

## National Standards Body Needs to Play a Broader Role in Development Efforts

Most importantly, the national standards body needs to function with the main objectives of increasing the qualitative and competitive aspects and status of local industries, increasing the trade and merchandizing capacity and productivity as well as increasing the process of technology transfer among countries.

by Dr. Golam Mowlah

It is presently observed that the global trade has been increased manifold if compared with the world production volume. This is related to the increase of export volume of world merchandise due to globalization of world economy. The increase of global trade has been stimulated and fueled by the market liberalization policy, elimination of technical barriers (TBT) and other barriers to trade. Presently, one hundred twenty countries of the world are participating in the world trade and economic activities following the concept of market oriented economic policy of the World Trade Organization (WTO). As such people of this planet are directly and/or indirectly involved and exposed to the impacts and effects of free trading and merchandising policies and practices influencing the development activities of the individual economy. This requires moulding, shaping and new strategies for national economic and technological development efforts and activities for individual economy -- for successful participation in the process of attaining the balanced and fair development of economics of the world. The globalization and merchandising economies have increased the importance of national standards body. At the same time, the strategic role and responsibility of national

standards body have been furthered and multiplied manifold due to the legal authority and qualitative dimension of the international standards. The national standards body supported by policy and guideline, is very much effective in matters related to avoiding non-tariff barriers, achieving world-wide compatibility and transferring technologies through appropriate instrumentation of standards and testings.

Now, it is high time, if not late, to understand rightly that national standards body has a very different role to play in the context of economic policies of the present-day world. It must adapt appropriate policies and related laws and regulations in promoting, developing and nourishing the local, regional and world economies. It requires to be dynamic and strategic to maintain and attain international competitiveness and productivity.

If a microscopic look is given into the existing legal status of the national standards bodies of the world it will be evident that a small number of them in developed world are run by private institutions whereas a overwhelming majority of them in developing countries are under public sectors and a few of them are functioning as autonomous and corporate bodies. However, the legal status of national standards

body are not at all a matter to be much bothered and concerned about but the elements and components of functional capacity, ability, and positive policy supports are vitally important which are needed to be established and maintained. Previously, in the developing countries of the world, the national standards bodies belonging either to private or government sectors were mostly engaged in protecting national industries and consumers' interest through traditional way of standardization and testings including weights and measures.

This traditional way sometimes were not capable of playing the required role of economic development of the country because of its limiting affect to market accessibility, quality improvement and competitiveness. Prevalence of support and inputs meeting the need-based requirements are very important for attaining the institutional purposes and objectives of national standards body at its expected level of dynamism.

Most importantly, the national standards body needs to function with the main objectives of increasing the qualitative and competitive aspects and status of local industries, increasing the trade and merchandizing capacity and productivity and increasing the

process of technology transfer among countries.

In order for the national standards body to fulfill the present day's requirement in national economy in the context of today's world economic situation, it is deemed essential that it has to have independent, capacity and functional flexibility. In the latest concept the national standards body requires to be under less bureaucratic and cost control activities as a process of helping, implementation and carrying out long range, stable, innovative, strategic and cost effective programmes and activities. The body requires to be activated and provided with all inputs to maintain the situation and environment for remaining as productive organisation through better use of the economic resources.

So, in today's situation the national standards body is transformed into a service sector instead of being regulatory policy type. And it takes leadership in standardization, certification, quality competitiveness and productivity aspects of economic development of the country concerned.

The author, a former Director General of Bangladesh Standards and Testing Institution, is a professor and Director, Institute of Nutrition and Food Science, Dhaka University.

## Economics and Business: The Relevance Factor

Management decision-making is influenced by the general economic environment in which it is made. However, some people may try to ignore the economic background factor. To them this is determined by the government and nothing can be done by the businessmen about it. In their planning, they therefore tend to assume that things will more or less continue as they are.

by ABMS Zahur

ECONOMICS has a very real relevance to the business decision-making activity. It can be useful to the executive, particularly in the following ways: It provides him with terminology and principles representing convenient generalisations of the course of individual instances making up the business scene. When the particular cases come along he can easily identify them for what they are, be aware of their usual features and tendencies. Economic theory highlights the most usual pattern of cause and effect relationships, both in the industrial environment as well as throughout the economy. This enables the course of economic cycles to be intelligently anticipated and the various features likely to impinge upon the firm can thereby be taken into account in business planning. As similar principles operate in other countries they can guide towards developments in export market; and as it can explain contemporary institutions and government policies facing the businessman, it makes the businessman conversant with the general configuration of the whole economy.

Management decision-making is influenced by the general economic environment in which it is made. However, some people may try to ignore the economic background factor. To them this is determined by the government and nothing can be done by the businessmen about it. In their planning, they therefore tend to assume that things will more or less continue as they are. Unless

the ministry of finance does something to stop it, and who can be expected to plan for this unknown factor? Others ignore that their products are so specialised and technical, serving a restricted market, that they are relatively unaffected by any variations in the level of the activity in the economy as a whole.

However, the actions of the ministry of finance are not intended to be either arbitrary or capricious. There are usually a reaction to underlying economic forces which can be identified and their development closely watched. The restrictive measures of the government may be anticipated and appropriate action taken to withstand the adverse effects. Should the expected government policies encourage expansion the firm may go for raising production and stock levels and take advantage of the economic upturn when it comes.

All business decisions are concerned with the same goal, namely profit maximization. The total amount of profit may be increased by improving the profitability of existing operations, either by cutting costs or increasing prices, or by extending operations, in terms of selling more of existing products or by developing into other areas.

Increased sales of existing products may be achieved if the total demand in the economy increases; or at the expense of competitors, by capturing an increased share of the market. While sales growth is necessarily linked to the general expansion of the economy, market share improvement is very hard to accomplish in a static or contracting market, unless conditions are so bad that competitors are being forced out of business. In planning any major sales growth it is better to ensure that the increased market expenditures and production build-up coincide with an expansion phase in the economy. Correct timing in business planning involves being aware of the key economic indicators. It requires a knowledge of the character and sequence of the various stages in an expansion phase of the economy.

The total value of sales can be increased by the introduction of new items into a firm's product range. The funding of new products is frequently left to research, development or technical departments to come up with something new. A more sensible preliminary activity is to study the broad economic and social trends operating in the country, together with government policy pronouncements. In planning expansion of the firm's production facilities, the existence of a cycle in fixed capital formation should be taken into account, since to place orders for new equipment, at the same moment as every one else, is to risk delay in delivery and possibly higher prices. In the period that is slack, equipment can often be obtained much more quickly and with greater certainty of delivery on the due date.

Enlargement of sales volume and production facilities may also be achieved by the takeover of, or merger with, other companies. When a company requires additional capital, care should be taken in the timing of issue of new shares, for when ordinary share prices are high, new equity capital can be successfully raised on the basis of a lowish yield. But when the outlook for equities becomes clouded and interest rates are high, then the raising of new money by debentures can place a heavy fixed charge burden on the company's future earnings, particularly if the rate of inflation slackens.

In the field of industrial relations, intelligent anticipation by management is also useful, and again can be achieved by economic forecasting. When the economy is expected to enter an expansion phase, then, along with the build-up of stocks, new operatives can be recruited and trained before the labour market becomes tight again. Once the expansion gets well under way the bargaining power of labour rises accordingly, and therefore in cost-estimating exercises provision should be made for a somewhat faster increase in wage costs. Wage demand will also be stimulated by a faster rise in the cost of living and by evidence of rising profits and dividend increases. Considering what have been discussed above it may safely be concluded that economic facts of life do have a very definite relevance to the making of business decisions.

The author is a retired joint secretary

by Jim Davis

Garfield @



James Bond



## War Crime: View from Pakistan

### It's OK to Say Sorry

by Irfan Husain

At the Liberation War Museum in Dhaka last week, thirty-year old press cuttings and photographs of slaughter and mayhem brought back a flood of depressing memories.

Ever since the Hanoi Communism's supplementary report emerged a few weeks ago, our newspapers have been full of articles and letters about it. Retired generals and their supporters have defended themselves, and respected columnists have written of length about the report. The focus of the debate has so far been largely on the conduct (or misconduct) of the 1971 war, the timing of the appearance of the secret document, the guilt or innocence of those directly involved in the operations, and the political dimension of the conflict.

The controversy was given a new twist by General Musharraf's recent refusal to meet the Bangladesh prime minister in New York. At a press conference, he urged her to "forget the past" and move on. This did not go down very well in Bangladesh where many people at the conference I had gone to read a paper at wanted to know why our Chief Executive was so touchy about Sheikh Hasina's proposal that the UN should oppose and punish those who toppled elected governments. After all, her father and much of her family were murdered by elements of the Bangladesh army, so her vehemence and bitterness are understandable. Far from targeting General Musharraf, she was sending out a signal to her own generals to stay in the barracks. Indeed, she has often condemned military takeovers in public speeches in her country.

But in all this plethora of opinions, arguments and counter-arguments, it is difficult to discern any remorse or regret over the horrors inflicted on hundreds of thousands of men, women and children in the name of Pakistan. Nor have we expressed any sympathy for the families of those who were raped, wounded and killed. We have been far more concerned about the humiliation suffered by the Pakistan army and the dereliction of duty by senior officers identified in the HRC report. The heated controversy in the press is largely over whether the generals blamed by the Commission for misdeeds ranging from cowardice to smuggling to sexual abuse should be tried or not. Not much has been said or written about those who were the targets of these excesses.

Another irony in this ongoing debate is that many army officers and civilians have put the whole blame for the tragedy on Zulfikar Ali Bhutto, arguing that he had persuaded General Yahya to launch his suicidal adventure in March 1971. The second point this lobby makes is that the terms of reference given to the Commission after Bhutto assumed power were limited to only the military causes of the defeat, omitting the political reasons.

These people disingenuously overlook the fact that the generals were then in power and had their own agenda: they took advice from politicians to the extent that it suited them. If they took had advice, this surely does not excuse them or lessen their guilt in any way. Also, even if Bhutto some-

handful of people who were given sets of the HRC report to study and advise the PM. Although he kept the document under lock and key and did not let me even peek at it, he did tell me that he was one of those who advised against releasing it as he felt the report would further demoralize our defeated army, apart from affecting our ties with some friendly countries. I disagreed with him then as I do now because I feel the truth may hurt initially, but is beneficial in the long run. Be that as it may, I can confirm that Hamid Jalal's set of the HRC report was received several weeks after Zia's coup.

Had Bengal troops carried out a similar carnage in West Pakistan, I wonder how many of us would have been prepared to "forgive and forget" as General

guilt. Many of us who were old enough in those traumatic days chose to ascribe the reports of mass killings, widespread rape and destruction to Indian and western propaganda. Largely, people clung to this view because they did not want to believe that our army could be capable of such actions. But colleagues returning from what was then East Pakistan confirmed that a bloodbath was indeed going on.

In an attempt to reduce our responsibility in the whole tragic affair, many people admit that our army did commit some excesses, but maintain that it was provoked by the torture and killings carried out by the Mukti Bahini against West Pakistani civilians. The HRC report has also mentioned this, thus partly condoning army action. I have always been of the view that the army is a trained and disciplined force, whereas armed civilian groups like the Mukti Bahini (or indeed the MQM) have neither the discipline and the firepower, nor the moral authority to be equated with the military. Criminal action by armed groups cannot and should not be used as a pretext for over-reaction by the legally constituted armed forces.

On my brief visit to Dhaka last week, I was struck by how fresh the scars of 1971 still are. People were bitter and angry over the refusal of successive governments in Pakistan to even discuss the possibility of trying army officers for the alleged crimes committed against the Bengalis three decades ago. Even the equitable division of assets is not open to negotiations by Pakistan.

how worked his magic on Yahya's junta, he was not commanding the troops, nor did he organize the bloodbath that was universally seen as genocide. I hold no brief for the late prime minister, but the fact remains that he paid a price for his real and alleged crimes that no politician or general in Pakistan has paid before or since. Incidentally, I would like to put at rest a canard that has been doing the rounds in the columns of the national press, and that is that Bhutto had destroyed or doctored the HRC report. The main report is a bulky document in six or seven volumes containing the testimony of the civilian and military officers before the Commission, as well as many documents that were placed before it. I was a young deputy secretary in the prime minister's secretariat in the latter part of Bhutto's tenure, and my late (and much missed) boss Hamid Jalal was one of the

I know this is not a very popular view in Pakistan, but ever since stories of the horrors perpetrated against Bengalis began filtering out thirty years ago, I have felt anguish and

Courtesy: 'The Dawn' of Pakistan

## Money Talks in Scramble to Run for Parliament

The ruling CCM party is strongly tipped to win next month's national election (Tanzania goes to the polls on 29 Oct). Still some of its candidates woo voters with numerous gifts. A politically weak and financial poor opposition can do little to counter such largesse, even with the help of witch doctors whose assistance some desperate candidates seek.

Herald Tagama and Alfred Mbogora write from Dar es Salaam

### Vote for cash



Many Tanzanian politicians face charges of vote buying

GOOD news is hard to come by in Tanzania these days where half the country's 32 million people struggle to survive on half a dollar a day.

But presidential and parliamentary elections scheduled for October brought a glimmer of hope to those adult Tanzanians who hold a job. Presidential hopeful Alick Mchombi, chairman of the Tanzania People's Party (TPP), claimed a bonanza awaited every employed Tanzanian, 18 years and over, if Che-Mponda was voted to office.

If he was made president, Tanzanians were told, they would all get an extra three month's salary.

Sadly, this was not to be. Che-Mponda made a grave miscalculation - he failed to file his nomination papers by the last date of 19 August. Though he insists that people would have elected him on the basis of his reckless and populist promise, the former academic need not worry any more about finding the money for it.

Che-Mponda is only the starkest manifestation of trend that has a lot of Tanzanians deeply worried - the way money is changing hands thick and fast as members of the ruling Chama Cha Mapinduzi (CCM) party vie with each other for party tickets.

Former Prime Minister and anti-corruption crusader Joseph Warioba says the polls have heralded "a season of corruption." Where politicians dole out money, traditional Khamba cloth, rice, sugar - anything of value really - in a bid to buy votes.

Prime Minister Frederick Sumaye calls them "gifts." Early this year parliament amended the 1985 Election Act allowing voters to be "treated", especially during the election campaign. This new law is being liberally used to shower voters - others with gifts, which is bribery by another name.

"It seems richness is now a condition for one to contest an elective post," says Prof Juan Mwaikusa, a high court lawyer, adding that the law is silent on how much money and food can be used for campaigning and

treating the public.

With no limits on spending, most candidates, especially those with a good chance of being returned, are throwing money and gifts at voters, knowing that they can recoup the expenses once they enter parliament.

Members of Parliament are paid a monthly salary of 500,000 Tanzania shilling. In addition, they received a daily allowance of 20,000 shillings when parliament is in session. And the Leaders Benefits Act was amended last year to grant parliamentarians who have completed five years a gratuity of 20 million shillings.

In comparison, the more low earners in government offices receive a monthly salary of 35,000 shillings. The statutory minimum monthly wage in the private sectors is 17,500 shillings.

"With all these benefits, incumbent candidates have enough money to bribe the voters," says Prince Bagenda, Director of the African International Group of Political Risk

Analysis, a nonprofit group. He says it is easy for a wealthy candidate to set aside five million shillings as sweetener because he can easily recover it once elected.

In late July the ruling CCM started selecting its parliamentary candidates amid charges of corruption.

The CCM is Tanzania's biggest party with almost 7,000 branches nationwide and three million members. A CCM candidate is generally assured of victory, a fact that generates an intense tussle to win the votes of party members who endorse the candidates.

"Some candidates regard themselves as winners soon after being nominated because the opposition parties are too weak to challenge the CCM," says Prof Andrew Kiondo of the University of Dar es Salaam's Political Science Department.

This, he says, makes the selection system in the CCM corrupt.

This is despite the fact that President Benjamin Mkapa was elected in 1995 on an anti-

occupation plank. Fighting a lone battle against graft, he set up the Prevention of Corruption Bureau but his task has not been helped by corruption within his own CCM.

The party's general secretary, Philip Mangula admits that he has received complaints about corrupt practices during the nomination but pleads, "These are only complaints. There is no evidence that the candidates bribed the voters."

However, immediately after the July voting he called a meeting of his party's National Executive Committee at which he condemned attempts by some of the party's wealthy members to make it the domain of the "haves". He then persuaded selectors to delete from the candidates' list 50 former MPs, and businessmen accused of bribery. They included three ministers and two deputy ministers.

Meanwhile, some who want to make their election doubly sure, fall back on more traditional ways turning to witch doctors and fortune tellers.

In Zanzibar, where elections will be held on the same day to elect a local president and parliament, a small box containing a mixture of powdered leaves - believed to be used in witchcraft - was found in places where the CCM was balloting.

"It is true that some candidates are visiting witch doctors so that they give them magic to lure the electorate," said Sebastian Kinyondo, a sitting MP.

Under the 1928 Witchcraft ordinance, a colonial law, practising witchcraft is an offence and anyone intending to cause harm or influence through sorcery is liable to be jailed up to seven years.

But unlike the law that allows voters to be treated, the Witchcraft Ordinance makes no exception for national elections. - Gemini News

Heard Tagama is a Tanzanian freelance journalist based in Dar es Salaam. Alfred Mbogora is an assistant editor with 'Sauti Ya Demokrasia', a monthly newspaper on democracy published by the University of Dar es Salaam.