

One-stop Service

It may sound ironical that the Board of Investment's one-stop service centre, the nodal agency for facilitating local and foreign investments, is itself lacking in equipment to function. It need not be ill-starred though. For one thing, the centre has been reorganised from its earlier rather amorphous beginning and has only started functioning at its new office in the Jiban Bima Tower since March 7. Quite naturally it will be sometime before the centre becomes fully operational, complete with computers, advanced telecommunications outfit and the required staff strength. However, we want the gestation period to be shortened to the barest minimum. This is obviously not asking too much because the Prime Minister's Office takes a direct interest in the affairs of the Board of Investment and the one-stop centre otherwise looks fairly well organised to get set and go about its business with a gusto. For instance, there are desks at centre for Power Development Board, Rural Electrification Board, Dhaka Electric Supply Authority, Titas gas, Water and Sewerage Authority, Telegraph and Telephone Board, Bangladesh Bank, National Board of Revenue and Department of Environment. They will coordinate under the same roof to provide the potential entrepreneurs with official registration and utility services within a matter of month.

We have three suggestions to make about the new facilitation service. First of all, the centre should have a representative from the land ministry to deal with land acquisition and allotment problems expeditiously. Secondly, till such time as the centre has not disposed of the numerous pending applications for telephones, gas and electricity connections it cannot be in a position to respond to the new proposals with an undistracted mind. So, that is the first task staring in the face of the Board of Investment. Last but not the least, all the line ministries will have to ensure that their powers have been adequately delegated to the officials representing them at the one-stop service centre so that they don't have to refer any matter to the secretariat and slip back into the same bureaucratic rigmarole which is sought to be averted.

The Board of Investment has been bringing all relevant quarters across the table for a healthy fertilisation of ideas to come on top of operational problems. The recent face-off between bankers and traders is a case in point. We want the encounters to continue.

Recycling Holds the Key

If there is anything that the showpouter today would not mind giving the buyer gratis it is a poly bag. Because he has such an abundant supply of it. Both the buyer and seller is caught in such a destructive syndrome of mutual satisfaction. As a national daily informed yesterday, about 45 lakh polythene bags are disposed of in the city everyday. The number soars to a frightening 162 crore per year. Let alone the problem of indiscriminate littering of them which causes problems to city's drainage and sewage system simply because they are indestructible, the constituent chemicals of these bags are destroying fertility of the soil. Unless something is done very soon, things are bound to go completely out of hand.

Because they do not perish, recycling is the only way to take care of this civilisational curse. It is heartening that the authorities are seriously considering recycling as a way out of this stifling situation. Import of the raw materials for polythene bags would be discouraged this way. But mere recycling won't do, the government has to aim at a complete freeze on manufacture. Since a considerable part of the population has their living linked with poly bag production putting a tin hat on abruptly would not be advisable. A slow but sure plan to phase these out seems to be the answer. But the government unlike its predecessor which banned production and distribution of polythene bags in all but one place, EPZ in 1994 only to recant it soon under pressure from the plastic industrialists manufacturers must not back track on any decision that it is going to take. While mobilising fund for the recycling project and utilising the media effectively to discourage the use of poly bags we counsel it to concretise this awareness in some statutory form, something that will not be affected by the vicissitudes of our volatile politics.

Acres of Sin

It seems that the drug traffickers' racket has chosen Bangladesh's remote southern eastern part as a breeding ground for plants that produce drugs. A report published recently in a leading Bangla daily indicates that poppy plantation is going on in full swing in some parts of Bandarban in the Chittagong Hill Tracts. Local people watch the spread of this unholy domain as armed guards keep relentless vigilance of these acres.

The news can only increase one's worry. Drug has already made a heavy inroad into our social consciousness. We are yet to develop an effective strategy to stave off the narcotics flowing into the country from outside. Production of narcotic plants at our own backyard only shows how deep the problem has gone and how much more seriousness the government needs to attach to the whole idea of fighting drugs. The home ministry appears to have been caught by surprise with the news. Now that the newspapers have reported on it and that the local law enforcing agency is actually struggling to keep the armed planters at bay, it is planning on a thorough investigation. Ideally we should have acted a long ago and nipped the whole thing in the bud. With reports suggesting the involvement of Karen rebels of Myanmar in it the government seems to have quite a job on its hands. Whatever it takes we want these acres of sin cleared from our map sooner than later.

The Agro-processing Sector: A Late Bloomer

ALTHOUGH some of the agro-processing industries like jute, cotton, tea, sugar and edible oil etc. started much earlier in the region which now constitutes Bangladesh, there is no doubt that the development of the fruit and vegetable processing sub-sector with modern technology, large-scale investment and export-orientation has started only a few years ago. In spite of its vast potentials, it is a late-comer in the industrial field and hence still at its embryonic stage of development. The question obviously is why has it taken so long for it to emerge? There is a need for an objective and dispassionate search for the right answers to this question since the answer seems to involve sensitive issues government's understanding of, and attitude towards, the problems of the sector, fiscal-monetary-trade policy package, business community's innovative and risk-taking behaviour, general business psychology and the law enforcement agencies' support to the business environment etc. In view of the limited space, only some of the important ones of these issues will be dealt with here.

In the first place, it is clear that neither the government nor the business community have been able to grasp the importance of this sector until very recently. That is precisely the reason why there was no special package-deal for this sector by any government since independence nor was there any major attempt by any private entrepreneur to launch a large-scale industry in this sector.

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it was almost impossible to think of developing any new ones. The government still doesn't seem to be clear as to what kind of tariff adjustment, internal decontrol measures and tax incentives can be given to this sector for its development. The leaders of BAPA have been appealing to the government for giving them the same facilities as were given to the Ready-Made Garments (RMG) sector. There is a need for some clarifications here. No one could imagine even in 1976-77 that a huge RMG sector, which even according to The World Bank study is one of the eleven success stories of the Third World countries in the decade of 1980s, could emerge in Bangladesh. Its successful emergence was due to the confluence of three most important factors: The availability of the US government's quota for Bangladesh, Bangladesh government's relaxation of its internal control system by allowing Special Bonded Warehouse (SBW) facilities and the Back-to-Back L/C system etc. and the catalytic role played by its leading entrepreneur Mr. Nurul Kader Khan, a former civil servant. Mr. Khan entered into a joint venture with a leading South Korean Company, which fully utilised its own RMG export quota and was interested in taking advantage of Bangladesh's share of the US quota, on the one hand, and was able to obtain export orders from foreign buyers, on the other.

Besides, he was also able to negotiate with Bangladesh government for the necessary spe-

cial facilities. He clearly understood the opportunities for local manufacturing and export of RMG products, organised the finance and technical personnel for his own scale of operation and launched the enterprise. His initial success was followed by an almost avalanche of private investments in the sector through the decades of 1980s and 1990s. This sector now exports to the tune of about \$2 billion worth of RMG products.

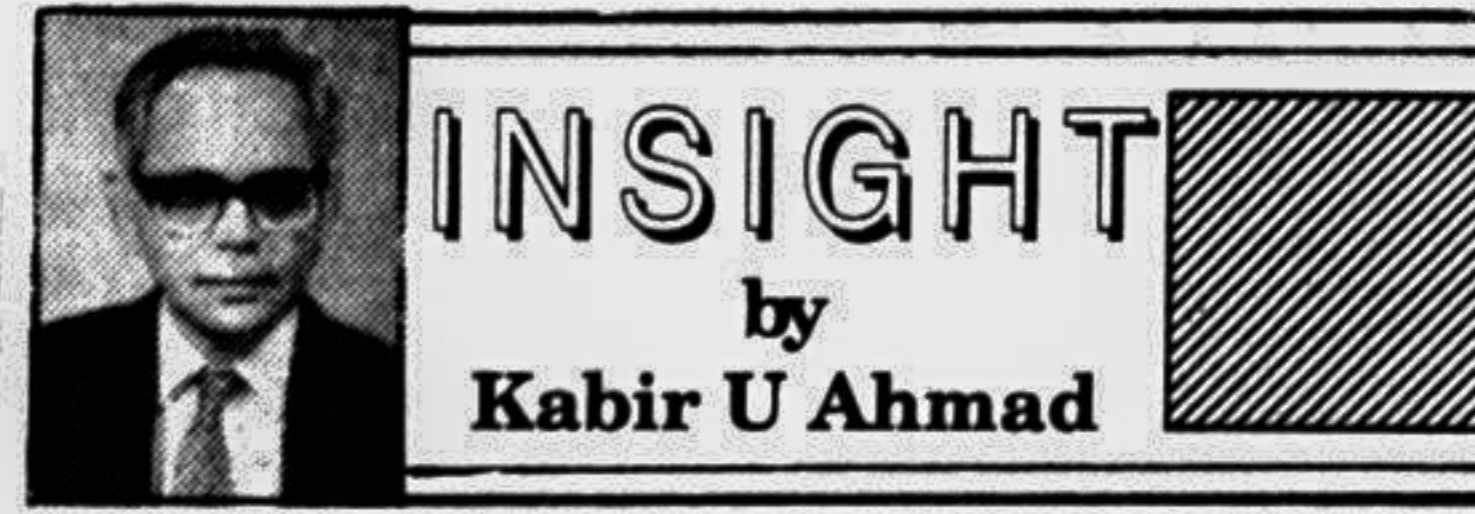
In the second place, private business behaviour and psychology have contributed a lot towards a lack of investments in new fields. Business people seem to exhibit herd-like behaviour in the sense that if some one has innovated something in some field and has been successful, then many others run to invest in that field quickly. This was true with jute, textile, tea, leather, shrimp, RMG, and now seems

government officials still dominate their attitude and behaviour. If easy money can be made by contacting high officials, why should one go for industries which gives headaches and worries of all kinds?

In the third place, terrorism, bribes, illegal toll collection by hoodlums and workers' indiscipline certainly discourage potential entrepreneurs to invest in any ventures which have to be located in some distant areas where no protection can be expected from anyone. Some survey reports showed that cartons of factory products were taken away when terrorists' demands for cash were not met. Similarly, milking cows were taken away by terrorists from the dairy farms but local police did not do anything when reported. Unless an entrepreneur has sufficient amount of money to spend on the security and bribes of all kinds, in addition to meeting the proper investment expenditures, he cannot succeed in an industry, let alone innovating any. Workers' indiscipline is a threat to the life of an entrepreneur. Who hasn't heard the well-known statement of a potential buyer of Adamee Jute Mill that he wouldn't buy it even if it was selling at a throw-away price because he loves his life. The incentives that such situations would generate in the mind of a businessman, if he at all has to scrape out a living, would be to open a small shop in a busy shopping area where such dangers, threats and humiliations are minimal and forget about

developing an industry. Finally, I would like to conclude by arguing that agro-processing industries, especially the fruit and vegetable industries would have to be established all over the country since land-based produces are coming from far-flung areas of the country. Because of this feature of the industry, the entire country should be treated as Export Processing Zone (EPZ) rather than a few specially selected EPZ areas as at present. There is no reason why an export industry located in the deeper forest areas of Sylhet where plenty of pineapples are grown or a mango-pulp processing industry located in Rajshahi where mangoes are grown, should not get all the facilities of safer supplies of utilities and tax holidays that a similar industry located in let us say Chittagong EPZ gets. Such industries in the distant areas will retain people in those areas which will discourage migration of people into the major urban cities and also develop many social services like roads, schools, hospitals and entertainment facilities such as the jute and sugar mills etc. have done for their employees and staff in various areas of the country. Domestic industrialists who are developing these new export industries should be entitled to equal facilities as the foreign industrialists in the EPZs so that they will have the incentives to reinvest their profits in the economy again.

These are additional benefits that the country will derive from this new approach to the treatment of agro-processing industries located in various parts of the country. Government should rethink the philosophy of EPZ located only in the neighbouring areas of big cities.



Similarly, in the early 1990s, the entrepreneurs of the newly emerging Leather Product sector, which is now developing quite rapidly, had to work hard to obtain from the government the same SBW and Back-to-Back L/C facilities etc. Now, the leaders of the BAPA will have to work hard to persuade the government to give them, what seems to be more important to them at present, the reduced rates of tariffs and VAT on their imported inputs. They also want the government to negotiate with the US and the European governments for some fixed quota of exports. But the days of special quota in trade seem to be nearing their end.

to be even in the real estate area as well. Most of them do not want to take the initial risk of innovating something, and even in the well developed sector do not want to develop a unique niche for themselves so that they could last longer in the field.

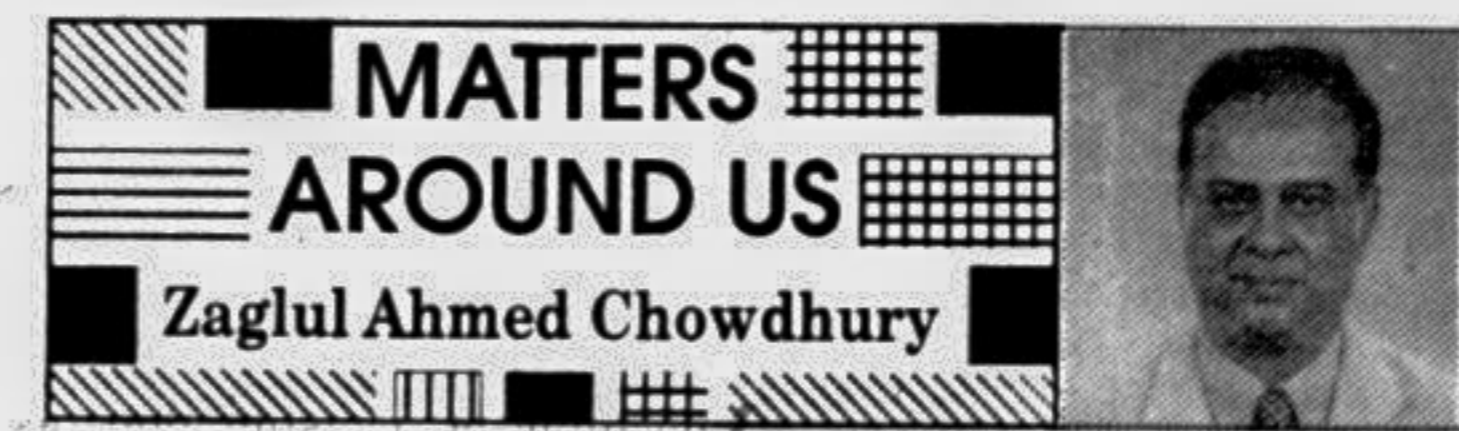
They are more of a group of followers than innovators. This kind of behaviour doesn't help the rapid development and diversification of new industries. Further, the permit and license hunting psychology that was engendered by the government philosophy of protection and internal economic controls which paid high dividends to both the businessmen and lobbyists as well as the

Predicament in Indian Scene - Smaller Parties Bargain

Ms Jayalalitha supported BJP in the polls and said she would endorse a government led by it without taking part in the new government. Where is then the problem if she was not coming with formal letter of support for the BJP?

approach, sought to explore possibilities for setting up a government since the main rival BJP failed to come out with absolute majority despite its resounding success in the polls. But its effort did not succeed mainly on two counts - differences within the Congress whether to seek to go to power or remain in the opposition, and lack of unanimity within the 15-party UF on its policy towards extending support to the Congress in its effort to lead a government. Finally, the Congress appears to have given up and the race remained confined to BJP alone - albeit its difficulties in mustering the necessary support required to govern the nation.

But what has come as an interesting feature of the post-election scenario is the emergence of the otherwise small and less significant political parties as crucial to decide key events. Suddenly, much to their surprise and glee, they find themselves in a position where the main parties of the country are placating them and they (smaller ones) are seeking to call the shots. These smaller parties appeared as the "king makers" and have been cata-



pulled to a position of strength. The focus came on the Andhra Pradesh chief minister Chandrababu Naidu and his regional organisation, "Telugu Desam" or the TDP which is fully confined in the southern state. Furthermore, the TDP has not done very well in the polls compared to the 1996 elections but still it can draw great delight from the position it finds itself in!

And so is another southern politician Ms Jayalalitha of the Tamil Nadu state, who appeared dictating terms. The TDP secured only 12 seats in the 545-member lower house of parliament (Lok Sabha) and Ms Jayalalitha's AIDMK only 18 in the federal parliament. Nonetheless, both the leaders are the most wooed ones in the scene that developed after the balloting. And interestingly, no less important in a way have been Ms Mamata Benerjee and

her newly formed "Trinamul Congress" in West Bengal, Mr George Fernandes and his "Samata Party" in Bihar or the Sikhs "Siromoni Akali Dal" and its leader Prakash Singh Bachal in Punjab or Chowdhury Devi Lal of Haryana Lokdal or, for that matter, "Lokshakti" and its Ram Krishna Hedge in the southern Karnataka state. May be all of them are not in some bargaining strength or everybody wants to bargain in the same pattern. But what is common is that with seats ranging from only six to 18 in the massive house of 545 members, the less-talked-about parties are now attracting much greater importance and in the process they are the most crucial characters of the political scene.

The interest of these parties vary from one to another like the TDP has to negotiate a difficult turn in a slippery ground

because it has been an important component of the UF and Mr Naidu being its convenor but for strategic reasons had to differ with most partners of the coalition on the issue of supporting a Congress-led government. His reasons are also understandable since in the Andhra Pradesh, the TDP's main rival is the Congress and as such 'how would it fight the Congress in the coming state elections if, it supports the party at the centre in the shape of a government led by it? Since Mr Naidu's politics in the state has been an anti-Congressism, his chances of maintaining its strength in the Andhra Pradesh would obviously diminish largely if he has to take a step that goes to the extent of reconciliation with the Congress. But the main parties of the UF felt that it was necessary for the secular forces in a bid to prevent the "communal" BJP from coming to power at the centre, although most of the UF partners have otherwise bear strong reservation about the Congress.

In a situation when the BJP as the single largest party was desperately looking for members other than its allies to muster the necessary support

for formation of the government, TDP came first at its mind. When Mr Naidu was meeting his party members at state capital Hyderabad, he was flooded with calls from BJP, UF and Congress leaders - all seeking his support. He was wooed and pampered but this was a delicate problem. He cannot support Congress but how can he also support the BJP over and over and that too being a senior leader of the UF? He kept guessing all and remained ambiguous about his policy. What an importance for him!

Eventually, he sought to strike a balance - not supporting Congress but also refraining from extending support to BJP - neutral and abstaining from a possible vote of strength when the new government goes for confidence vote. In a way it would be favouring the BJP. Ms Jayalalitha supported BJP in the polls and said she would endorse a government led by it without taking part in the new government. Where is then the problem if she was not coming with formal letter of support for the BJP? She was negotiating some ministerial berths in the new government for some persons close to her politically or personally but not from her own party. She also wants to settle fate of Tamil Language and state's water issue. Others also bargain politically and materially and smaller ones rule the roost - at least for the time-being, while their say could be of critical value. Once again, in the running of the new government.

To the Editor...

Gas leak: Poor professionalism

Sir, The recent damage to a major gas pipe in Rampura, rendering half the metropolitan gasless, reveals the amateurish way of doing professional work in developing countries. The records and the drawings have to be maintained properly, updated from time to time. Now that it is easy and inexpensive to computerise the offices, record-keeping should not pose problems.

It appears markers/flags (like milestones) above the underground lines have not been erected in majority of the cases by the several agencies who have installations underground, namely, electricity, gas, water, sewerage and telephone. These running sites are well marked or flagged in the developed countries.

Another aspect, not clear from the press reports, is the lack of coordination during such major digging/piling jobs: a representative from each of the underground users must be present initially at the work site. Clearances must be obtained in writing.

It is very lucky that a fire or explosion did not occur during this pipe burst, otherwise the Rampura TV Centre could have been badly damaged and rendered unserviceable for a considerable period. The government may initiate a policy to computerise essential record-keeping areas in the essential services. Then it would be easy to update and copy any document for instant reference. A good office system relies less on human error and the human factor, and on over-stuffed sections causing more confusion. The administrative system has to be reorganised on modern lines. This is being unnecessarily delayed on one pretext or another, and the priority is not upgraded.

It is heartening to note that the government has decided to computerise the land records

all over the country. Paper/document transfer would be less with e-mail service available in the government offices. Once the network is set up, the operation and maintenance costs are comparatively low, even compared to the staff budget of the bloated bureaucracy, and huge paper and file work.

A Husnain

Prof Mohammad Yunus writes

Sir, Thanks for writing the commentary "We are Outraged". Thanks for trying to create that outrage. Nothing seems to matter to this nation any more. You say it very boldly - if we cannot protect our children, then no other achievement matters. I cannot agree with you more.

Yunus

Congratulations to Dr N Islam

Sir, I congratulate National Professor (Dr) N Islam and the Syndicate Members of the University of Science & Technology, Chittagong (USTC) for their most appropriate and timely decision to rename the University Hospital as Bangabandhu Memorial Hospital.

Inauguration of the Paediatric Ward as the first step is yet another significant event in the history of development of Bangabandhu Hospital.

USTC during its short period of existence has earned name and fame abroad. This is evidenced by the admission of students from many foreign countries which include Nepal, Pakistan, India, Sudan, Saudi Arabia and even Norway.

Professor N Islam has been the founding man of IPGMR, now converted to Bangabandhu Medical University. I remember

the situation Prof Islam had to face during the initial period of the IPGMR was back in 1955-66. Many would laugh at it. But the determination of Prof Islam was so strong and his vision so clear that nothing could daunt him.

After the National Professor Dr Md Ibrahim who shall remain immortal for his monumental BIRDEM, popularly known as Diabetic Hospital National, Professor Dr N Islam is the only one in the profession today who has demonstrated his ability and vision through the establishment of IPGMR. The contribution of this great institute is most significant in the field of postgraduate medical education in the country.

I hope the Prime Minister, the Health Minister and all those who have some respect for Bangabandhu shall see that the name the USTC authorities have adopted for the Hospital prove worthy of it.

Mujibur Rahman
 Retired Professor of Blood Transfusion Dept., IPGMR, Dhaka

Clarification

Sir, I have read with keen interest the news item in your esteemed daily, on Sunday, the 1st March, your post-editorial on Monday, the 2nd March and a report on 3rd March on the incidence at Fenil on 28th February, 1998.

As a personal clarification, I wish to draw your kind attention that I have been working with Shell for almost a quarter century as an employee. I have never participated nor indulged in politics in my life. I was surprised to have noted the allegation that I had "political conflict" with the Awami League leader. In fact, I never met him in my life.

A B A Straj Uddowlah
 Managing Director
 The Shell Company of Bangladesh Ltd

Turkey's Membership of the EU

by FH Chowdhury

Turkey is almost seduced by Europe and it hopes against hope that there is light at the end of the tunnel.

THE Times of London in an article on 9 March has advised Turkey to turn to Mecca as its repeated attempts to join the European Union is bound to fail. It has been an associate member of the then Common Market since 1963 and has now been overtaken by the recently democratised East European countries in the league of the favoured nations to join the Union. Geographically, Turkey is a non-European country, 95 per cent of its landmass falls in Asia and it is therefore curious why it Turkey so determined to join a club when the majority of its members do not approve of its membership. Moreover, according to the same article, the EU is a bloc of the economically developed and democratically based Christian countries in the heart of Europe, Turkey's loyalty to its European allies does not cut much ice here.

In 1923, Turkey's radical leader Kemal Ataturk declared a republic after the ill-fated Sultan was deposed and banished and the Caliphate and Sultanate were abolished at a stroke. The new republic sprang up in the cinderella areas of the old empire, the majority of which lay in Asia and only a small part in Europe, divided from the Asian mainland by the straits of Bosphorus and Dardanelles. Kemal Ataturk wanted a modern and secular Turkey and framed a constitution for his new republic stripping it of all religious influence; the powerful Ulama were literally banished from the body politic of Turkey. He even invented a new alphabet for Arabic, hitherto lingua franca of the vast Turkish Empire, the vast Europe and Asia. Ataturk wanted Turkey to become a part of Europe politically,

economically and culturally. During the last 75 years his successors and custodians of Turkey's constitution have, however, ill-served Ataturk's legacy. Turkey's march to democracy has been slow, often interrupted and fraught with dangers and disappointments. Political turmoil and economic instabilities and lack of national cohesion have torn asunder this Euro-Asian republic born on the ashes of the moribund Ottoman empire for decades. In its south-eastern flank the Kurds have been fighting for a separate homeland in conjunction with the Iranian and the Iraqi tribes brutally suppressed by the application of military force. There have been human rights abuses in its extraordinary zeal to hold onto its secular constitution, free speech has been muzzled and the press freedom curbed.

Its economy has not developed to anywhere near the European standard and the army has remained the most powerful voice in the running of the country. Ataturk's legacy is being debated afresh today and Turkey is searching for the soul.

Recent constitutional prohibition on the pro-Islamic Welfare Party, arrests and prosecution of its leading members including many MPs remind one of its dark days of 60s, when its then Prime Minister Adnan Menderes was publicly hanging following a show trial on sedition charges. Welfare Party's coalition with Tuncu Cillar's True Path party was short-lived and Erbakan's government was ousted from power after the coalition fell apart. Welfare Party is a new political force whose appeal has been based on its extensive social welfare activities and its pro-Islamic

stance is of course deeply unpopular with the powerful army. The military forms an important part of the National Security Council in Turkey.

With the demise of the Soviet empire, one would have thought that Turkey would turn to its linguistic and cultural allies of the old Soviet Central Asian republics in the east whose enormous reserves of gas, oil and mineral resources were crying to be explored. Following the independence from the Soviet Union, they turned to Turkey for technical and economic help and for exit trade routes for their vast gas and oil reserves. A trade bloc with these countries would have been an ideal parallel economic zone comparable to EU in scope and dimension. Unlike the RCD of 1960s such a zone has all the ingredients of success and endurance.

As for its intended membership of the European Union, its economy is still far short of European standard. It has high inflation and a large trade deficit. Its democracy has not taken deep roots yet. It has an occupying force in the north of Cyprus in loggerheads with Greece. Despite that Turkey has been invited to attend the meeting of the EU membership aspiring nations in London, but it is not clear yet if the Prime Minister Masud Yelmaiz will decide to attend the meeting. Up to now the message has been one of isolation and empty threats if no progress is made with its application for the membership. It is willing to demonstrate loudly to Europe that its has been a long-standing member of NATO, OFEC and the Council of Europe and erstwhile CENTO. Turkey is almost seduced by Europe and it hopes against hope that there is light at the end of the tunnel.