

# BANGLADESH JOURNAL OF POLITICAL ECONOMY

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বাংলাদেশ অর্থনীতি সমিতি  
Bangladesh Economic Association

**REGIONAL CONFERENCE**

**Agri-Business Development in Bangladesh**

# **Bangladesh Journal of Political Economy**

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This volume contains selected papers presented at the  
Regional Conference of the  
Bangladesh Economic Association held at the  
Bangladesh Agricultural University,  
Mymensingh in December 2003

**Qazi Kholiquzzaman Ahmad**  
Editor

*This Regional Conference Volume has been edited by*  
**Rezaul Karim Talukder**  
**M.A. Sattar Mandal**

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## Preface

I am pleased that Volume 20, No. 1 of Bangladesh Journal of Political Economy (BJPE) is ready for printing.

This volume includes papers presented at the regional conference held at Bangladesh Agriculture University (BAU), Mymensingh. The articles have been duly reviewed by experts and modified as required. This particular volume has been finally edited, as a special arrangement for the Mymensingh regional conference approved by the BEA Executive Committee, by Rezaul Karim Talukder and M. A. Sattar Mandal, both Professors, Department of Agricultural Economics, BAU. It gives me great pleasure to commend this volume of the Journal to BEA members and others interested.

I wish to thank the authorities of the Bangladesh Agriculture University, Mymensingh for their goodwill and cooperation. Special thanks are due to the convenor and members of the conference organizing committee and all others who have helped one way or another in the organization of the conference. The efforts and cooperation of the editors of this volume and the authors of the articles are deeply appreciated.

Qazi Kholiquzzaman Ahmad  
President, Bangladesh Economic Association  
Editor, Bangladesh Journal of Political Economy

## **Editors' Note**

Agribusiness involves a complex set of interlinked activities related to commercial production of agricultural commodities, value addition to the commodities, supply and delivery of inputs, and marketing, distribution and trade of the agricultural commodities. Over the nineties, agribusiness in Bangladesh has grown at about 6 percent per annum, while agriculture has grown at an average of about 3 percent. Import trade of main agricultural primary products (cereals, oilseeds and raw cotton) has increased from US\$ 638 million in 1992/93 to US\$1139 million in 2002/03, growing at an average of 10 percent per annum. Over the same period, export trade of primary and processed agricultural products (raw jute and jute products, tea, frozen foods, vegetables, fruits and leather) increased from US\$ 754 million to 910 million, growing at about 2.1 percent per annum. The number of various stakeholders has increased manifold and the domestic sales of products originating from crops, aquaculture, horticulture, poultry and dairy increased significantly. The government has also provided the agro-entrepreneurs with various incentive packages including tax exemption, import duty concession, special budgetary allocation for agricultural export promotion and so on.

The main problem of agribusiness development in this country is that effective value chain linkages among the farmers, traders, processors and business service providers are yet to develop. Farmers need to be integrated with domestic as well as international market. This is especially true for high value perishable agricultural commodities. There is serious dearth of information on agribusiness, which precludes any useful analysis and policy making on the sector. One needs reliable quantitative data on many aspects of agribusiness. Who are the stakeholders involved in different agribusiness activities? What are the types of high value agricultural commodities that are produced? How diverse is the commercial production of agricultural commodities? Is the market for inputs and agribusiness products efficient? What is the state of agro-processing? Are the agribusiness activities profitable from farmers' point of view? What are the constraints to agribusiness expansion?

Bangladesh Economic Association (BEA) in its regional conference held at the Bangladesh Agricultural University, Mymensingh on 17 December 2003 addressed some of these issues. The main theme of the conference was Development of Agro-processing and Agribusiness in Bangladesh. Altogether nine research papers were presented and discussed in the seminar. This conference volume of the Journal of Political Economy contains all of those

papers as well as two other papers considered to be very relevant to the agribusiness theme.

There has been significant expansion of small scale poultry farming in the country over the recent past years. The paper by *Sabur and Rahman* deals with micro level analysis of production and marketing of poultry in Bangladesh. Shrimp has been the major agricultural export earner in Bangladesh; but the sector faces formidable challenges in production, processing, marketing and trade. One spectacular feature of the shrimp industry is the rapid growth of a series of backward and forward linkages activities centering round production, processing and marketing of shrimp. The paper by *Islam et al.* makes an analysis of the role of various stakeholders involved in the shrimp industry and presents some findings on the livelihood patterns of the stakeholders.

Milk production in the country has been individualistic and dispersed, and needs some form of integration of production with commercial processing and marketing. The specific case of vertical integration of small scale milk production and marketing by Milk Vita is discussed in the paper by *Raha and Talukder*. Another case of integration is the production, marketing and processing of poultry and poultry products, as has been highlighted in the paper by *Ahsanuzzaman and Islam* through case study of the Aftab Bohumukhi Farm Ltd (AFBL). Production of goat and goat meat is considered to have positive impact on pro-poor growth, but not enough is known on this enterprise. The paper by *Miah et al.* presents an analysis of goat production and marketing in selected locations in Bangladesh.

Value addition to agricultural products is a priority issue. The contributions by *Tongsiri and Alam, Khan, and Shams-Ud-Din and Talukder* present discussions on the pertinent issues and micro level evidence on some value addition activities. The papers also identify the constraints and potentials of value addition to a number of agricultural products. Market-oriented agriculture is dependent on the sustainable production, processing and marketing system. The paper by *Rahman and Lutfu* emphasizes the need for market-led initiatives for production of seeds and processing of a high-value crop.

Development of profitable technology plays an important role in promoting agribusiness. The paper by *Alam et al.* presents an analysis of a growing market for power tiller technology. Finally, the paper by *Akteruzzaman and Parvin* provides a picture on economics of paddy drying by mechanical drier in a typical wet season paddy production environment in Bangladesh.

Rezaul Karim Talukder  
M. A. Sattar Mandal



**বাংলাদেশ অর্থনীতি সমিতির যান্মাসিক জার্নাল Bangladesh  
Journal of Political Economy প্রকাশনার নীতিমালা**

- ১। অর্থনীতির বিভিন্ন শাখায় তাত্ত্বিক এবং প্রায়োগিক বিষয়ে প্রবন্ধ প্রণয়ন করার জন্য প্রবন্ধকারদেরকে অনুরোধ জানানো হবে। ইংরেজী এবং বাংলা উভয় ভাষায় রচিত প্রবন্ধ জার্নালের জন্য গ্রহণ করা হবে।
- ২। Initial screening নির্বাহী সম্পাদকের এখতিয়ারভুক্ত থাকবে, তবে প্রয়োজনবোধে সম্পাদনা পরিষদের অন্য সদস্যদের সহায়তা তিনি নেবেন। নির্ধারিত format মোতাবেক সংশোধনের জন্য এই পর্যায়ে প্রাথমিক ভাবে short-listed প্রবন্ধসমূহ প্রবন্ধকারের কাছে প্রেরণ করা হবে।
- ৩। অভ্যন্তরীণ reviewer সাধারণতঃ সম্পাদনা পরিষদের সদস্যদের মধ্য থেকেই মনোনীত হবেন। বহিঃস্থ reviewer সম্পাদনা পরিষদের সিদ্ধান্তক্রমে প্রবন্ধের বিষয়ের ভিত্তিতে সম্পাদনা পরিষদের বাইরে থেকে মনোনীত হবেন, তবে তিনি দেশের অভ্যন্তর বা বিদেশে অবস্থান করতে পারেন। সম্পাদনা উপদেষ্টা কমিটির সকল সদস্য reviewer হতে পারবেন। তৃতীয় reviewer প্রয়োজন হলে সম্পাদনা পরিষদের বাইরে থেকে তাঁকে মনোনীত করা হবে।
- ৪। ক) সমিতির দ্বিবার্ষিক কনফারেন্সে উপস্থাপিত প্রবন্ধগুলো referral প্রক্রিয়ার মাধ্যমে জার্নালের জন্য বিবেচিত হবে।  
খ) বিভিন্ন সময়ে সমিতি কর্তৃক আয়োজিত সেমিনারে পঠিত আমন্ত্রিত প্রবন্ধসমূহ জার্নালের সম্পাদনা পরিষদের অনুমোদনক্রমে জার্নালে প্রকাশ করা যেতে পারে।
- ৫। অর্থনীতি সমিতির সদস্য এবং সদস্য-বহির্ভূত যে কোন আগ্রহী প্রার্থী জার্নালের গ্রাহক হতে পারবেন। তবে সদস্যদের ক্ষেত্রে গ্রাহক ফি (subscription fee) পঞ্চাশ শতাংশ রেয়াত দেয়া হবে।
- ৬। জার্নালের footnoting এবং writing style এতদসঙ্গে সংযোজিত হলো (অপর পৃষ্ঠায় দৃষ্টব্য)
- ৭। ক) Reviewer হিসেবে সম্পাদনা উপদেষ্টা কমিটির সদস্যদেরকে involve করা হবে।  
খ) দেশের অভ্যন্তরে অবস্থানকারী উপদেষ্টা কমিটির সদস্যদেরকে বছরে দু'বার সম্পাদনা পরিষদের সাথে মিলিত সভায় আমন্ত্রণ জানানো হবে।
- ৮। ক) তিনটি কোটেশন সংগ্রহ করে সম্পাদনা পরিষদের সিদ্ধান্তক্রমে মুদ্রক প্রতিষ্ঠান নির্বাচন করা হবে।  
খ) প্রথম proof প্রেস দেখবে, পরবর্তীতে floppy তে প্রবন্ধকার ফাইনাল proof দেখে দেবেন।

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