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Baboon's blood

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the same and then ensure that their profits are not at the expense of our competitiveness. Otherwise the only industry that will remain is the banking industry.

Do ensure we have a competitive exchange rate regime that will also take into account our growing exports in Euros. The effects of devaluation of the Indian Rupee in the last few months on our export competitiveness have already been widely reported. The Bangladesh Bank needs to ensure spreads between buying and selling rate are competitive and also issue a specific guideline to banks and exporters clarifying that exporters are NOT bound to sell their export bills to their financing bank. This will promote interbank competition for export bills and improve the bargaining power of the exporters.

Do ensure credit availability to productive sectors of the economy with special emphasis on helping exporters from General Motors, Chrysler and Ford. The Government stepped in and back stopped finance for the exporters

as insurer of last resort. In India the US\$1 million per annum automotive components export sector came under threat recently when banks stopped providing pre shipment finance for orders from General Motors, Chrysler and Ford. The Government stepped in and back stopped finance for the exporters

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DON'T's

Don't shoot the messenger. Policy makers must not discourage bad news in their attempts to show target attainment and look good. The preferred management style of the past

In order for us to have even a fighting chance of success, the government must try and create consensus amongst all stakeholders on the severity of the problems that we are facing as well as the best ways to move forward. It is imperative that the government occupy the moral higher ground and adopt a very conciliatory and magnanimous stance to ensure that the democratic process is re-established. Given their overwhelming majority in parliament it is hoped that the government will do whatever it takes to ensure that the opposition is actively encouraged and allowed to play its positive role in parliament.

Bangladesh Energy Regulatory Commission to impose annual license fees on captive power generators for industry by April 30th is a perfect example of adding insult to injury. Government has failed to provide power to the private sector, who, have been compelled to invest millions of dollars in buying and operating these generators as a solution to the problem. And today BERC is trying to force industry to pay millions of takas in fees for having found a way to keep their factories running.

Don't "create" issues that can lead to political instability and a return to strikes and social unrest in this time of crisis.

In order for us to have even a fighting chance of success, the government must try and create consensus amongst all stakeholders on the severity of the problems that we are facing as well as the best ways to move forward. It is imperative that the government occupy the moral higher ground and adopt a very conciliatory and magnanimous stance to ensure that the democratic process is re-established. Given their overwhelming majority in parliament it is hoped that the government will do whatever it takes to ensure that the opposition is actively encouraged and allowed to play its positive role in parliament. The opposition party must also own up to its responsibility of being the honest broker in parliament and ensuring that the government is held accountable to the people. The political parties must be able to build consensus and common positions on key economic issues to ensure maximum public support and buy in. Otherwise we run the risk of these actions or policies being mis-represented for political capital as has happened in the past. We need good governance, above all.

These are truly historic times. Industrial giants such as GSK, P&G, Kraft Foods and Unilever have recently announced that they have removed all financial targets, such is the volatility in the business environment! The invisible hand has proven to be fallible so Bangladesh needs now more visible direction and leadership.

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the ostrich (bury your head in the sand and it will go away) is simply not going to work this time. The fallacy that exporters and industry can generate nonstop high growth must also be broken. Banks must be willing to take a long term realistic view and not panic at the first sign of a downturn. The recent announcement by the Finance Minister to set up a high powered task force that will include business people as well as bureaucrats and academics is a very important step to ensuring that we get the right information on time.

Don't live in denial by waiting for the crisis to worsen too much in Bangladesh before acting. An ounce of prevention is worth a pound of cure. For example GOB must proactively monitor the remittances flow and situation in our major source countries such as Saudi Arabia, UAE, Malaysia and UK. The reduction of flights by Saudia recently as well as cancellation of some low cost Gulf carriers due to insufficient loads could be useful leading indicators.

Don't crowd out credit flow to the private sector through over ambitious ADP projects that remain unutilized. Already in the first half of fiscal 2008-2009 the government has exceed Bangladesh Bank borrowing targets. Government must resist the pressure for "pork barrel" projects from its own lawmakers. Public spending has to be targeted with measureable outcomes that also have a wider economic and/or social footprint.

Don't increase the cost of doing business. The decision of the

