

Jute, jam and journalism

KHALED RAB

INCENSED at what they considered a wholly unwarranted gesture, twenty merchants of the city of London gathered on the afternoon of 24th September 1599 in a small building of Leaden Hall Street. Their purpose was to found a modern trading firm with an initial capital of £72000.00 subscribed by 125 shareholders. Only the simplest of concerns, profit, inspired their enterprise, which, expanded and transformed, would ultimately become the most noteworthy creation of the age of imperialism. On the 31st of December 1599 Queen Elizabeth I signed a Royal Charter assigning it exclusive trading rights with all countries beyond the Cape of Good Hope for an initial period of 15 years. The name of the trading firm was East India Company whose Vessel named the Hector dropped anchor in the little port of 'Surat', north of Bombay. The date was 24th of August 1600. The British Raj arrived India.

In the month of September 1906, six merchants of the city of London gathered in a pub called the Oxford Arms with the intention of forming a Jute Goods Trading Association. The initial fund of the Association was £ 7000.00. Its charter: to have better exchange of information and expansion of trade in jute products. Fifty years later, the membership of the Association grew to one hundred. This group commanded half of global trade in jute products, which pervaded across almost three quarters of the earth. The United Kingdom Jute Goods Association, as it is known, is going to celebrate its 100 years in 2006.

In 1826, eighty years before the UJKGA was formed, the first ever vessel to carry raw jute from the port of Calcutta reached the harbour of Dundee in Scotland to be spun into jute textile. Dundee soon became famous for three J's: Jute, Jam and Journalism. The Jute Raj had arrived in the United Kingdom.

On the 1st of January 1947, Londoners greeted the New Year with a sense of gloom. Precious few had greeted the morning with a hangover. Liquor, where it had been available the night before for New Year's celebra-

tions had cost eight Pounds a bottle. New Year's day saw a black Austin Princess gliding through the deserted streets of the capital towards Whitehall. Its passenger slumped in the backseat with a gloomy and tense face. He had been summoned to Number Ten Downing Street to be told by the then Socialist Prime Minister, Clement Attlee, that the British were withdrawing from India. The passenger in the black Austin Princess knew that this onerous task was just about to be handed over to him. The name of the

I met him for the first time in 1967 when I was posted in Nakalia, a 'jute village' in the Pabna district. He came to procure raw jute for Tay Textile. He always coined the expression that the last two links between the East and the West are Jute and the English language! The last time I met him was in February 1973 at the Crompton Hotel in Queensgate, London.

During the course of our discussions he told me that with proper attention and care jute would be able to survive Centuries to come. He also argued that

To reinstate the jute industry to its former glory, resources should be channeled to their highest value use and we should specialise in sectors in which we have a competitive advantage. So long as demand is there, and we can achieve competitive advantage, we should try to promote viable supply within the context of sound industrial policy.

passenger was Victor Nicholas Mountbatten, the last Viceroy of India.

The 1st of January 1972 brought very difficult times for a passenger whose white Ambassador was gliding through the street of Calcutta heading towards Theatre Road via Park Circus. The passenger in the white Ambassador had just traveled all the way from Edinburgh to Calcutta via London. The infrastructure of his industry in Scotland had been dried down due to lack of raw material. Labourers were sitting idle as Dundee Harbour had not received a single ton of raw jute for the nine long months of the Freedom struggle in Bangladesh.

The name of the passenger in the white Ambassador was Edward Bill Duncun, the Purchase Director of Tay Textile Jute Mill in Dundee. He was popularly known as the Jute King of Europe during the 1960s and 1970s. The purpose of his going to the Theatre Road in Calcutta was to get a permit to visit Khulna and Narayanganj to book at least a few thousand tons of raw jute and arrange to ship them to Dundee. Even in those days of euphoria and lawlessness, Edward Bill Duncan had been able to establish his supply of raw jute from Bangladesh to Dundee.

Bangladesh should divert its attention from export of raw jute to export of jute goods. Jute has its own intrinsic quality and strength. Cocoa in Ghana and Ivory Coast is better able to retain its flavour in jute bags, seed potato in Holland and Poland breathes better in jute sacks and cotton in Egypt, Syria and Sudan does not get fabricated in cotton bags made out of Jute, he said. His prophecy was so true to the word that even today these markets remain the main consumers of jute sacks. Jute cloth in Iran is called Chatai. It is used for roofing and house construction in all of Iran. If we add up the total import demand of these countries the total quantity according to FAO will come to around 175 thousand tonnes.

If one adds up the import demand of the above with the rest of the world the total will come to 700 thousand tonnes out of which demand for traditional jute products will be around 500 thousand tonnes. The current production of traditional jute products in Bangladesh is around 270 thousand tonnes, which is much less than the world import demand. As a result India's export figure jumped to 128 thousand tonnes in 2002-03 from 85 thousand tonnes in 1998-99. On the

other hand export of traditional products from Bangladesh decreased to 199 thousand tonnes in 2002-03 against 269 thousand tonnes of 1998-99. Thus the decrease in export of Bangladesh jute products has been 26 percent whereas increase in India's export during the same period was 50 percent. The situation is so alarming that if Bangladesh were to meet demands in Syria, it cannot meet the demand in Iran. Similarly if we sell to Sudan rest of the demand in Africa will be met by India. Even Pakistan recently exported jute cloth to Iran.

The above scenario does not justify closure of Jute Mills in Bangladesh, including Adamjee resulting in loss of foreign exchange earnings of around 80 million US Dollar per year. The social cost is not to be overlooked. The reasons for closing down jute mills as stated by the experts busy cultivating the field include losses incurred by state owned enterprises, inefficiency in production and lack of trade facilitation, and corruption.

To reinstate the jute industry to its former glory, resources should be channeled to their highest value use and we should specialise in sectors in which we have a competitive advantage. So long as demand is there, and we can achieve competitive advantage, we should try to promote viable supply within the context of sound industrial policy, which could include:

- Immediate installation and operation of productive Adamjee jute machinery in other mills.
- Introduction of prize and punishment to raise efficiency.
- Proper management and manning.
- Link subsidy to performance.
- Corruption could not be cured but could be controlled, after all when Islamabad was built using jute funds, angels were not running the jute industry.

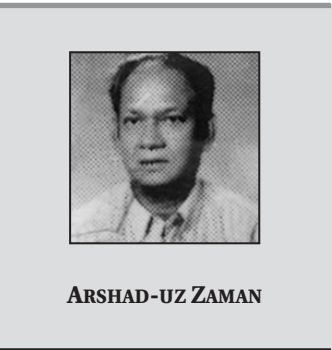
To achieve all of the above we do not need overpaid foreign Consultants; neither do we need soft loans from abroad. We can fulfil this objective, as the people of West Bengal have done just across the border. The Golden Handshake is nowadays coined as a sad joke in India.

Two centuries after 1st vessel anchored in Surat, the British Raj left. Exactly one hundred and eighty six years after the first vessel arrived in Dundee harbour from Calcutta Jute Raj continues to exist even today. Known to be true to its legend jute gratefully remembers the prophecy made by Edward Bill Duncan in 1973 in Crompton Hotel at Queensgate in London.

On another occasion I had quoted the definition of a Jute Man, and it read **"Jute is the product of a Seed grown in Bangladesh and West Bengal to keep the farmers broke, middlemen happy and buyers crazy. It is planted in the spring, mortgaged in the summer and left in the field in winter. The fibre varies in colour and length and grading is done by Hunch, Touch and Feel. The man who can guess nearest the grade of the fibre is called a Jute Man by the public, a magician by the farmer, a poor businessman by his creditors and a fool by the policy makers." So be it!**

Khaled Rab is former Director, Market Promotion, Bangladesh Jute Mills Corporation, Brussels

Najaf -- new centre of Iraq conflict



NAJAF, one of the holiest cities of Shia Islam, has become theatre of action, where Moqtada Al-Sadr is the unchallenged leader. Iyad Allawy, who took over the highest office of Prime Minister of Iraq from the Head of the American Occupation Administration Paul Bremer at the end of June last, has been strenuously trying to establish his authority. The result is highly uncertain. To begin with Allawy is the handpicked Prime Minister of the US, the hated occupier of Iraq. He was installed in his office as Paul Bremer, the Head of the occupying Administration made a fast exit from Baghdad, riding on a US helicopter. The date of the handover had been advanced by two days in order to distract possible demonstration and even terrorist attack. The entire show was reminiscent of the departure of the US Ambassador from Saigon in the late seventies from the roof of the US Embassy in a helicopter.

Now since a month and a half Allawy has been trying with the help of US troops to establish some semblance of order in the chaos that is Iraq. Allawy has recently visited Najaf in order to demonstrate that his writ runs within the stronghold of Moqtada Al-Sadr. The US has launched a virtual ultimatum against Al-Sadr to remove his forces from around the Imam Ali Mosque, for Al-Sadr's men are supposed to use the grounds around the mosque as sanctuary to strike

against Coalition forces. The critical point is the Imam Ali mosque with its golden dome, the holiest place of Shia Islam.

As if the situation within Iraq was not complex enough, Ahmed Chelabi, an Iraqi leader of some standing and who has an arrest warrant hanging on his head, has made his appearance in Baghdad to face law. It may be recalled that Chelabi was one of the earliest to arrive in Baghdad from Washington following the fall of former President

guerillas are mounting attacks on police and other administrative posts manned by Iraqis. In the eyes of the guerillas they are collaborators of the Coalition forces. By stretching the imagination further, drivers of trucks are held hostage by the guerillas, taken before TV cameras and made to swear that they will not return to Iraq. Thousands of such trucks enter from Turkey into Iraq daily and their poor drivers sometimes are slaughtered in front of TV cameras. That emotions

reached record high at 45 Dollars a barrel.

John Kerry, the challenger is attacking Bush on two vital points. Although he voted in the Senate in favour of war, he argues that President Bush rushed headlong into war and had no idea what to do once the war was over. Kerry accuses Bush of splitting the Western Alliance, since two very important partners -- France and Germany -- have decided to maintain a distance from the Anglo-American effort. President Bush tried to patch it up with them in the NATO Summit in Istanbul at the end of June with uncertain results.

Twelve years ago the father of the present President George Bush launched a war against Saddam Hussein of Iraq. He forced Saddam to vacate his aggression and seek mercy. Saddam withdrew from Kuwait in a humiliating fashion. On that occasion President Bush built up a most powerful coalition and virtually the whole world was with the US. For his current adventure son Bush, the current President, attempted a similar coalition, beginning with Saudi Arabia and Turkey. The effort miserably failed. President Bush went ahead nevertheless and the result is for the whole world to see. President Bush has landed his country and the whole world in an unbelievable mess. After the victory of Bush Senior, presidential elections were held in the US. Senior Bush was defeated by an unknown Democrat Governor of Arkansas Bill Clinton. It is difficult to comprehend on what basis the calculations are made for a reelection of the current President.

Whereas former President Saddam Hussein had been thoroughly tarnished, the same is not the case for Moqtada Al-Sadr. No tears may have been shed for Saddam but Al-Sadr remains a clean name. The outcome of the eyeball to eyeball stand off will be very interesting.

Arshad-uz-Zaman is a former Ambassador

THE HORIZON THIS WEEK

Although US President George W. Bush rushed to hand over the Iraqi Administration to its own citizens, it would be no exaggeration to state that this exercise has failed to bring any semblance of stability to this hapless land and its beleaguered population. Along with fighting which is taking a daily new turn, has been added the drama of hostage taking of innocent civilians of diverse nationalities, who have no remote connection with the war.

Saddam Hussein. He was reported to have hobnobbed long with the CIA and is one of many Iraqi exiled leaders, who have surfaced since the fall of the previous regime. As a matter of fact Iyad Allawy has been reported to be on the payroll of the CIA.

Although US President George W. Bush rushed to handover the Iraqi Administration to its own citizens, it would be no exaggeration to state that this exercise has failed to bring any semblance of stability to this hapless land and its beleaguered population. Along with fighting which is taking a daily new turn, has been added the drama of hostage taking of innocent civilians of diverse nationalities, who have no remote connection with the war. Since US troops are making themselves scarce on the ground, the

run high in Turkey is easily understandable. We have lately witnessed how the Philippines President Madame Arroyo pulled out her troops in a hurry.

The exercise of handover of power to the Iraqis was done with the intention that President Bush could give his undivided attention to his 'reelection' due on 2 November. In other words he has less than three months to face the American voter. A sample polling shows that it will be a close race and most Americans speak of a Bush victory. It is difficult to understand the logic. In spite of all his efforts, Iraq continues to dominate as the main subject of the campaign. Economy, another very important topic continues to show no sign of meaningful recovery. Oil prices have

Loss due to recent flood

DR. MD. AYUBUR RAHMAN

HARDLY has the water receded from many parts of the country, than several learned agencies have estimated the loss caused by the recent flood in terms of money as Tk forty thousand, thirty thousand, and fifteen thousand crores respectively. Well, the estimates at this stage are mostly subjective and obviously have their limitation, but still one can argue that it should not be far from reality. Anything far from reality is likely to cause more damage to the nation than what the flood did and any conscious citizen has the right to suggest making the estimate as close as possible to reality.

Flood is not at all a new event in Bangladesh. Every year flood and/or drought occurs at least in some part of the country, and government has its very much professional departments

and trained employees even at village level as block supervisors who make preliminary assessment of loss, prepare rehabilitation programmes, and implement them very effectively. The Department of Agricultural Extension in fact, has devised a standard techniques using national and international expertise, and these techniques are utilised over the years without any controversy. I am sure that this year they will also do their professional function most effectively and efficiently. I fully appreciate the statement of honourable Finance Minister the other day in his television interview

Now in these circumstances, we cannot, however, wait again indefinitely and have to make at least a preliminary assessment as to the extent of the damage. To do so we have to identify the area of damage. The highest damage a flood causes is the standing agricultural crops and vegetables followed by damage in communication system and then the other sectors.

Fortunately this flood has occurred at a time when there was no important major standing crops in the field except some aus and seed bed of aman. Our farmers are very experi-

enced and over the years they have been trained to prepare seed bed relatively at higher land, keeping some seed always in stock to overcome calamities like flood, drought, etc. They also know how to use the non-seed paddy for seed purposes after doing the germination test and adjusting the seed rate.

Besides there are private seedling growers particularly for HYV aman and these are available to the farmers. By this time most of farmers have made their own arrangements to raise seedlings and even planting the crop. Planting is easier immediately after receding water from the land with almost zero tillage and our farmers are availing of this opportunity. One can find now most of the land is already green. However planting can continue for another one month or even more in particular areas with particular variety of rice. So there will not be any loss of aman production. On the contrary at least ten percent yield (vertical) will be increased because of new alluvial deposit.

Floods in the month of July do not cause any damage of standing jute crop in the field rather it facilitate harvesting, retting, and fibre extraction.

So, communication system, namely roads, bridges, culverts and other infrastructures are the sectors which have been affected seriously and their damage requires assessment and the cost of repairing and reconstruction has to be estimated which the government will do in its own way. I have been actively associated with this kind of estimation for many years of my service carrier and can well imagine the extent of loss. Publishing and circulating such fat figure of loss, far from the truth by any body is likely to cause harm and jeopardise the good image of the country achieved through dedication and hard work.

Floods are not new. People have faced them always with courage and the government has always handled them effectively in the past, and we expect that this government, being more experienced, will ignore and stop the publication of unrealistic estimation, and will manage the flood more efficiently.

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7.5X2

6X3