in the country. For the government however not to discharge its supervisory role has recoiled on it. We do not know why it has not acted even after repeated warnings of the likely scenario. The ministry concerned has bungled with food stock by not allowing the people to know about the real situation and also not taking timely remedial measures. Now it is inviting further trouble by turning a blind eye to the ploy of the fertiliser dealers. It may indeed prove very costly for the government.

For Safe Drugs

Of substandard, spurious and laundered lethal medicines we have heard a good deal; that any further news on these can at best evoke a familiar grunt. But to know from The Daily Star report that many locally manufactured drugs 'do not retain their original quality after a few months of their production is to feel deeply hurt at the cheating in health and monetary terms — all suffered in retrospect. No freakish this that Bangladeshis on temporary sojourn abroad are pleasantly surprised by the effectiveness and side-effectlessness of the foreign brands they came to use as substitutes for the local brands of the same generic name.

Thus the expiry date labels on many of our local drugs and injection ampules are a bunkum. What a rude shock this must be to the multitudes of patients who are entirely dependent on the lo-

cally produced medicines!

The Drug Administration (DA) has to collect at its own cost samples of medicines from the manufacturers. Because of the DA's monetary constraints it can annually collect and test only a very negligible fraction of the products leaving out the remainder to play with human lives. For the manufacturer's part, he invariably sends a sample from the best batch of production. Add to this the corruption within the DA and you have a feel of the magnitude of indifference to quality control.

As the supreme licensing authority, the government has a powerful lever to compel the manufacturing houses or the chemists to supply samples of all their products to the DA for testing and clearance. If the DA's certification is made mandatory - not on paper, but in actual fact then and then only the manufacturers will sit up

and do the needful.

Secondly, unless the Drug Administration is organisationally restructured and expanded, scientifically re-equipped with laboratories, and legally empowered to ensure the quality of our. medicines, it will emaciate into a non-entity. With the Tk 900 crore annual turn-over of the drug business yielding Tk 225 crore to the national coffer, the government should be obliged to strengthen the quality control mechanism forsafer drugs.

Welcome News

That the governments of Bangladesh and India, the Tripura state government and the tribal refugee leadership in Tripura have a basic convergence of intent to complete the process of tribal repatriation from India to Bangladesh cannot be in question. Perceptibly one finds varying degrees of concern and anxiety over the matter among the parties concerned but there is the kernel of a common recognition of the need for a re-settlement of the tribal refugees in their

ancestral homes in Bangladesh. The very tripartite agreement among the representatives of Bangladesh, India and the Chakma refugees whereby two phases of repatriation were completed in February and July 1994, remains intact as a fitting tribute to their commonality of interest. That the third phase has not begun as yet is a matter of detail, not of principle. The ceasefire cover is very much in place; and the foreign observation reports speak of non-violent ground situation on the Bangladesh side. The refugees in the Tripura camps are anxious to return to their homesteads in Bangladesh, by all sights and sounds. A Bangladesh delegation visited Tripura in January and on its return weighed with the government here to announce an improvement in the rehabilitation package.

Against this backdrop, we welcome the news of a visit to the CHT by a four-member Indian delegation, designed to re-start the refugees' repatriation from the Indian state of Tripura. At this stage neither any vestigial prejudice nor any difference over details should impede the return of our citizens to their homeland. Without being resettled, they cannot expect to be fully acclimatized and ensconced.

Privatization and Foreign Investment HE road to privatization

of state-owned enterprises is via foreign companies. The government can get rid of the huge drain on public resources and, at the same time, induce foreign companies to invest in new productive enterprises, not necessarily linked to export markets. This is the lesson emerging from the current experience of the disadvantaged economies in transition from central planning to market oriented systems in many parts of the world, particularly Eastern Europe.

1972, the first Bangladesh Government clustered mostly abandoned industries and created sector corpbrations, one for each category of industries. Therefore all jute mills were transferred to Bangladesh Jute Mills Corporation, all textile mills to Bangladesh Textile Mills Corporation, while Steel and Engineering Corporation owned and operated the steel mill at Chittagong and the Machine Tools Factory at Joydevpur, near Dhaka and similar other concerns. Bangladesh Chemical Industries Corporation emerged as the biggest corporation + even finding an exulted place among 500 largest corporations of the non-OECD countries. This is primarily because new fertiliser factories were constructed while in case of other sector corporations, new investments were marginal and factories they own today are at least 25 to 35 years (if not more) old with not much of replacement and modernization. Sometimes, the entire factories look like worn-out, corroded monsters, struggling all the while to remain useful.

Given the above background, assets of high value that the state enterprises really own are the valuable real estates, since urban land values have shot up manyfold, at least by a multiple of fifty, if not more, and the buildings thereon could also be made useful. Otherwise, the loss-ridden enterprises would have very few takers - the plant and machineries are too old.

Those factories are still running because state enterprises would hever lose their shirts; while private buyers would inevitably lose not only their shirts but trousers as well. Obviously, entrepreneurs of any kind whatsoever, would not like to be naked out in the street (unless of course some of them have gone raving mad - a possibility which is difficult to rule out).

Different Products

Even if the losses are written off and factories handed over to private buyers, the only way to make them useful would be to scrap all existing machineries and equipment and create new factories at the same premise, manufacturing. may be, entirely different products. This would be the only way to create viable enterprises - throwing away everything except the land and

Once I had a 20 year old car in the United States and took it for repair to a workshop. The mechanic took one quick look at the engine and said; "Junk it man, junk it." The conditions of most of these old factories are the same; and like it or not, we got to junk them and prevent future losses. After all, steel scraps have salvage value and land prices are indeed very high which should generate the funds to compensate the workers, at least partially, if not in full.

Of course, there are conspicuous exceptions; but those are very few and far between. Unfortunately, I am not aware of them. On the other hand, there are instances of public

WINDOW ON ASIA Shahed Latif

sector industrial investments which were non-starters from the very beginning. There are also instances where investments were made 50 or 60 years back and not only the machineries but the factory buildings as well, need to be pulled down and create opportunities for a completely new beginning. A new cement factory, at least five times the present capacity and meeting a major portion of the internal demand can be built, entirely through private investment. provided the Chattak Cement Factory is handed over to an interested cement manufacturing multinational. Same is the case with the Chittagong Steel Mills, if it is sold on condition that the private buyer would invest in a large sponge iron and steel manufacturing facility, while supply of natural gas for the purpose will be assured by the government. Examples like this are as many as the number of "junk factories" owned by the government.

A factory must also be conceived as a living reality. It would remain profitable for a limited period of time, unless and until continuously modernised through replacement. Modern air jet looms have completely revolutionized textile weaving; and the textile mills of pre or early-20th century vintage should be scrapped. And in their place, take advantage of most modern technologies so that our textile mills are in a position to compete with our neighbours who are one of the largest textile manufacturers of the world. At the same time, such textile mills in Europe and Japan are not profitable any longer since the industry itself is still highly labour-intensive and workers salaries are too high in the developed countries.

OECD Entrepreneurs

Now it would make good sense to invite textile manufacturers of OECD countries to visit the sites of our existing "almost ancient" factories and mills, many of which have already been closed down. The government should immediately agree to transfer the mill/factory sites to these foreign entrepreneurs on a long term basis and let them salvage and make productive use of whatever machineries and equipment they can, but of particular importance would be their future investment to transform the old mills into modern thriving enterprises.

There is no reason why we cannot succeed in this type of novel investment ventures, provided all other conditions are satisfied, in particular the growing political impediments and harassments by the retrenched workers are appropriately tackled before hand. Modern integrated textile mills are of very large size and employ more than 5,000 workers at a time. Thus in terms of employment there will be overall gain by the labour force in general. The narrow sectional interests must be tackled primarily by convincing the work force in general that they stand to gain through the process of privatization linked to new investments for modernization of the's entire industrial sector. And, it is not only textile - there are several other industries where loss-ridden public enterprises could be the basis of enormous private sector industrialization. Our nascent telecommunication industry is a case in point. Earlier, Government did try to sell the telephone factory to a leading telecommunication equipment manufacturer of the

world and I must say that we were lucky to have attracted the attention of such a global firm since they could have gone to another country. Unfortunately, the vested interest within the telecom sector prevented the tremendous possibility being realized. This is plain and simple economic sabotage. It is not only the government but the nation as whole ought to realize that foreign investors, unlike us, have no illusion about Sonar Bangla. If we do not welcome them. the loss is entirely ours: investors have very many other places to go where they are most welcome.

Our biggest industry jute is

unning at a loss. The textile mills are not profitable. The cost of production of sugar is very high and the smuggled sugar, from India is much cheaper. The quality of newsprint produced is simply atrocious. The copy of The Daily Star you are reading at this moment is the living proof of that agonizing reality. The question is, how long

we must suffer! Not much longer, provided we are in earnest and initiate all-out efforts to sell to the prospective foreign investors, the real estates occupied by the rundown industries. Secondly, convince the workers with adequate compensation or alternative employment and prospects of future employment generation on a much larger scale. Above all, we must be alert to the very real danger of sabotage from within, by the vested interests who are not necessarily the poor workers.

Looking Back at

March towards Independence March 12, 1995

Maulana Abdul Hamid Khan Bhashani, while addressing a public meeting in the Circuit House maidan in Mymensingh, maintained, "Sheikh Mujib will go down in history as an epoch-making Leader if only he provides the needed leadership to the struggling masses, sacrificing the thirst for premiership." A 'Sangram Parishad' was formed in the presence of as many as 50 painters who agreed to make painter Qayyum Chaudhury and Murtaza Bashir conveners of the Parishad'

This was the day of vibrant processions moving forward to the residence of Sheikh Mujibur Rahman located at Road No 32, Dhanmondi. As many as 127 processions, reverberating with spirited slogans and decorated with festoons and banners proceeded at various times from 8 o'clock in the morning to 8 o'clock in the night towards Sheikh Mujib's residence. The predominant message of these processions was: Bangladesh belongs to the Bengalees'.

What was particularly significant was that the 'Swadhin Bangla Chhatra Sangram Parishad' declared Tagore's Amar Sonar Bangla the national anthem of Bangladesh in place of the Pakistani one. Singers moved around the city of Dhaka singing patriotic and political songs, and imbuing the masses with the spirit of the struggle for independence. Film actors and actresses including a considerable number of civil servants identified themselves with, and lent, whole-hearted support to, the cause of the struggle.

(Compiled by Urmee Hussain)

Untying the Gordian Knot of Our Politics A SERIES OF INTERVIEWS AND ARTICLES ON THE CURRENT POLITICAL CRISIS

Dialogue among the Parties is the Way out!

The Daily Star (DS): What according to you are the reasons for the present political stalemate? What is the way out? Please elaborate your personal views on what should be

the next step. Rafiqui Islam Miah (RIM) The stalemate began from an unconstitutional demand of the opposition parties who insisted for an interim caretaker government. BNP came to power through a free and fair election with a clear mandate for five years but the opposition parties suddenly raised the point of caretaker administration to supervise the elections. The BNP would rule the

the Speaker one after another. I think a dialogue among the parties is the way out of

country as per Constitution. We

should not destroy the institu-

tion of Prime Minister and also

the present situation. DS : Everyone is talking about elections, but when should it be held - within the next few months or later in the year or at its scheduled time, early next year? Suggest measures to be taken for the timing of your choice.

RIM: I think the next winter is the appropriate time for holding the general elections in our country. No election is held in our country during the rainy season because the voters face inconvenience during the

December-January is the right time to hold the next election, this will not be an early election.

DS: How to ensure an independent Election Commission? What are the pros and cons of the EC Bill passed?

RIM: The Election Commission has been strengthened by passage of the Bill. The commission now can play its role more effectively and independently.

DS : How to formulate a code of conduct for political parties to hold elections? How to ensure the implementation An Interview with Barrister Rafiqul Islam Miah, Member, Standing Committee of the BNP and Minister for Housing and Public Works

put these two points together

then we see there are minor

differences, if we sincerely

want a solution I think we will

by Asiuzzaman

of such a code?

RIM: Only financial capability should not be the yardstick of choosing a candidate by a political party to contest any election. The political parties should include this point at the top of their agenda during preparation of a code of conduct ahead of the next elec-

We can stop the flow of mastans would dominate the election process.

If a candidate is elected after spending a huge amount of money, naturally he will try to recover his expenditure by means of various business.

weapons are the major obstacles for holding a free and fair election in our country. Identity cards would help

stop casting false ballot but we should have to check illegal weapons and the flow of black money to make the election

According to the present election rules, a candidate can only spend Tk three lakh and can print single-colour posters. But reports are being published that some of the candidates are getting preparation for the next election with a budget of Tk three crore. Some of the candidates start doling out donations and grants to the schools. madrasas and clubs in their respective, constituencies which directly influence the election process.

The Election Commission should evolve a mechanism to tap the excessive expenditure by the candidates. The Parliament enacted laws to strengthen the Election Commission which is now completely independent. Under the new law administration can be kept free from the

DS : Do you think that there should be some sort of political understanding between the ruling party and the Opposition to ensure a free and fair election? Is such an understanding possible? If yes, then what should be the next *step? If not, why? What are your views on the mechanism under which the next election should be held? What about constitutional amendment?

RIM: I personally feel that the main demand of the oppo-

sition parties has already been be able to reach a point. fulfilled as Prime Minister The situation further im-

black money if we abide by the rules set by us, otherwise

Black money and illegal

government.

Begum Khaleda Zia expressed proved following Speaker her readiness to resign 30 Shaikh Razzak Ali's ruling and days before the elections. On Prime Minister's fresh call for the other hand, the leader of talks with the leader of the the Opposition Sheikh Hasina opposition. in a public meeting agreed to If they, the opposition, reaccept a caretaker administration under the President. If we

spond positively then things would become easier, I think there is no need for any constitutional amendment, a solution is possible within the framework of the Constitution.

Buchwald's COLUMN

You Bet Your Life

HE collapse of the Barings Bank, one of England's oldest financial institutions, has sent shock waves all over the world. It appears that a 28-year-old trader named Nicholas Leeson managed to invest the bank's money in Singapore in so-called derivatives and lost \$1 billion, triggering the bank to In order to find out if any other British banks were

threatened I visited the New York branch of God Save the Thrift Merchants of Dover, the second oldest investment house in the commonwealth.

When I walked into the lobby on Fifth Avenue everyone was immaculately dressed except they wore no trousers. Michael Ford, the managing director, whom I had known during our days at Eton, explained the lack of pants. "It's our way of showing sympathy for Barings.

"What happened to them could have happened to any bank." "Their trader Leeson bet on the wrong horse. But the chap was only 28 years old and just needed more seasoning."

I said. "Mike, this is the question that a lot us are asking. flow can anyone lose \$1 billion in a vault without someone

"As I understand it, the bank was watching Leeson's lunch expense account closely, and it overlooked what he was doing with its funds. This happens all the time. We always focus on the petty cash but we ignore anything that has more than three zeros attached it. Our people in London reported that Leeson was betting the Tokyo stock market would go up instead of down. It was a very reasonable wager, and one that any investor could have taken pride in had the stock market behaved the way Leeson thought it would."

"Why didn't Barings stop him from putting all the bank's chips on one number?"

"Because when a trader is hired one must let him make mistakes. Otherwise you risk creating a morale problem in the "Do your people have carte blanche to play the derivatives

"No we prefer to invest all the bank's money in the weather. It's much safer and if the temperature goes up we can make a

killing. The reason that our investors trust us is that we always know when it's going to snow." "How long do you plan to work around with no pants on?" I asked Michael

"At least until the crisis quiets down. We had to show Wall Street that we didn't take the Barings incident lightly." A runner came up to Ford and said. "Castor wants to know if

he can buy \$200 million in Mexican lottery tickets." Michael responded. "No I prefer to put the \$200 million on a long shot in the Irish Derby.

By arrangement with Los Angeles Times Syndicate and UNB.

Eid processions

Sir. The inhabitants of Dhaka, in keeping with the tradition of the old city, reported to have brought out 'Eid Ananda Michhil' this year. In the past, there used to be only one procession after Eid. whilst Hindus of old Dhaka in the long yester years had their 'Janmastomi Michhil' separately on two successive days, one organised by the so-called 'Saha' community and the other by the upper caste.

Perhaps this is the first time we have witnessed two Eid processions in succession. one led by the city father, belonging to Awami League and having roots from the old Dhakaites, and, the other by the Deputy Leader of the House Prof A Q M Badruddoza Chowdhury of BNP and originally hailing from Munshiganj. Surprisingly, both the organisers claimed to have the participation of the inhabitants of the old city of Dhaka in their processions. A bewildered dweller of the old downtown, unaware of any political rivalry in the country, was asking himself as to which one of the two organisers was 'original' a word now so often and liberally being used to draw distinc-

tion from the imitation! It is good to revive old traditions and practices, but one would have liked very much to see the two organisers united to have one procession, imbibed by the true spirit of our

ARM F Hadi Gulshan, Dhaka

Housing project for 2 lakh plots.... Sir, The report by Masud

Hasan Khan on the above subject in your daily of 21st February was a good news. But like many others, I am apprehensive.

The 'but' here is the name of RAJUK as the body to plan and implement this project. Experience of many Dhaka residents is bitter, where RAJUK is concerned. Thousands of people have their lives' saving deposited with this 'hai hai company' who apparently has no one to answer to. It defies even the offices of the minister and the parliament with impunity. The hierarchy here manages to develop unholy liaison with someone near the apex of power and then goes on with its corrupt and unsavoury activities.

In the recent past RAJUK/DIT collected money with undue haste, exploiting the desire of middle class to own an abode of their own, for

plots in Uttara, Baridhara ('J' Block) and Nikunja without developing (even, some say, owning) the land. In one case, it is alleged, the land which it took possession years earlier is now in possession of others in a mysterious manner.

To make the newly conceived project a success it should be given to some international body or NGOs for implementation. Even commercial houses may be involved with well defined guidelines.

A reader Dhaka

Statement of income and expenditure

Sir, Over the last twenty years we have observed that whichever government comes into power in our country it always tries to beat drums for its own achievements and development works and blames the past government for all ills and sufferings of the people. We feel that success or fail-

ure of a government mainly depends on the prevalent socio-economic condition of the people, political and law and order situation of the country. One of the most important functions and duties of the government is the handling of

finance and accounts of the

state, collection of revenue earnings and making expenditures of the public money with utmost care and foresight. But unfortunately we find that the relevant books of ac-

counts of income and expenditure and liabilities of the state are not properly maintained. And as such we do not come to know many facts and figures. needful enquiry and scrutiny . cannot be made into different wanton expenditures, defalcation and wastage of public money and we fail to take necessary action to stop recurrences of irregularities, lapses, omissions and mistakes in fu-

Undoubtedly we have an annual revenue and development budget but unfortunately the budget papers are so tactfully prepared and presented that most of the people cannot make a correct assessment and evaluation of the state of our finance and accounts of the country We therefore strongly feel

that in addition to our yearly revenue and development budget our Ministry of Finance and Bangladesh Bank may kindly jointly issue a national income, expenditure and liabilities statement showing and incorporating the following facts and figures on the 31st of December of each year in the

greater interest of the nation:-1) Total revenue income for the last financial year.

2) Total amount of foreign loan received during the last financial year. 3) Total amount of public

market?'

money (revenue income and foreign loan) spent during the last financial year. 4) Difference of column No. 1 and 3 above, plus (+) or mi-

nus (-). 5) Total amount of outstanding foreign loan from 1972 to last financial year.

6) Amount of balance of foreign trade, (+) or (-) for the last financial year. 7) Total amount of balance

of foreign trade from 1972 to last financial year. 8) Total amount of foreign exchange available with

Bangladesh Bank on the last

day of last financial year. 9) Total amount of system loss in electricity during last financial year.

10) Total amount of system loss in electricity from 1972 to last financial year 11) Total amount of finan

cial loss incurred by public sector corporations during the last financial year 12) Total amount of finan

cial loss incurred by the public sector corporations from 1972 to the last financial year 13) Total amount of pay and

allowances paid to government servants and employees during the last financial year. 14) Total amount of public

money spent on purchase of motor vehicles, maintenance and purchase of POL of the vehicles for the ministers, government servants and employees of public sector corporation, during the last financial

15) Total amount of money spent from the public exchequer on foreign tours of the ministers and bureaucrats during the last financial year.

16) Total amount of telephone bills for the ministers and bureaucrats during the last financial year

rarium paid to the government servants and the employees of the public sector corporations during last financial year.

17) Total amount of hono-

18) Other important information, if any. We are confident that.

equipped with above information and knowledge our people as well as government would be greatly benefited This would also help us establish accountability and transparency in the country realise and improve our duties and responsibilities as citizens of state.

O H Kabu Dhaka 1203