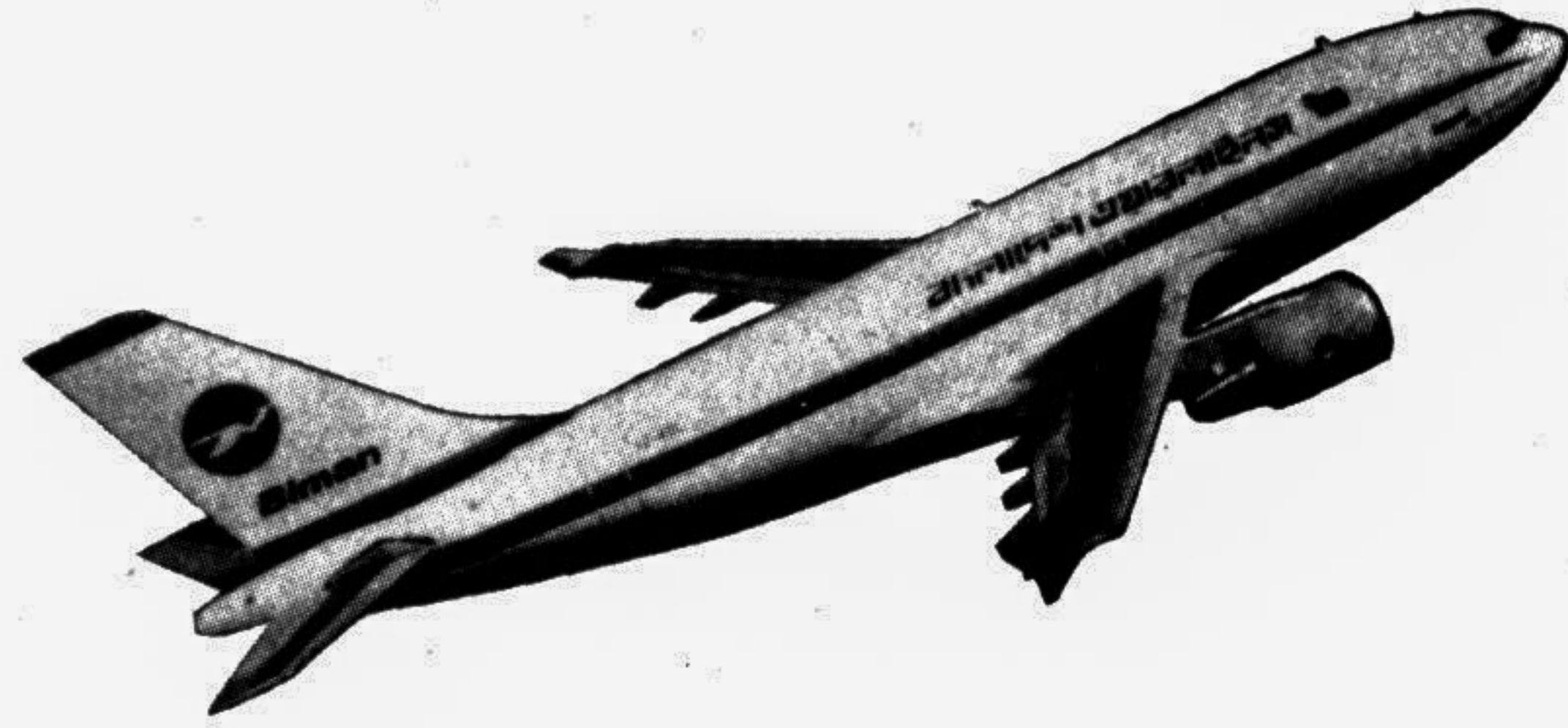


Biman Privatisation or Rationalisation?

by Hedayat Ahmed



WORLD Bank in its report entitled 'Government That Works: Reforming The Private Sector' has advocated the case for privatisation of Biman Bangladesh Airlines on the ground of its having low productivity and high operating costs as compared to other established carriers as well as industry's average. The study has no doubt been carried out in a highly professional manner. It would be difficult to question the findings which are based on economics of operation using the internationally accepted indicators; nevertheless, there are other overriding and non-economic considerations which cannot be disregarded altogether. The purpose of this paper is not to defend the poor overall performance of the airline, but to offer an alternative view to make it competitive in an era of globalisation, responsive to the needs of the market and improve its public image.

The major findings of the report are: (a) low productivity of personnel, (b) low productivity of flying personnel, (c) low ratio of passenger per personnel, and (d) high operating costs. Obviously, operating costs cannot be high when there is low productivity in all areas of its activities. Moreover, Biman's performance will have to be viewed in the context of the prevailing socio-economic milieu; when most other public sector enterprises are equally, if not more, inefficient wouldn't it be naive to expect the national carrier to behave in a different manner?

One can identify a number of factors which might have contributed to its inefficiency. Firstly, reported interference from top political hierarchy, specially with regard to fleet modernisation. For example, sale of Boeing 707-320C aircraft allegedly at throwaway prices is a case in point. Had these aircraft been in the fleet of the airline today, Biman could have exploited the potential of cargo market with maximum advantage. The written down value of the aircraft would have been zero by now. Just by recovering direct operating costs Biman could profitably operate all-cargo flights out of Bangladesh. The same could be said about the sale of Fokker F27 aircraft shortly after expensive interior refurbishing. Incidentally, F27 happened to be one of the most successful aircraft of its class in the world: it is pity that it may be out of production in the near future. The replacement of F27 by ATP has been one of the most controversial decisions ever undertaken by the airline. And finally, purchase of a new DC10-30 aircraft (one of the last few to come out of the production line) has not been a very wise and prudent act. Reportedly, these decisions were not taken by the Biman management out

of its own volition, but at the behest of powerful and influential quarters beyond the reach of the management. Left to itself, Biman would have opted for products more appropriate to its route structure and commercial needs.

Secondly, the quality of personnel. It is an undeniable fact that overall efficiency of personnel at all levels is anything but laudable; this — more so at supervisory and mid-management level — is a general perception. This is attributable to the reported inability of the management to make direct recruitment of professional cadre at junior and mid-management level. The system of promotion almost entirely from within and induction of a large number of retired armed forces personnel seriously eroded professionalism within the organisation.

Thirdly, ministerial interferences also contributed significantly to the weakness of the airline. It is rumoured that on many an occasion fleet planning exercises and other vital decisions were delayed due to such interference. In fact, a minister as a matter of principle should not become the chairman of the board of any state enterprise or statutory body. The position of a minister should be that of a supreme arbiter and he should not get involved in operational matters.

Most of the major airlines of Asia and Europe are either wholly or partially owned and controlled by the state. At the same time, some of the airlines of Asia are considered to be the best in the world by industry's standards. Thus, involvement of government in the management of an airline does not, *ipso facto*, render it inefficient. Efficiency is a function of responsive and responsible management and this can be achieved even under the umbrella of state supervision and involvement.

An airline cannot be viewed only as a provider of services,

its strategic and social obligation cannot be overlooked. Thus, the state cannot and should not divert itself of its obligation to safeguard national interest.

One can put forward a case for privatisation strictly on economic considerations; but it loses its validity when viewed in the context of contemporary scenario. However, what is needed urgently is to restructure and overhaul the organisation thoroughly to cause a break from the past and turn over a new leaf. It must rid itself of inertia and formulate a plan for the future based on pragmatism and vision. In the perception of the travelling public of Bangladesh the national carrier is 'un-salvageable'; some even feel strongly that it should be closed down as was done in Sri Lanka, some years back. I do not subscribe to any of these views. Its image can be restored and performance improved if a serious effort is made by all those who are associated with the airline with a sense of purpose and commitment, and supportive intervention of the government.

Airline is a highly competitive and sophisticated service industry. Small airlines are most vulnerable in this competitive environment. Even the very big ones — the giants of the industry — are finding it difficult to maintain their supremacy without some form of alliance. As a first step towards improving its efficiency Biman must enter into some form of technical collaboration with a well-established airline. Such a collaboration will enable it to have access to the most up-to-date development in management techniques in the field of air transport industry. There are a number of other areas which deserve immediate attention.

Biman management must immediately undertake a comprehensive fleet planning exercise, if not done already. It is a painstaking effort which can

only be accomplished by people with high professional expertise and technical competence. Reportedly, a series of exercises were carried out in the recent past; but nothing came out of them for reasons not known. It is rumoured that contrary directives were given from the top from time to time which hindered the work of the committee. Presently, Biman has a fleet which does not fully meet the market potential. The ageing DC10s need to be replaced by bigger and more advanced aircraft urgently; otherwise Biman will lose out to its more efficient competitors. Acquisition of two Airbus A310-300 is a commendable decision which is expected to improve the reliability of service. Likewise, the question of fleet rationalisation in the domestic sector should be addressed on a priority basis. These urgent issues can only be deliberated upon by competent specialists drawn from the relevant branches of the airline. If necessary, services of expatriate experts should be obtained to formulate an acquisition plan which will see the airline through the first decade of the next century.

As mentioned earlier, Biman could not fully exploit the growing freight market due to inadequate capacity — the consequence of ill-conceived sale of Boeing 707-320C. While formulating the future fleet modernisation plan this matter will have to be given the consideration it deserves. Biman's earnings can be substantially increased from freight revenues with proper planning and effective marketing strategy.

Being a service sector with strategic and commercial significance Biman does deserve state support. But it will never be able to stand on its own and overcome its weaknesses and shortcomings if it does not make serious efforts to become self-reliant; it can-

not continue to depend on the benevolence of the state for all time to come. This calls for formulation of a strategic plan based on a realistic projection of future growth.

This challenging scenario demands the creation of a professional management cadre drawn from amongst the best, available products of universities with the requisite academic background and proven competence. Presently, Biman is pitifully weak specially at mid-management level in most areas of airline operation. It must formulate a recruitment policy and career development programme which will attract the most promising university graduates.

Over the years Biman has improved its maintenance capability; however an accelerated development in this area deserves immediate attention. It must keep pace with future growth. With more and more sophisticated aircraft dominating the market, there is a greater need for well qualified and better trained maintenance personnel down the line. A weak maintenance and engineering department will be a serious drain on the resources of the airline.

Nevertheless there has been some criticism in respect of awarding of a maintenance contract to Alitalia, a sick airline of Europe. Fortunately, the contract has since been terminated. Acquisition of two new Airbus A310-300 aircraft with Pratt & Whitney (P&W) engines instead of General Electric (GE) engines also raises some technical questions. Incidentally, Biman's existing fleet of DC10s are fitted with GE engines and Biman's maintenance crew are familiar with this engine. Moreover, almost 60 per cent of all A310-300 aircraft delivered globally are fitted with GE engines; in other words, aircraft fitted with GE engines have good resale value.

It is evident that mere privatisation will not bring about the desired results unless the concomitant issues are addressed simultaneously. Moreover, private sector may not come forward to acquire an enterprise with such a heavy debt burden, poor public image, low productivity and excess staff. A piecemeal approach without an integrated plan of action will fail to launch the airline on a properly guided takeoff path; it will continue to crawl, not fly. A comprehensive restructuring plan based on (a) need assessment, (b) situation analysis, (c) clearly defined goal, and (d) available implementation strategy will make the national carrier a dynamic one to face the challenges of the future.

The author, a retired secretary to the government and ambassador, was the chief executive of Biman during the early years of its operation and later secretary in the Ministry of Civil Aviation and Tourism.

BREASTFEEDING A Community Responsibility

by Ashrafuddowlah

REGULAR visitors at the Soekarno International Airport in Jakarta are struck by one change: the picture of a happy mother breastfeeding her child has replaced an old one that promoted bottlefeeding.

The change in the billboard is the result of a campaign Indonesia has launched to encourage mothers to throw away the bottles and breastfeed their babies.

While most of the developing countries are now being swept by this pro-breastfeeding wave, Bangladesh is yet to catch up with the new wind. The cities of Bangladesh, including Dhaka, project advertisements that promote bottlefeeding. However, understandably there is a campaign against bottlefeeding in Bangladesh too, but if it is too weak to be taken into cognisance, like in Indonesia. But then everywhere bottlefeeding is now considered not only expensive for mothers but also harmful to child's health.

Internationally, it is now a child's basic right to be nourished by the mother's milk. But the child is denied this right not because of his/her own fault but because of the mother's ignorance and attractive campaigns by the baby food manufacturers.

Prejudice against breastfeeding in public often coupled with superstition is also a big factor against growth of breastfeeding. Breastfeeding in public is often met with disapproval, and many women still feel shy to feed their babies in front of others. To many others, it is a taboo, an act socially prohibited.

Bangladesh presents rather a gloomy picture as it prepared to observe the World Breastfeeding Week, August 1-7 and thus joins the world in trying to raise the awareness about the virtues of breastfeeding.

According to some sources 80-90 per cent of mothers in Bangladesh still breastfeed their babies in the first year of the birth. But at the same time many of them resort to baby-food substitutes.

A survey conducted by a group of students from Dhaka University's Home Economics Department on some 150 mothers in Dhaka, revealed that breastmilk substitute was given to newborns within 24 hours of their birth. In case of affluent mothers, it was 70 per cent, middle class 74 per cent, low income group 54 per cent.

The suggestion to depend only on breastfeeding until the child is five-month old was rejected by 28 per cent of higher class, 36 per cent of middle class and 38 per cent of lower socio-economic group.

According to doctors, 21.4 per cent of them cited mother's poor health, 4.8 per cent child's illness and 4.8 per cent breast problem as the reason for not choosing breastfeeding.

"Very often we are forced to offer breastmilk substitutes, in case of insufficient mother's milk due to illness" said a nurse who preferred not to be identified.

A good number of mothers refuse to breastfeed as they are too conscious about their beauty and figure. It's wrong though.

This is a nonsense. A mother's beauty increases if she goes for breastfeeding. It helps quick return to health after child birth" said Khondaker Rebaka Sun-Yat of Bangladesh Women Health Coalition.

Another survey by ICDDR,B and IPHN, disclosed that about 90 per cent of working mothers gave their babies colostrum and 13.4 per cent breast-feed them exclusively from birth until two months but only two per cent continued the practice till five months. Most mothers (46.2 per cent) started giving other milk substitutes because they would have to resume work soon. About 80 per cent of mothers found no facilities to breast-feed the babies at workplaces.

Although everyone agrees with the slogan — 'There is no alternative to breastmilk' — it is hardly put into practice. The unethical marketing and promotion of breastmilk substitutes has worsened the situation.

An observation on 15 hospitals in four metropolitan cities and three district towns (Dhaka, Chittagong, Khulna, Rajshahi, Barisal, Bogra and Bagherhat) disclosed how aggressively the market promotional activities of baby food companies were carried out in most of the hospitals.

scribed by doctors. Tinpot milkpowder, infant and weaning food were found in the wards of 53.3 per cent of the hospitals during the visit. In 73.3 per cent of hospitals, the company people offered gifts, distributed free. Some 6.7 per cent of the hospitals received free tinpot milks as donations. The authorities were fully aware of the situation.

Although the government restricted sales of any breastmilk substitute by offering any gift, prize, discount or any free item, the practice is going on in full swing defying the rules. The governments in past failed to make any headway in preventing this trend.

According to statistics, the country imported powdered and baby milks worth about Tk 350 crore in the last fiscal (1995-96) as against Tk 500 crore in 1994-95.

According to doctors, the practice of correct breastfeeding is declining in Bangladesh. "Commercial and social pressure on mothers through advertising and promotion of breastmilk substitute erode correct infant practices", said a child specialist.

"Healthy babies today make a healthy labour force tomorrow. None can deny the truth," said a working mother Zaheda Akhtar who left her job for lack of facilities for breastfeeding. Like Zaheda, a good number of working mothers left their jobs due to lack of atmosphere and to ensure proper breastfeeding and take care of their children.

According to doctors, "Colostrum", the first milk of mother, is the newborn's first and most important immunisation. "It protects infants from various infectious diseases. A non-breastfed baby has 20 times higher risk of death compared to an exclusively breastfed one", said Dr S K Roy of Bangladesh Breastfeeding Foundation.

A breastfed baby becomes more talented and has more human quality and compassion. Exclusive breastfeeding also acts as contraceptive, preventing upto six additional pregnancies during a mother's reproductive life and provides protection against ovarian and breast cancer, osteoporosis and multiple sclerosis.

Government policies and programmes should be formulated to empower women and ensure their access to resources to achieve optimal health for themselves and their children.

"Legislation" controlling marketing of breastmilk substitute should be vigorously enforced and should review the existing legislation on protecting rights of working women, enforce such legislation and enact additional legislation if existing laws are inadequate", said woman activist.

— NEWS NETWORK

The Daily Star Entertainment Guide

Thursday 8th August
All programmes are in local time.

BTV
2:00 Opening Announcement
3:10 World Business Report/Asia Today
3:15 Recitation from the Geeta
3:15 Retelcast of selected programme from TV Archive
4:00 News in Bangla
4:15 Shorjol: Children Magazine Programme
4:45 Cartoon Film: Tom and Jerry
5:00 News in Bangla
5:25 National Television School Debate
6:00 News in Bangla
6:30 Esho Para Shikhi: Mass Education
7:00 The News
7:05 Jboner Alo
7:25 Nazrul Songs
8:00 News in Bangla
8:40 E-Shaptahar Natok
10:00 News in English
10:25 Jannab-hunt
10:35 Film Show: The Equalizer
11:30 News in Bangla
11:35 Friday's programme
11:40 Close down

BBC
9:00am BBC Newsroom inc.
World Business Report/Asia Today/24 Hours
9:00 BBC World Headlines
9:05 White Heat
10:00 BBC World News
10:30 Time Out
Earth Report
11:00 The World Today
1:00pm BBC World Headlines
1:05 Assignment
2:00 BBC World News
2:30 Time Out
Tomorrow's World
3:00 BBC World Report
4:00 World Business Report/24 Hours
5:00 BBC World News
5:10 Newsmight

CHANNEL V
7:00am Revind VJ Sophiya
8:00 Jump Start VJ
9:00 Frame by Frame
11:30 The Vibe VJ
12:30 By Demand VJ
1:30 First Show
3:00 BPL Oye
4:00 Planet Ruby
4:30 By Demand VJ
5:30 Music Update
6:00 Revind VJ
6:30pm Big Bang VJ
7:00 Planet Ruby
8:30 The Vibe VJ
9:00 Videocon Flashback
9:30 Top of the Pops
10:00 First Day
11:00 Classic Rock
12:00am Big Bang VJ
1:00am Haysah
2:00 By Demand VJ
3:00 V Soot
5:30 Frame by Frame

STAR PLUS
6:30am Vetrin
7:00 Teenage Mutant Ninja Turtles
7:30 GJ Joe
8:00 Sabar Rider And The Star Sheriff
9:30 The Adventures Of

STAR MOVIES
7:30am Film Club: Bnde of the Monstai 12 (Arabic Subtitles)
9:30 Classic: Harry Black and the Tiger 12 (Arabic Subtitles)
11:30 Family: Thank You Jack 12 (Hindi Subtitles)
1:30 Film Club: 100 Yrs Of Cinema: Typically British 15
2:30 Film Club: Martin and Lewis: Total Foknemaker PG (Hindi Subtitles)
3:30 Classic: The Gang's All Here PG (Hindi Subtitles)
5:30 Family: Dominic and Eugene 15 (Hindi Subtitles)
7:30 Comedy: Making My Right 15 (Hindi Subtitles)
9:00 Top Ten 9:30 Romance: Heartbeat (Hindi Subtitles)
11:30 Thriller: Sinace of the Lambs 18 (Arabic Subtitles)
1:30 Action: Blue Heat 18 (Arabic Subtitles)
3:30 After Dark: Wild At Heart 18 (Arabic Subtitles)
5:30 Comedy: Nuns on the Run 18 (Arabic Subtitles)

STAR Sports
6:00am OGER Tours Turkish Seniors Open 1996
7:00 Castrol St. Leger Race
7:30 Indian Football: Kalyan Black Label Federation Cup Finals
8:00 World Wrestling Federation: Mania 7:30pm
9:00 PGA Tour: Buick Open Day 4
9:00 International Motorsports News
10:00 US Mountain Challenge
11:00 Live 1995 US PGA Championships Day 1
1:30 The Kickboxing Highlights
5:00 Formula Nippon Fm Sport
5:00 SUGO Japan

ZEE TV
5:30 Suno Bhai Suno
6:00 The News
6:30 Jagran
7:00 ZED
8:30 Mere Ghar Ana Zindag
9:00 Ghoosia Aama
9:30 Hindi Feature Film Show
12:00 17 Shirley Road
12:30 Rasia Spread Ek Minute
1:00 ZED 1:30 Aasan Sky Shop
2:30 Tara 3:00 Film Chakkar
3:30 Captain Cook Shahi Dawat
4:00 Helpline
4:30 Nafrat
5:00 ZED 5:30 Teer Kaman
6:00 Hum Honge Kaamyab
6:30 Ad Mad Show
7:00 Low Calorie Show
7:30 Gaane Anjaane
8:00 Rasia kya scene hai
8:30 Colgate Gel
9:00 Doodhe You
9:00 Gopaljee
9:30 Yadava
10:00 Unseed
10:30 The News
11:00 Mano Ya Na Mano
11:30 Hum Paanch
12:00 Tara
12:30 Parapanar
1:00 To be announced
1:30 Beeps Ke PG
2:00 Celeste
2:30 TMM
4:00 Zee Horror Show
4:30 Through the gear
5:00 Jagan

SONY ET
8:30am Yaadon Ki Baaraat
9:00 The Three Stooges
9:30 Dennis The Menace
10:00 I Dream Of Jeannie
10:30 Ek Rang Lamhe

DD 7
10:30 Jannabdi
10:35 Classical Music
11:00 Dance
12:00 ETV

EL TV
00:30 Rajesh Khanna Special
01:30 Ched Chad
02:30 Music Time
03:30 Pyar Hi Pyar
04:30 Asha Bhonsle Special
05:30 Rajesh Khanna Special
06:30 Ched Chad
07:30 Music Time
08:30 Pyar Hi Pyar
09:30 Asha Bhonsle Special
10:30 The Music Show
11:00 Namaskar
11:30 Sharanj
12:00 Top Of The Pops
12:30 Brigadier Balwant Bhanan

Hum Paanch on Zee at 11:30 PM
1:00 Aaya Saawan
2:00 Guzza Hua Zamana
3:00 Wonder Wings
4:00 Amar Prem
3:30 Chahre
4:00 Akanksha
4:30 Show Yatra
5:00 Young Bazi
05:30 Devotional
6:00 Kal Bhai Bhan

Bhi 8:30 Fauz 9:00 Hasen Pal 9:30 Liberty Public Demand 9:30 Gambler 10:00 Traktor 10:30 Stand-by 10:40 Sitala 11:00 It's My Choice 11:30 Godari Storewell Fokri Chat 12:00 Newsline

Garfield
JON SAYS IF I RUN FAST, I CAN AVOID EXERCISE!

James Bond
BOND HITS THE GROUND - AND SEES FELIX JUMP, TOO.

AND TUEN A THIRD FIGURE JUMPS!

SCARAMANGA! HE WASN'T OUT AFTER ALL!

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