

Jute sector in deep trouble

Bail-out measures needed

AS many as eight of the 22 industrial units that operate under the Bangladesh Jute Mills Corporation (BJMC) stand decommissioned, so to speak. Four more are teetering at the edge of closure. Overall, the manufacturing capacity will be a little less than half-utilised.

All of this, ironically, but not so surprisingly, given our conflictual management culture, is happening at the peak jute procurement season.

This year's raw jute output is estimated at 35 lakh bales, 10 lakh bales short of the annual average, the slump being ascribed to unfavourable weather conditions. The current shortfall in raw jute output has led to an increase in its price: Tk 1000 per maund compared with only Tk 470 earlier in the season.

Aside from the price pressure which basically has to do with higher costs of production, there has been also, collaterally, a deficit in the quality of jute. It is crucial for the manufacturing units that they have a steady supply of good quality fibre to turn out export quality products.

On all these counts, the jute mills under BJMC have suffered this year, but quite clearly not so much because of the objective conditions as unfortunately due to human factors. A rift between the top brasses of the BJMC caused poor inventorying in several mills with their production schedules being upset for lack of timely purchase and stockpiling of raw jute. While the BJMC chairman and its director, purchase wrangled over the procurement price that the former would allow, the latter seemed to have purchased some 'poor quality' jute. Caught in the middle, the jute mills were impelled to stop production. This begs the obvious question: why didn't the jute ministry intervene to have the issue settled in good time for the mills to operate?

Jute minister Shahjahan Siraj reportedly told the parliament on Tuesday that the mills shuttered down primarily because of lack of timely availability of funds but no less owing to the failure of BJMC to purchase jute even after money was made available. The matter is being probed, we are told. But does it not reflect on the poor policy and material support from the government for the jute sector?

We understand three committees have been formed presumably to go into the recurrent questions of bank-rolling, input support for stepping up jute production with a focus around quality, pricing, procurement, internal consumption, product diversification and export. Disinvestment of losing public sector mills is also at issue. One wonders, whether the best of ideas for revitalising the jute sector are not already in the book crying for implementation. Why the committees then? What point there is in adding to the literature of recommendations?

Tough law alone won't do

Power pilferage too entrenched for it

THE Cabinet's approval of a draft bill titled Electricity (Amendment) Bill, 2005 reflects a certain urgency on the part of the government to respond to an off-repeated donor concern over the so-called systems loss in the power sector.

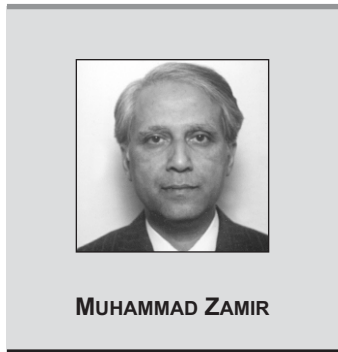
The technical loss of energy via transmission and distribution networks is far outstripped by human pilferage through illegal connections and meter tampering. Put together, these account for 26 to 30 per cent of the total quantum of power generated in the country. This is three times more than the allowable limit so that investment in the power sector is inhibited by the factor. On the other hand, if we had successfully tackled the power thefts, we could have perhaps made do with the electricity we generate.

The draft bill to be soon placed before the parliament provides for jail term up to five years and fine not exceeding Tk 20,000 for stealing electricity through illegal connections. This is prescribed for those who receive the connections by unauthorised means. But it would be impossible for any one to obtain such connections without colluding with the officials and employees of PDB, DESA or DESCO striking financial arrangements with them. The proposed amendment also therefore provides stringent punishment for the corrupt power sector officials and employees.

All this is very good, but the question is: who are going to enforce the new provisions other than those who themselves are beneficiaries of the present day pilferages? The amended law is asking for a total reform of the human person. Besides, there is the trade unionism tyranny to overcome.

The best option seems to be that we go for private sector involvement -- through a leasing system -- in commercial operations relating to power distribution. Secondly, we could also think of replacing existing electricity meters with the pre-paid meters that the Bangladesh University of Engineering and Technology has invented recently. This will rule out tampering with meter reading and ensure fool-proof revenue collection.

EU-Russia relations



MUHAMMAD ZAMIR

IT has been a long and difficult road, but it has been a movement forward. Today, EU-Russian relations appear to be characterised by maturity and cognisance of reality.

It is probably not yet the 'love affair' that has been claimed by EU President Jean-Claude Juncker, but positive signs of engagement have definitely emerged from the recent EU-Russia Summit and other official contracts. Both sides now appear to agree on the need for a roadmap. Significant gaps in the relationship have also been narrowed. This has required "difficult and arduous" negotiations.

There is consensus that special attention has to be given to economic issues, with the final goal being a possible free trade zone, based on a non-discriminatory application of the law, transparency, regulatory simplification, non-discriminatory application of law and good governance. This pragmatic approach has been best defined in the agreed principles pertaining to economic arrangements. Progress has also been made with respect to the regulatory dialogue, on financial issues and on enhanced cooperation with respect to the telecom, transport and energy industries.

EU and Russia have also agreed to move forward with respect to environmental issues and to enhance dialogue on achieving the Kyoto Protocol benchmarks. Potential areas of cooperation in the space sector have also been identified.

Consideration has also been given to questions of justice and home affairs. The crucial elements of combating terrorism, organised crime and drug trafficking were discussed for identifying common ground. These were sensitive

relations proved to be agreeable from the start. As expected, both sides underlined their commitment to effective multilateralism, to further development of the United Nations system and enhanced cooperation in the Council of Europe and the OSCE. Combating the proliferation of Weapons of Mass Destruction (WMD) was also given priority. The Kaliningrad issue, the Middle East and Iraq also came up for discussion, with both sides reiterating their positions. All these elements will however need to be

all EU Member States.

Increased cooperation has now been agreed in principle for language training and the creation of a Moscow Institute of European Studies, following the Bruges model. This should definitely help in bolstering cooperation. The creation of the Institute for European Studies and an increased focus on language education would facilitate the practical relations between Russia and the EU.

The roadmap and the least

two sides.

Russia, it must be remembered, is in the process of a "huge transition" in terms of its economy. Such a process of change is being monitored very carefully, particularly in Germany which attaches importance to the fact that Russia is Europe's fifth largest trading partner. Europe is hoping that the WTO process for Russia will be used to step up a greater variation of the EU-Russian trade profile. In this context, the EU is already reviewing customs procedures and trying to

Europe also hinted that such a trend in trade might change given the fact that it could secure its energy needs through a variety of sources well into the future. This was a kind of 'kabuki', given the fact that the EU has invested so much time on an EU-Russia energy dialogue over the last five years. It was probably Europe's way of persuading Russia to move forward on the framework of the Energy Charter Treaty.

Russian businesses are already engaged in a dialogue with European counterparts through its equivalent of the European Roundtable of Industrialists (ERT). There is obviously great interest on both sides. It is also however clear that, at every opportunity, the EU is emphasising the importance of secure property rights. They are also stressing on the fact that all positive legal developments need to be supported by sound economic policies. In this context, the EU has reiterated that more could be done in the Russian banking sector to raise public confidence and mobilise Russian savings for internal investments. They believe that this sector is still very volatile. They feel that both domestic and international investors needed confidence to make positive investment choices.

Both the EU and Russia are looking ahead to 2007 because it will mark the tenth anniversary of the PCA between the two sides. I believe that these latest steps will encourage further cooperation. I also hope that both sides will use their consensus to facilitate a constructive engagement not only in the Middle East but also with regard to nuclear non-proliferation and disarmament.

Muhammad Zamir is a former Secretary and Ambassador -- any response to mzamir@dhaka.net.

POST BREAKFAST

Most analysts believe that the business perspective in EU-Russia relations is finally being approached in a "reassuringly pragmatic view". This is being seen as important given EU's prospective reliance on Russia's natural resources. The recently concluded Summit demonstrated to a large degree the overlap and common interest between the two sides.

issues and required a delicate approach.

After intensive negotiation it has also been agreed that there will be increase in consultation on human rights and combating terrorism. This is significant given recent difficulties over the handling of the Chechnya problem. Both sides have also expressed their keenness to move ahead with visa and re-admission agreements, despite the fact that such talks promise to be fraught with difficulty, particularly with regard to third countries and the treatment of their nationals on Russian soil. It may be mentioned here that both sides are examining the question of visa-free travel between Russia and the European Union on a long-term basis.

Compared to the thorny issues of human rights, discussion on exter-

nailed with greater care, now that a common European security and foreign policy, has become difficult after the negative votes on the Draft Constitutional Treaty in France and Netherlands.

The social aspects of cooperation, particularly in education, science and technology and cultural exchanges have also received special attention. This was reflected in the ironing out of some of the glitches that had affected the agreement to strengthen collaboration in the science and research fields, in which Russia is already engaged through the Commission's 6th Framework Programme. This was important given the fact that the EU has been stressing for some time its willingness to bring Russia into the Bologna process and to facilitate the recognition of Russian diplomas in

common denominators that have been agreed upon are comprehensive and general in nature. Both sides have fortunately also taken the precaution to leave flexibility within the bilateral equation. Russia has taken stock of its relations with Europe based on the 1997 Partnership and Cooperation Agreement (PCA). Since then relations have progressed and the recently concluded roadmap negotiations have reflected these positive changes.

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see how it can be improved on very practical terms.

Similarly, think-tanks in Europe are studying as to how there can be renewal of existing capital stock in the area of investment. They know that the money invested in Russia by Europe till now is comparatively small, but they also agree that there needs to be a movement forward. Investors, they feel, could increase the output of the Russian economy, bring in new technologies, world-class management and team development. In this context, the EU, quite correctly, highlighted their concern about security of law, security of international property rights and sound governance.

During the Summit, the EU Representatives pointed out that 80 percent of all Russian energy exports went to Europe. Apparently,

Of crime and punishment

AR KHANDAKER

INCREASE in crime, particularly of heinous type, is causing untold sufferings to the society although there has been a search for some fundamental means to control crime either by reforming criminals or by improving social conditions, since long. But unfortunately it has remained a far cry as yet. The problem, of late, has aggravated much because the traditional defences against the influx of crime have been subjected to slashing criticism from different quarters. Amongst many causes the political restlessness due to unfair political practice is creating a situation in which persons with criminal propensity get opportunity, encouragement and protection only to thrive in their criminal activities. The country is caught in a sort of vicious circle. Our political players must realise this and act accordingly. They would do well by considering all shades of opinion.

A fair, efficient and effective administration of criminal justice constitutes the most meaningful goal of any organised society. So the constituents must function in full harmony and cooperation to accomplish the common objective. Regular meetings of the agencies should be held to discuss mutual problems, if any, and assess progress of work in each district. Though this is nothing new but the units seem to be performing their jobs in isolation, a false prestige crisis over bossing and subordination seems to have been prevailing to confound issue. The required check and balance is not there to make the whole gamut of the law and justice machinery function efficiently. It is high time the grips were tightened by activating the institutional norms.

Crime today has crossed the national boundaries and criminal syndicates are now operating transnational. Again crime attended with violence has assumed an

alarming scale to the extent that it has brought about a threat to our social security and is adversely affecting the quality of life. Illegal drug trafficking, money laundering and smuggling of fire arms in huge quantity are all inter connected. These unethical tradings are thriving under the very nose of all those showing anxiety perhaps with crocodile tears! Some are professing in favour of peace through spreading democracy of the type of their own liking using force and encouraging and patronising the spread of the phenomenon of arms

colleges are expected to play a significant role in moral development of the youths who form a vital part of any society but with increase of population, push and pull of the rural and urban societies, growth of unemployment, increasing urbanisation, less commensurate growth of industries to absorb the migrated people, are all adding to new dimensions in criminality. The society, therefore, questions the efficacy of traditional efforts to contain crime and its impact.

Developing countries, Bangladesh being one, today face a disrupt-

ever, is near collapse. Jute and cotton mills are closing one after another. The privatisation of the sick units and placing them to inexperienced hands amount to almost passing the lame baby to a surrogate mother.

Again, shutting down some of these enterprises, particularly in the jute sector by adopting the policy of golden handshake without making alternative arrangement for employment of a much greater number connected with these industries has brought about serious depression in the economy. This has to have a

Developing countries, Bangladesh being one, today face a disruptive crime problem. A new and positive approach to prevent and control crime to alleviate the sufferings of the society is called for. Crime prevention, therefore, demands the attention of the whole community so that innovative and more effective measures can be prescribed with its total approval.

race to break the peace and destroy human rights they often feign to talk about.

The United Nations is expressing concern more than ever before and discussed the crime problems of the member countries in its successive congress with a view to finding out ways and means to combat the same. In its Milan congress it has suggested for taking a few positive steps to help controlling the situation through encouraging action oriented programmes of a new economic order by giving moral and material support to its various regional and inter-regional organisations which are engaged in research and counseling in the matter of prevention of crime and treatment of offenders.

Prevention of crime and treatment of offenders are, however, becoming more and more complicated in the context of economic development, political instability and changes of socio-cultural values. Although the family, educational institutions like schools and

tive crime problem. A new and positive approach to prevent and control crime to alleviate the sufferings of the society is called for. Crime prevention, therefore, demands the attention of the whole community so that innovative and more effective measures can be prescribed with its total approval.

In the past crime-prevention has always meant an emphasis on deterrence and individual treatment and on rehabilitation to a limited scale. It has been realised that more innovative approaches need be developed primarily to reduce opportunity of crime by providing diversions with rehabilitative attitude of the community. The steps so far taken can hardly be considered sufficient in the face of the enormity of the problem. The export of manpower to some labour importing countries has become the only lucrative pursuit but this can provide only a limited solution to the problem. Therefore, employment in the industrial sector remains the main answer. The industrial sector, how-

cumulative effect on the socio-economic life as well.

The primary role of any government is to provide security of life and employment. The employment provided in the few EPZ campuses has not been able to fill up the gap created by the closure of the main industries. We often refer to our earning from garment industry, if we may call this an industry at all. Whatever little employment is generated here materialises on motive of maximisation of profit which should not be taken as primary goal of industrialisation, particularly of state sponsored enterprises, where the objective should be to provide employment, even by maintaining a break-even.

The policy of golden handshake was not really economically sound and to the best interest of the country in the ultimate analysis. Whatever little money the jobless workers received as compensation was actually of no use to them, as they must have spent the amount in no time and the volume of unemploy-

persons who were entrusted to manage these enterprises abandoned by the previous owners did not have any commitment nor did they have the necessary skill or acumen. One cannot but wonder why the authorities could not shed off the excessive load to protect the existence of the industry to the benefit of the bulk of the labour and the economy of the country.

From a recent report dispatched from Vietnam it could be learnt that at least three jute mills have been set up recently in that country and required raw jute is going from Bangladesh via a third country which is reaping the benefit of the export trade. The question appears if jute has become that useless how come a country like Vietnam can undertake a fresh venture and that too on imported raw materials?

In Bangladesh, however, circumstances, causing forced unemployment without making commensurate alternative arrangement, helped creating, among other ills, certain criminogenic factors which the society is at its wit's

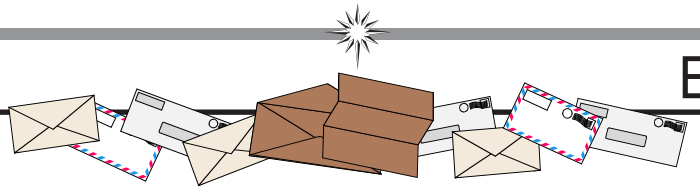
end to grapple with. Harsh law or cruel enforcement of anti-crime measures, whatever cheap public ovation it may draw for the time being, will not cut the ice in the long run. In spite of some actions being taken against known anti-socials and criminals, the number of anonymous telephone calls, holding out threats to life and seeking ransom are being received by many. In most cases police response to distress calls are not as prompt as would be required to prevent an occurrence. There are reports of quite a few incidents in the daily newspapers of blood baths in broad daylight in various parts of the city despite heavy policing by an increased number of police units, and hence the panic.

One may recall that late lamented AK Fazlul Haque once said, "Police and rainbows are alike, they both appear after the storm!" The universally accepted principle of crime control by involving members of the society and police befriending the public and creating mutual trust and confidence to obtain their cooperation for realising the social objective seems to have taken a back seat while armoured vehicles are in the advance for summery disposal of crime and criminals or people taking law in their own hands. Such dubious and questionable methods have been impelled to by the scenario of corruption in criminal justice administration.

Public confidence in police and judiciary has visibly eroded. The decisions of and sentencing to multiple hangings in a single criminal case are not proving any deterrence either. Appeals are preferred in every case and many of the convicts are absconding. It has to be remembered that crime control will never be possible without public participation. But unfortunately we find the opposite to it. The public will gradually be alienated and the civilised way of getting justice will disappear ushering in an era of mobocracy and a police state!

AR Khandaker is a former Inspector General of Police and a former Member of the UN Crime Prevention and Control Committee.

TO THE EDITOR TO THE EDITOR TO THE



EDITOR TO THE EDITOR TO THE EDITOR

Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

A draft code for the political 'netas'

As a frustrated citizen of a country hijacked by the greedy politicians (looking at the majority of the tribe), here is a summary of the proposed Reforms Code drafted by an elderly citizen, who has been a voter since the Raj era. Misuse of power, position, and influence will continue in all sectors until the political leaders impose internal self-discipline. Charity begins at home. Be strict with yourself first; the rest will follow. Shun shady followers. Diplomacy is designed to obscure transparency, but politics should be transparent to the electorate. Practice what you preach. Marginal lapses are tolerable, within a reasonable bandwidth, (that is why regimes are replaced). How to attract dedicated and honest persons into clean politics?

At present the wrong cadres are crowding this polluted public service. It has become a private service for private gains. How to weed out the unwanted (but powerful coterie)? Toll collection, forcefully and peacefully, (in various forms including bribe) will continue so long the political masters tolerate it, (and secretly share the spoils). Remove the hidden godfathers. Where is the RAB for all politicians, regardless of party affiliation? The "cross-fire" may ricochet! Already, political killings are on the rise.

The causes are obvious (greed for wealth and evil power). Do not taint the civil service. Respect the sanctity of neutrality in public dispensations. Do not issue instructions and orders, which are unlawful, and not covered by the rules. Do not make exceptions (nepotism). Keep records in writing, (the future talks!). Lock all the back doors of all establishments. No 'khatir' (favouritism) culture. Learn to resign on principle.

Talk less, do more. Act, not sermonize. How to improve the parliamentary culture without accusing others? STOP finger pointing. Why quorum is lacking in the parliament? Business is inside the JS, not outside. What is a parliament without the opposition? All in the opposition are not happy. Why? The voters in the LDCs are weak, with many social and environmental shortcomings. What are you doing about it? Some political parties are not on speaking terms, socially. Why? It is a disgrace. We

all have to live in the same society, regardless of differences of opinion. Where is the catch? How do you practice tolerance? Talk on cracks in the homogeneous society. **AZ Dhaka**

Brilliant performance

Now it is very clear that the Bangladesh cricket team can easily defeat any team in the world. After having defeated the world champion Australia, one can easily say this. One day the world will see what Bangladesh really is. Our players need lot of hard practice, enthusiasm and continuous support from us to achieve the same result in future. **Cantara Wali Ruhi Dhaka**

Political greenhouse effect

As an undeveloped citizen of an undeveloped country (although I am an old citizen now, but am still interested in writing letters to the editors, feigning to be in public interest), I am not at all surprised at the petty-mindedness of our top

leadership. Their footprints are so small, with hardly any living space for the citizens (umbrella effect). Small minds think small, and cling to... (you know what).

Of course there is apparently no visible leadership outside the domain of politics, as the politicians dominate the social scene, and elbow out others. Others take it weakly and try to merge under big tents; giving birth to a new fashion cult. The 'netas' vanity is arrogant and volatile, and puffed up like filled balloons.

Balloons, floating and flying, have no anchor or root in the ground, hence our politics is so unstable. A balloon bursts high up in the sky, due to atmospheric pressure difference. On the Dhaka metro playground, the same phenomenon is noticed. Notice how one party bagged only 60 seats out of 300 in the last general elections, after running the preceding regime for five years. Name-calling has become a profitable game.

There are two visible features in our politics: tribalism, and caste system. There are achhut kanyas and trigger-happy self-protection brigands earning their living

through mystical or mysterious means. They listen to the gaibi awaaz from classified sources, known as godfathers. The latter are independent of time, place, nationality, religion, and educational degrees. There is a siren god on earth, known as the Mamon. They use steel, but it is not stainless steel.

There are two major political parties in Dhaka, alternating in governance. The fixations of these leaders are pitiable. They cannot get out of the groove, and confine their thesis most of the time on each other (mud-slinging, accusations and counter-accusations, as if there is nothing else to talk about.) Why the taxpayers should bear their public expenses? While in power they talk about development projects, and while in the opposition they have one fixation, and see nothing but their opponents, forgetting the 60 million voters.

The Political Greenhouse Effect, is already a global epidemic. Perhaps we need GE (genetic-engineered) leaders.

Amahasen Dhaka

Who is to bell the cat?

I have written on so many occasions all about the insincere attitude of our bureaucrats and the vested quarters in exploiting the huge mineral resources of Habigonj, Sunamgonj and greater Sylhet. Much have been told about the explosions of Haripur, Tengratila and Magurchora gas fields, but due to negligence and wilful callousness of the vested quarters, no action could be taken against UNACOL, NAIKO etc. As a result hundreds and thousands of dollars are pending unrealised from these foreign companies, Why?

Magurchora explosion occurred due to the negligence of the technical experts, for which necessary primary survey was reported to have been conducted and UNACOL and other foreign agents were ready to make good the losses including permanent erection of the railway tracks in the affected areas, but surprisingly it was stopped!

Later, another gas field was discovered in Habigonj-Baniachong area at Sutki river side, for which UNACOL had completed all primary works including setting up of deep and

heavy-weight machines, but all on a sudden the Political Advisor to the then Prime Minister, declared that the Unocal has no interest in that gas field and thus they withdrew, forever causing huge damage to the paddy land and haor areas and private property. But there was none to ask why?

In recent past NAIKO group started vigorous attempt to drill the most prospective gas field at Tengratilla, where the explosion occurred only due to the callousness of the experts and absence of foreign technical experts on the spot, for which the entire populous areas was evacuated with the assurance of compensating each family and also making good the total loss due to the explosion.

The total loss ran into millions of Dollars which could be realised by the Ministry of Natural resources, but to our utter surprise it was given out in all the print and electronic media that Petro Bangla and the Ministry were hesitating in issuing letters to the NAIKO and UNICOL for making payment for necessary compensation.

All the statements of the Ministers and the PetroBangla have led

the people to assume that the State Minister had tactfully managed a Foreign tour, and a costly car, delivered to his residence, courtesy NAIKO! This had occurred while our state minister was on foreign package tour, reportedly organised by NAIKO.

This is the irony of fate that, though we have ample reserves of costly mineral resources specially in Habigonj, Sunamgonj, and greater Sylhet is floating on liquid gold, which can be termed as the special gift of the Omnipotent, we are so unlucky that we do not have honest persons and efficient technical experts to exploit these resources which could change the fate of the country forever.

Peerzada Syed Rofiqul Hussain Hiala Shaheb Bari, Habigonj

ERRATUM
In the opinion piece 'Black money' published yesterday, the identity of the writer Dr. M S Haq should be -- a freelance writer instead of a teacher of economics.