

Akhaura-Agartala trade potential underutilised: Atiur

STAR BUSINESS DESK

Despite being one of the most important bilateral trade routes and a potential gateway to northeast India from Bangladesh's Chittagong port, the Akhaura-Agartala link remains underutilised, said Professor Atiur Rahman, former governor of Bangladesh Bank, yesterday.

India annually exports goods worth \$1.4 billion to Bangladesh via the Petrapole-Benapole route while the amount via the Agartala-Akhaura route stands at just over \$0.14 million, he said.

Moreover, recent World Bank estimates show that Bangladesh's exports to India can potentially rise by 300 percent, he said, adding that utilising the potential requires increasing exports via the Akhaura-Agartala route.

Rahman was addressing a discussion on "Strengthening Indo-Bangladesh Relationship" organised by Agartala Press Club at its auditorium in Tripura, says a press release.

He said both countries were enjoying an unprecedented level of political understanding and it was "now high time to capitalise on this political will and enhance trade".

Biplab Kumar Deb, chief minister of Tripura, said he was taking steps against drug peddlers and supporting infrastructural developments like the Feni bridge and Agartala-Akhaura rail link as it would prove beneficial



UNNAYAN SHAMANNAY

Atiur Rahman, former governor of Bangladesh Bank, speaks at a discussion on "Strengthening Indo-Bangladesh Relationship" organised by Agartala Press Club at its auditorium in Tripura yesterday.

for both countries.

Subal Kumar Dey, editor of Syandan Patrika; Iqbal Sobhan Chowdhury, media advisor to the prime minister; Md Shafiul Islam Mohiuddin,

president of the Federation of Bangladesh Chambers of Commerce and Industry, and lawmaker RAM Obaidul Mukhtar Chowdhury were present.

Canada not needed in Nafta deal: Trump

REUTERS, Washington

US President Donald Trump said on Saturday there was no need to keep Canada in the North American Free Trade Agreement and warned Congress not to meddle with the trade negotiations or he would terminate the trilateral trade pact altogether.

"There is no political necessity to keep Canada in the new Nafta deal. If we don't make a fair deal for the US after decades of abuse, Canada will be out," Trump said on Twitter.

"Congress should not interfere w/ these negotiations or I will simply terminate Nafta entirely & we will be far better off," he added.

Trump on Friday notified Congress of his

intent to sign a bilateral deal with Mexico, after contentious talks with Canada ended on Friday without a deal to revamp Nafta. Trump had unveiled a deal with Mexico on Monday.

Lawmakers on Friday warned that a deal with Mexico could struggle to win approval from Congress unless Canada was also included. Support from Democrats would be needed to pass a purely bilateral deal, they said.

Trump on Monday threatened to slap tariffs on Canadian-made cars if Canada did not join the talks to revamp Nafta, which he has repeatedly criticized. Trump on Saturday, in his Twitter posts, reprised his attacks that Nafta has resulted in a loss of US jobs and business.

Iraq oil exports hit 2018 peak in August

AFP, Baghdad

Iraq's oil exports for August hit their highest monthly figure this year, the oil ministry said Saturday, with nearly 112 million barrels of crude bringing \$7.7 billion to the war-torn country's ailing economy.

"In August, exports of crude reached 111.6 million barrels and revenues were \$7.7 billion," on an average price of \$69.59 per barrel, it said in a statement.

In August last year Iraq earned \$4.6 bil-

lion from the sale of 99.7 million barrels of crude oil.

Iraq's sole source of foreign currency, oil revenues have pumped more than \$60 billion into state coffers since January.

Baghdad's economy has been hit hard by the war against the Islamic State jihadist group which had seized a third of Iraq's territory in 2014 before being ousted in a vast government offensive last year.

Iraq suffers from persistent corruption and many Iraqis complain that the country's oil wealth is unfairly distributed.

Indonesia to work with Alibaba's Jack Ma to increase exports

REUTERS

Indonesia will partner with Alibaba head Jack Ma on ways to use Alibaba's platform ecosystem to increase its exports, especially to China, its communications minister told Reuters on Sunday.

"We are also discussing how to work

together to develop tech talents to meet the needs of Indonesia and the region," said Indonesian minister Rudiantara, after meeting Ma and Indonesian President Joko Widodo on Saturday. The Alibaba founder and CEO, who was in Jakarta for the 2018 Asian Games, was named an e-commerce adviser to the Indonesian government in 2017.

Quality of economic growth improves

FROM PAGE B1

Sanem took up the initiative to develop the index as the focus of discussions on economic growth has shifted from quantity to quality.

"This shift has happened with the growing understanding that a mere increase in economic growth rate is not sufficient to achieve much larger social development goals," said Raihan. Sanem said it measured the IQEG for 156 countries for 16 years between 2000 and 2015.

This index is unique and for the first time it adopted three major components: economic base, economic strength and social development, said Raihan, a professor of the Department of Economics at the University of Dhaka.

The economic base has been assessed by the level of per capita GDP, economic strength by per capita income growth, volatility of per capita income growth, economic diversification and export capacity.

"A higher capacity of exports to finance imports shows a country's strength in international trade. The more diversified the export basket of a country is, the higher the country is capable of handling external shocks," said the professor.

"A more diversified export basket also, in general, indicates a country's higher degree of economic diversification," he added. On the other hand, the social development index measured progress in health and education.

Sanem said every South Asian country, except Afghanistan, improved their index values from 2000 to 2015. The South Asian average IQEG in 2000 was 37.32, which increased to 40.90 in 2015, said Sanem.

Meanwhile for Southeast Asian countries, the average increased from 50.12 to 54.83.

"To ensure that the economic growth process is able to bring qualitative improvements in the livelihoods of the people of the country, there is a need to increase the economic strength of the country through policies, which can generate sustained and stable economic growth and promote economic diversification," said Raihan.

All the while it is equally important to make notable improvements in the health and education sectors, he said.

"Bangladesh witnesses one of the world's lowest public spending on health and education in context to a percentage of the GDP. With such low public spending, it is not possible to ensure the quality of economic growth," said Raihan.

He said Bangladesh spends 2 percent of the GDP on education and 0.8 percent on health whereas spending on the sectors was 4-5 percent of GDP.

"We will have to think whether we will be happy with only high growth numbers or take steps to diversify the economy and increase investment on social sectors to improve livelihoods of people," said Raihan.

Also, there is a need to make significant progress in attaining quality of institutions, he added.

The Sanem index points to the importance of better institutional quality in ensuring the quality of economic growth.

"The countries at the lower level of institutional quality will always face the steep challenge of converting the quantity of growth into quality growth until these countries invest on improving their insti-

depositors and 2 percent commission to agents, while lending at 9 percent to 13 percent on major products. "This means the bank enjoys a good interest margin," Ali said.

According to the Bank Asia CEO, the cost of fund collected through agents is lower than those mobilised by branches as banks don't have to spend on infrastructure for agent outlet.

The bank will soon offer full-fledged banking services under the umbrella of agent banking, he said.

Agents provide services such as cash deposits, withdrawals, remittance disbursement, small value loan disbursement and recovery of loans as well as cash payments under the government's social safety net programmes.

Latest financial indicators showed that agent banking is on the right track as deposit collection through the service stood at Tk 2,013 crore in April-June, up 23.19 percent from a quarter ago.

Seventeen banks have a combined 17.64 lakh accounts as of June, up from 14.56 lakh three months ago.

There are 3,588 agents at the end of the second quarter, up 11.56 percent from the first quarter of 2018.

The fight to save, not shut, a McDonald's in France

AFP, Marseille

For decades, McDonald's was the brand French people loved to hate.

From the 1970s it was accused of being the exporter of "mal bouffe" ("bad food") to the land of fine dining, blamed for introducing millions of French people to high-calorie American fast-food.

It was also resisted as a symbol of US economic and cultural imperialism, particularly by leftwingers, in a country that remains suspicious of globalisation -- and more eager than most to defend its own language and culture.

French farmer and one-time presidential candidate Jose Bove built a political career through his opposition to McDonald's which saw him trash a restaurant in the south of France in 1999.

And resistance to the golden arches continues: a mayor on the island of Oleron in western France has famously battled to keep the company out, and the brand is still a favourite target of anti-capitalist protesters during street demonstrations.

But in a turn of events that would have French food purists choking, campaigners including local lawmakers have mobilised to save, not shut, a restaurant in one of the poorest suburbs of the southern city of Marseille.

"From the outside it might seem to be just another restaurant," local MP and hard-left leader Jean-Luc Melenchon said in a visit last month to the outlet where he was cheered and applauded.

"But it's the only place where there's something going on in this area, where you can get something to drink or have a bite to eat with friends."

The campaign to prevent the "McDo", as it is known in France, from shutting -- local Socialist and even Communist Party figures have joined Melenchon -- is an unusual development for politicians better known for their opposition to multinational companies.

But it has also served to highlight how the American fast-food chain has become a pillar of the local community, underscoring the lack of other facilities, and economic opportunities, in France's deeply deprived suburbs.

"There's only this," one local, Farida Mameri, told AFP as she arrived with her children. "This area without McDonald's? There'd be nothing. When you meet someone it's here, there's nothing else."

The restaurant is located next to the partly completed L2 trunk road in the tough northern suburb of Saint-Barthelemy, a multiethnic area home to a large Muslim population and some of the city's poorest housing estates.



AFP

Campaigners have been trying to save this McDonald's restaurant in a northern Marseille neighbourhood in France.

McDonald's is the second-biggest formal employer in the neighbourhood with its 77 staff, after a local supermarket chain, trade unionists say.

Residents lament how shops and businesses have gradually moved out at the same time as drug-dealing has flourished -- providing more lucrative, and dangerous, opportunities for unemployed local men.

Marseille remains an important gateway for drugs arriving in Europe from North Africa, causing deadly turf wars between Kalashnikov-wielding gangs that are a blight on the lives of local families.

In May, amateur video went viral showing several masked men armed with machine guns running through a housing estate in nearby Busserine, where police -- and journalists -- are often wary to enter.

Since opening in 1992, the McDonald's has helped to stop some of the criminality, employees and campaigners say.

"McDonald's kind of got me out of the shit, if you'll excuse the term," Nordine Aklil, a 27-year-old employee, told AFP. "I had come out of prison and McDonald's offered me rehabilitation basically."

"It also allowed me to have more stability in my life." Salim Grabsi, a member of a working class collective in the area called SQPM, agreed that the

business had played a "social role" under its previous managers.

"Young girls and young boys who haven't got internships, they end up here," he explained.

"When kids no longer have any interest in school, or they no longer want to go to school, to avoid them landing in drugs and all that, their first job is often at McDonald's."

At stake is the threatened closure of the restaurant by its current operator, a franchisor called Jean-Pierre Brochiero who owns the restaurant in a 50-50 joint venture with McDonald's France.

He claims the site is loss-making -- which the branch's employees contest -- and wants to sell it to a Tunisia-based company which would open an "Asian halal" food outlet targeting the local Muslim population.

The employees, who have been protesting for months, believe the takeover plan is a ruse to avoid paying them redundancy compensation and they have gone to court to prevent the transaction.

"As badly paid as they are, as bad as working conditions are at McDonald's, their whole life is built around this job," a lawyer representing staff said after a court hearing on Monday.

"The whole life of the neighbourhood is built around this restaurant. McDonald's needs to be aware of that and they need to come out of this honourably too."

Lending thru' agent banking on the rise

FROM PAGE B1

The central bank issued the agent banking guideline in 2013 but the licensees started full-fledged operations in 2016.

Since then, agent banking, which aims to create an alternative to branch-based banking, has been expanding.

Md Arfan Ali, managing director of Bank Asia, said his bank was now focusing on accelerating loan disbursement through agent banking.

"Initially, banks have put focus on mobilising deposits. But it is time to extend the service by disbursing loans to clients living in the rural and remote parts of the country," he said.

Through the window, Bank Asia, one of the pioneers in agent banking, disburses loans ranging from Tk 20,000 to Tk 20 lakh and has set a target to increase the loan portfolio to Tk 250 crore by December this year.

Loan disbursement through the agents creates a win-win situation for banks, agents and customers, since all of them benefit from the service, said Ali.

"It is a cost-effective channel for banks as it reduces the cost of collecting deposits," he noted.

The bank offers nearly 4 percent interest to

Qubee parts with individual subscribers

FROM PAGE B1

Chinmay Devorsi, a Qubee customer, confirmed that the connection went down around midnight on August 30. He said to have opted for a 4G mobile connection since then.

Proteek Kundu, chief commercial officer of Augere Wireless Broadband Bangladesh Ltd, which owns Qubee, said WiMax technology was globally becoming obsolete and vendors no longer produced wireless broadband service equipment.

He said they were upgrading their network to long-term evolution (LTE) technology, which would be launched by December before individual subscriber-centric services were again offered. "LTE is a future technology, so we are going to introduce it."

A top Qubee official said they would bring down the number of base stations from about 350 to 90. Last month the company halved its workforce to 90.

Ordered paper, found sand in container

FROM PAGE B1

"Why would we pay Tk 7.88 lakh as import duty to receive a container which is supposed to have only Tk 12.81 lakh worth of goods if there was any intention of money laundering? Why would we import high-duty product like A4 size paper?" he asked.

"We are now trying to reach the Chinese company through the related bank."

This is not the first time an import container has arrived with separate products than that stated in the declaration. In fact, there are numerous incidents of money laundering when the customs house did not even file a case against the importers.

In the last five years, at least 25 containers arrived at the port city customs house, containing water in place of oil and ash in place

of scrap. Once an empty container was brought in although it was supposed to contain mustard seeds.

In 2015, a Gazipur-based company imported cutter blade at \$1,008 a kilogramme while it paid import duty of \$1.5-\$2 per kg. But no money laundering case was filed against the company. Rather, it escaped any serious customs case just by clearing the duty.

In 2016, a Dinajpur-based mining company, run by Petrobangla, imported seven containers of goods showing it paid Tk 79 lakh as fare for each container.

But later investigators found that the fare should not be more than Tk 4 lakh for each container. No case of money laundering was filed and the customs house did not take any step against the company yet.