

Hopes brighten for 2011

Gallup and OrQuest release survey findings

STAR BUSINESS REPORT
A survey conducted by Gallup International showed 46 percent of the respondents from Bangladesh expect 2011 to be a year of economic prosperity. Around 23 percent of the respondents apprehend that 2011 will be a year of economic difficulty, and 28 percent think that the economic situation will not change, according to the study. The remainder of people surveyed did not have an answer. However, 51 percent people fear a rise in unemployment in 2011 while 34 percent differ, said the study, "Global Barometer of Hope and Despair". The number of optimists in Bangladesh is double compared to the number of pessimists, and the net hope score is ahead of the net global hope score, which stands at 2 percent. The worldwide survey showcased a milieu of optimism across Bangladesh and Asia, and a pessimistic approach throughout Europe and shows a shift

from G7 to G20 countries. In Bangladesh, the survey was conducted among 3,000 adults in 20 districts, covering all the seven administrative divisions. ORQ Quest Ltd (OrQuest) conducted the survey in Bangladesh as a local partner of Gallup International. Globally, the survey was done on 64,000 men and women in 53 countries from all continents, including all the G7 countries and Brazil, Russia, India and China (BRIC). Gallup International is conducting the survey a year since 1977 when it was initiated and led by the renowned researcher Dr George Gallup. Worldwide, 30 percent of the respondents expect the year 2011 to be a year of prosperity, 28 percent expect it to be a year of economic difficulty, and 42 percent think the economic situation will remain unchanged -- the findings show. This year, 19 out of the 53 countries in the survey were classified as hopefuls while 34 as pessimists. The survey found that global hope is concen-

trated among the rising economic powers and in the BRIC region, where the hope score is 35 percent. The hope score for the rich countries of G7 -- USA, Canada, Germany, France, UK, Italy, and Japan -- is negative, as the pessimists outscore the hopefuls by 19 percent difference. In response to a question, whether 2011 will be better, worse or the same as 2010, 60 percent of Bangladeshis expected it to be better, 14 percent think it will be worse, and 24 percent believe the situation will remain unchanged. The remaining 2 percent did not give an answer. Across the globe, 42 percent gave positive response, 19 percent negative, and 32 percent conceive the situation to stay the same; 5 percent did not give an answer. "It is shocking to know that most of the wealthy nations of the world fall in the Red Group, that is high on per capita income and low on hope, while the Green Group comprise of low per capita income countries," said the research.

No headway in LNG import deal

UNB
Bangladesh could not reach any formal deal with Qatar regarding import of liquefied natural gas (LNG) even after reaching an understanding six months ago. Qatar agreed to sign a deal in June to export about 3.5 billion cubic feet natural gas per week in liquid form, according to Energy Ministry officials. The understanding was reached after the visit of a Bangladesh delegation. Bangladesh sent a draft agreement in September to the Ministry of Petroleum of Qatar but any follow-up response is yet to come. "Bangladesh sent a number of reminders to Qatar to set a time to sign the agreement, but there has been no development," said a top Petrobangla official. Bangladeshi diplomatic mission also pursued the matter several times with the Petroleum Ministry of Qatar, but no new information was received, said the official. The energy secretary is scheduled to visit Qatar on January 15-16. "During his visit he might pursue the matter with the Qatar government," an official said. Power plants having about 700MW capacity remained idle and 300 new industries could not come into operation because of gas shortage, according to Power Development Board.



BSCIC
Madhav Kumar Nepal, Nepalese prime minister, visits the Saarc Trade Fair in Kathmandu recently. Fakhru Islam, chairman of Bangladesh Small and Cottage Industries Corporation, and Nim Chandra Bhowmik, Bangladeshi ambassador, were also present.

Spend more on agricultural research: expert

STAR BUSINESS REPORT
More should be spent on research and development to boost agricultural output instead of relying on giving subsidies to agriculture, a World Bank expert said yesterday. "Subsidies offer short-term benefits, while impacts of research and development are vast, long-term and effective," said Will Martin, a researcher of Agriculture and Rural Development in the Development Research Group in World Bank. The researcher made the remarks at a seminar titled 'Promoting Global Agricultural Growth and Poverty Reduction' at the Bangladesh Institute of Development Studies (BIDS) in Dhaka. Bangladesh has aimed to spend Tk 4,000 crore in subsidies in the agricultural sector in the current fiscal year. Last year, Tk 3,600 crore was allocated for subsidising the costs of fertilisers and other agricultural inputs which was later increased to Tk 4,950 crore. "Research and development yield ten times higher returns on investment, while spending on subsidies pays less in dividends than what is spent. In case of subsidy, the aggregate benefit is not high," Martin said. He said there should be emphasis on agriculture to reduce poverty. "Agriculture is the most important area for poverty reduction. Other sectors can play a role, but they take longer time." He suggested governments emphasise on commodities with the largest poverty impacts. "Studies have shown that commodities such as rice, maize and vegetables help cut poverty more than others." The WB official said the adverse impact of higher food prices on poverty could be best dealt with by raising productivity of agriculture. "Productivity benefits consumers in developing countries through lower food prices." He, however, cautioned countries against agricultural protectionism, as it generally raises poverty, benefits the farmers though, but poses heavy costs to consumers again. BIDS Director General Dr Mustafa Kamal Mujeri presided over the seminar. Brac Executive Director Mahabub Hossain and former BIDS DG Quazi



STANCHART
Julian Fong, chief financial officer for Asia of Standard Chartered Bank, launches the bank's financial kiosk at Hajipara in Dhaka recently. Imtiaz Ibne Sattar, chief financial officer for StanChart Bangladesh, was also present.



CITY BANK
Sohail RK Hossain, deputy managing director of City Bank, opens the bank's Narayanganj branch on BB Road recently. The branch has been shifted from Tanbazar.

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