

Political pledge to eradicate poverty sought

Star Economic Report

Planning Adviser Prof. Rehman Sobhan on Thursday called for a total national commitment to eradicate poverty and sustain democracy.

He said, formulation of development agenda that can effectively strengthen the democratic process will involve a formidable task.

The Planning Adviser presented a grim economic picture in his key-note paper presented at the inaugural session of a three-day seminar on current economic issues.

The seminar was organised by Bangladesh Economic Association (BEA) on the occasion of its ninth biennial conference. It was inaugurated by renowned economist Prof. Anisur Rahman.

Prof. Rehman Sobhan noted that the malaise of weak economic performance, structural deformity, low savings, mounting external dependence, administrative indiscipline, corruption and lack of accountability originated from the period of Pakistan rule.

The situation, he added, has been compounded by "acts of omission and commission by successive regime in post-liberation Bangladesh". The regime of the 1980s in that sense marks the extreme degeneration of a developmental order which had al-

ready been infected years ago", he observed.

The Adviser observed a political consensus is needed to reverse the process of degeneration of the economy. This consensus must be underwritten by the full support of the people, he noted.

He said, "The people will have to be clearly told of the crisis we face, the demands to be made on them, the indelible benefits which can accrue to all the people and particularly to the democratic majority of the poor". He observed that mere holding of an election would not guarantee the transition to democracy. Democracy will depend on how the future government handles the development agenda.

He stressed that the political leadership in government and opposition must demonstrate clearly to the people their credibility to honour their promises and accept the same sacrifices as asked of the people.

He said the political leadership should "consciously and conspicuously" move away from the culture of patronage and self-aggrandisement associated with the holding of state power. "Such a change of directions demands exceptional statesmanship of our prospective leaders which should develop a vision of national interests and look beyond party interests," he added. Prof. Anisur Rahman, presented a paper on "towards an alternative development paradigm" at the session, he said, the new development paradigm stresses a "non-hierarchical human relationship".

Such self-propelling course indicates that development can not be achieved with knowledge transferred from outside, he pointed out.

The BEA also presented honorary awards to four economists and researchers. They are A N M Mahmood (posthumous), Professor Mosharraf Hossain, Principal Shafiqur Rahman and Professor Rehman Sobhan.

Call to boost agri output

Agriculture Secretary K.M. Rabbani Wednesday in Dhaka urged the agricultural scientists to work with dedication to boost agricultural production while addressing the senior scientists, officers and employees of the Bangladesh Agricultural Research Council (BARC), reports UNB.

Rabbani also expressed his satisfaction with the role being played by BARC in providing

support to National Agricultural Research System in Bangladesh which is helping in augmenting food production in the country.

Exchange Rates

January 17

RATES, offered by Commercial Banks, for Bills on Collection (BC) selling and Overdrafts (ODs) transfer buying. One Unit of Foreign Currencies (FCs) for Taka.

FCs	Buying	Selling
US Dollar	35.4432	35.9226
UK Pound Sterling	67.7182	68.5191
German Deutsche Mark	22.9778	23.3037
French Franc	6.7594	6.8548
Saudi Riyal	9.4778	9.6060
Dutch Guilder	20.3872	20.6808
Pakistan Rupee	1.6081	1.6234
Singapore Dollar	20.1005	20.3724
UAE Dirham	9.6760	9.8069
Kuwait Dinar	Not available	
Indian Rupee	1.9389	1.9579

*AMU-Asian Monetary Unit

SECONDARY EXCHANGE MARKET

Wage Earners Fund/ Export		
Performance Benefit (XPB) Fund		
	Buying	Selling
US Dollar	36.48	36.53
UK Pound	69.62	69.67

*The rates of Pound Sterling are decided every day, based on the cross-rates of New York market

Source: Sonali Bank

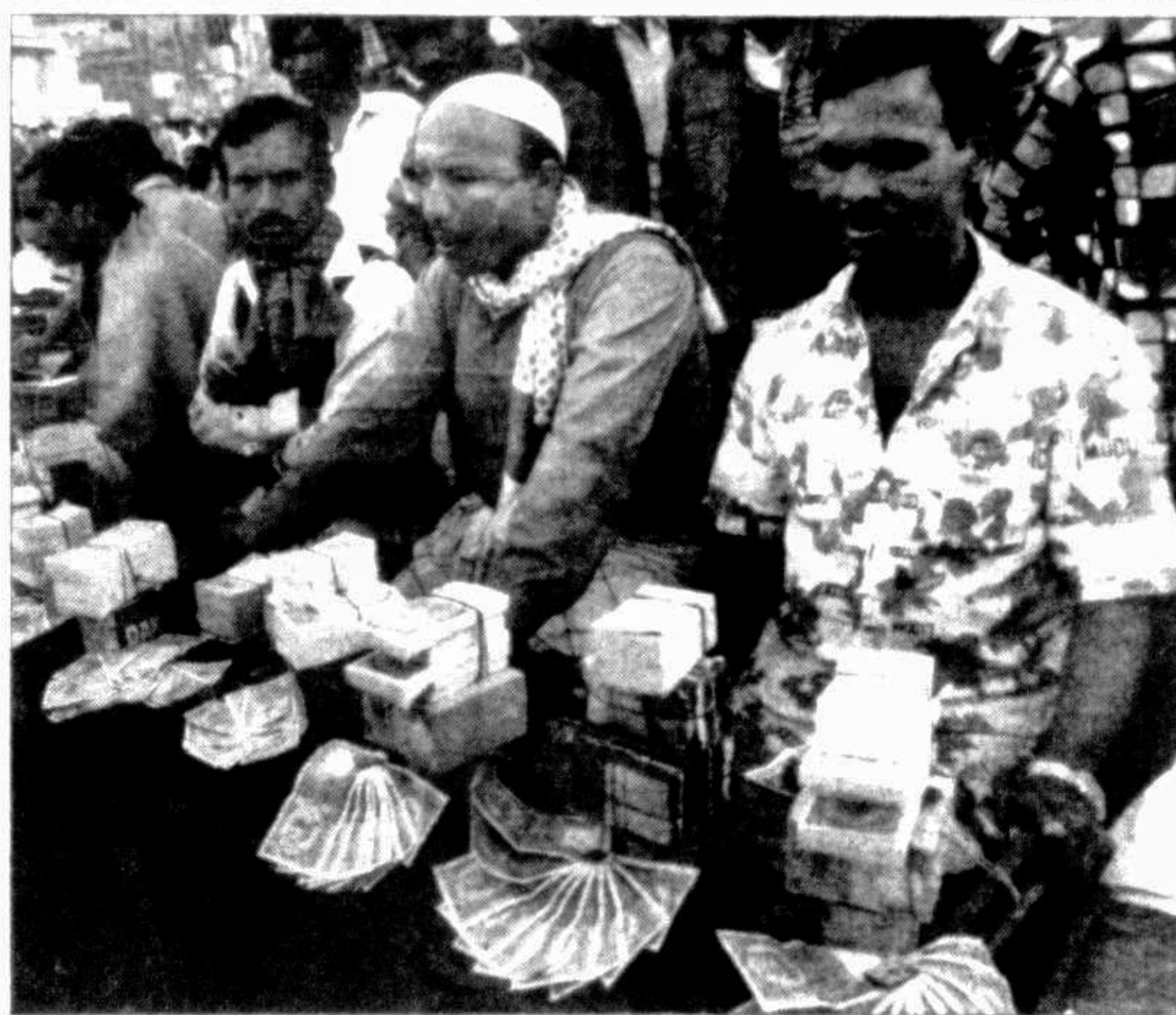
Dhaka Stock Exchange

Market Profile
January 17

133 Listed Stocks

4 Gainers	8 Losers	121 Unchanged
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*121 Unchanged Stocks include five traded on the day at the previous day's quoted prices.
Issued Capital = Taka 4,602,377,190.00
Market Capitalisation = Taka 9,797,556,442.00
DSE All Share Price Index = 342.8615
Turnover = Taka 185,582.00 (Value)
997 (Volume)



NOVEL WAY OF EARNING: Vendors sitting behind a heaps of new currency notes to attract customers who want to change their old or scrapped notes in exchange of certain commission. This is a common scene in front of the Bangladesh Bank and Gulistan areas.

Oil prices fall, stocks surge on Gulf war

SINGAPORE, Jan 17: Oil prices plunged in Asia on Thursday, shedding more than a quarter of their value in hectic trading as US-led forces pounded Iraq with apparent impunity.

But traders said any news of Iraqi retaliation, so far minimal, would swiftly kick the market up again, reports agencies.

Britain's Brent Blend oil, the international benchmark, plummeted almost nine dollars a barrel to a round 25.00 dollars at the end of the Asian day, from the morning's high of 33.50 dollars.

The United States decision to release oil supplies from the Strategic Petroleum Reserve (SPR) also undermined the market.

The SPR news was also very damaging to prices, said the European oil trader.

"Fundamentally, as we all knew before, there is too much oil," The International Energy Agency (IEA), the western energy watchdog has made plans to release 2.5 million barrels per day of oil to the market if Middle East supplies are threatened. The Japanese government has also said it will release stocks.

Oil prices plummeted in frenzied trading in Europe on

Thursday, after the outbreak of war in the Gulf.

North Sea Brent Blend, a worldwide benchmark light sweet crude oil, for March delivery was trading at 24.90 dollars a barrel at about 0730 GMT, down from an earlier high of 33.20 dollars. It closed at 30.20 dollars a barrel in London Wednesday.

Another Reuters report said, Japan is unlikely to suffer a serious oil shortage if the Gulf war is short-lived. Eiichi Nakao, Minister of International Trade and Industry, said on Thursday.

"Japan has oil reserves equivalent to 142 days, and I believe as long as we utilize these oil stocks in coordination with other countries, there will be no serious supply shortage," Nakao told reporters.

Meanwhile, oil prices on the US spot market soared late in New York on Wednesday following news that US-led forces had launched an attack on Iraq and Kuwait.

West Texas Intermediate, the benchmark US oil rose sharply on the spot market. In late trading, a cargo changed hands at 33.75 dollars a barrel, up 3.46 dollars from the close on the futures market.

Hopes for a quick victory

for US-led forces against Iraq boosted Asian stock markets weakened the dollar and undermined oil prices in Tokyo on Thursday after war erupted in the Gulf.

In Tokyo, the key Nikkei Stock Average surged up 1,004.11 points, or 4.47 per cent, to 23,446.81, its tenth largest single day advance.

Tokyo Share Prices dipped initially but prices soon regained lost ground and kept on climbing to close at the day's highs as optimism over a speedy end to the war spread.

The dollar ended sharply lower against major currencies as traders interpreted a lack of news of Iraqi counter-attacks as a sign the war would end soon.

The dollars closed in Tokyo at 134.00 yen and 1.5260 German Marks after an early rise to 138 yen and a later low of 133.30 yen. It closed at 136.80 yen and 1.5450 Marks in New York on Wednesday.

In Sydney, Australian share prices close sharply higher on war news and an announcement of better-than-expected December unemployment data.

Taiwan share prices also surged to close with the weighted index up 222.06 points, or 6.70 per cent, at 3,538.32.

Riyadh won't slow oil production

DHAHRAN (Saudi Arabia), Jan 17: Saudi Arabia is not planning to slow production at any of its oilfields despite the expiry of a UN deadline authorising war to drive Iraq out of neighbouring Kuwait, Saudi oil executives said on Wednesday, reports Reuters.

Although war between Iraq and multinational troops sent to area looked inevitable, there were still no plans to slow production at any of the facilities operated by the state-owned Saudi Aramco, the executive said.

This included the kingdom's vast offshore Safaniyah field which produces up to 1.5 million Barrels Per Day (BPD) of "crude".

"Right now we are operating normally we haven't really slowed down and there are no plans to close anything unless we are directed by the government," a Senior Executive said.

Japan's Arabian oil company said last week it was cutting output from the neutral zone between Saudi Arabia and Kuwait to 80,000 BPD from 250,000 because Japanese buyers would not send ships to lift crude after the deadline expired.

Safaniyah field, the world's biggest offshore reserve, is south of the zone and just 25 miles off the Kuwait coast.

But Saudi Aramco officials say they are confident that the sophisticated air shield erected by the US-led forces will protect them from air attack. There are detail contingency plans for any scenario if fighting breaks out, but no facility will be shut in a war unless it receives a direct hit.

"I really do not think we will be at all affected, given the military power here," the Saudi Executive said.

All major oilfields in Saudi Arabia, which holds a quarter of the world's proven reserves and is the largest producer of OPEC (Organisation of Petroleum Exporting Countries), are along its Gulf coast, well within reach of Iraq's Scud-b missiles.

Iraq has threatened to destroy all the oilfields and facilities in the region if the more than 6,90,000-strong multinational force attacks.

Shipping sources said on Tuesday the kingdom might start shuttling supplies to tankers outside the Gulf if war frightens shipowners away from the waterway.

5,318 tubewells to be installed in 11 districts

FARIDPUR, Jan 17: Public Health Engineering Department in collaboration with UNICEF will install 5,318 tubewells in 11 southern districts of Barisal circle during the current fiscal year for ensuring pure drinking water in the rural and the off-shore areas, reports BSS.

The districts are Madaripur, Faridpur, Rajbari, Gopalganj, Shariatpur, Pirojpur, Jhalakati, Bhola, Barguna, Patuakhali and Barisal.

According to an official source of the total, 4,180 are deep and 1,138 shallow tubewells. About Tk. 40,000.00 will be spent for sinking of each deep tubewell.

Of the total tubewells 47 deep and 202 shallow tubewells will be sunk in Madaripur, 318 deep tubewells in Faridpur, 50 deep and 314 shallow tubewells in Rajbari, 30 deep and 16 shallow tubewells in Gopalganj, 290 deep and 149 shallow tubewells in Shariatpur, 361 deep and 114 shallow tubewells in Pirojpur, 640 deep and 86 shallow tubewells in Jhalakati, 200 deep tubewells in Bhola, 398 deep tubewells in Patuakhali, 334 deep tubewells in Barguna and 1,125 deep and 86 shallow tubewells in Barisal district.

Besides, 560 deep set pumps will be installed in Faridpur and Rajbari districts.



Philips celebrates 100 years of Light (56 years in this soil) in a city hotel, Wednesday. Mr. LPC Lucker formally opens the Philips Dealers' Night.

Kuwaiti Dinar soars on ME black markets

CAIRO, Jan 17: The Kuwaiti Dinar has soared on Middle East black markets in the expectation that a restored government would honour the currency at its former value, reports Reuters.

Iraq effectively devalued the Dinar when it pegged its value to its own currency, worth only one-twelfth of that issued by the oil-rich Emirate seized by Iraqi troops on August 2.

But Kuwaiti businessmen said it was not certain the currency could be completely honoured at the pre-occupation rate of around 3.45 dollars and their government might be planning to replace it with a new Dinar.

In the last 10 days the Dinar has jumped to 1.95 dollars on the Cairo black market from around 1.30 dollars, businessmen and black market dealers said.

He said Kuwaiti Central Bank officials were meeting in London this week to discuss the Dinar and other topics

with the Chairmen of the country's commercial banks and financial institutions, but no decisions had been reached.

Governments in the Gulf and Egypt had been accepting limited amounts of the currency to help hard-pressed exiles, but the Kuwait Central Bank has asked Egypt and the United Arab Emirates (UAE) in the last few days to stop banks and official money changers from buying Dinars.

Hundreds of thousands of Kuwaitis have fled their homeland since Iraq's August 2 invasion.

The Iraqis seized a large number of Dinars when they took over the Central Bank building and other financial institutions in Kuwait.

Dealers in the UAE and Egypt said traders were shipping many Dinars to Saudi Arabia, where they sold for a higher price.

Before the invasion the Kuwaiti government adjusted the Dinar daily according to movements of a basket of major world currencies.

Call to ensure growth of AB Bank

Star Economic Report

The annual managers' conference of Arab Bank Group Bank concluded on Thursday at the Bank's head office in Dhaka.

Enaugurating the conference, Mr. A.K.M. Gaffar, President and Managing Director of the bank, called for concerted efforts by the field-level officers and the policy-planners at head office to ensure a satisfactory growth of the bank.

The Conference evaluated the operational performances of 1990 and discussed the strategies to be developed to achieve the business targets for 1991 particularly in light of the structural reform of the financial sector coupled with doldrums in the world economy.

The conference was addressed among others by Mr. M.A. Awal and Mr. A. Rahim Chowdhury, Deputy Managing Directors and Executive of the Bank.

Petrol distribution stopped in Laos

BANGKOK, Jan 17: Petrol distribution has been stopped in the Laotian capital of Vientiane because of shortages caused by the Gulf crisis, the official KPL news agency said Wednesday, reports AFP.

Progress of BSCIC accords reviewed

Star Economic Report

Bangladesh Small and Cottage Industries Corporation (BSCIC) reviewed on Thursday the progress of agreements, contracts and Memoranda of Understanding (MOUs) signed at the Chinese investors Forum that was held

in Dhaka in May 1990, says a BSCIC press release.

The review meeting was attended by 12 entrepreneurs who had already signed agreements or contracts with their Chinese counterparts.

Besides the representative of Dhaka Chamber of Commerce and Industry (DCCI), Mr. M. Shamsur Rahman, Economic Minister of Bangladesh Embassy in Beijing and BSCIC officials attended. Mr. M. Moniruzzaman Chowdhury, Chairman BSCIC presided over the meeting.

The entrepreneurs individually informed the position of their respective industrial projects and the problems being faced. They called for effective follow-up actions by the Bangladesh Embassy in Beijing, the Ministry of Industries and the BSCIC for ensuring quicker implementation of these projects.

Recession in US economy on

WASHINGTON, Jan 17: The US economy contracted significantly during the last three months of 1990 and the recession is likely to continue through the first half of this year, a White House aide said on Wednesday, reports Reuters.

In a speech to a transportation research group, Economic Adviser Michael Boskin said the Gulf crisis was weighing down the US economy, the world's largest, which had been sluggish even before Iraq invaded Kuwait on August 2.

He expected the economy

to begin to recover in the second half of the year, but that a number of uncertainties including the Gulf crisis made it difficult to predict accurately.

Until recently the White House had been reluctant to admit what many economists had been saying for months, the US economy was in recession. Boskin left no doubt that the eight-year expansion ended in the last quarter of 1990, when he spoke of a "significant" contraction of Gross National Product (GNP).

"Economists generally define a recession as a widespread reduction in output and employment that lasts for at least six months," Boskin told the transportation research board.

"Indications are that this

definition probably is going to be met as GNP is likely to continue to contract for a while longer.

GOLD & SILVER

January 17

	(Taka for 11.66 gram)
Gold	6,800.00
Tejani	6,500.00
Guinea	200.00

Retail prices
Source: Directorate of Agricultural Marketing

HIDES & SKIN

(Wet / Salted)

January 17

	(Taka per 100 pieces)
Cow	15,000.00 - 20,000.00
Light	30,000.00 - 35,000.00
Medium	40,000.00 - 45,000.00
Heavy	55,000.00 - 60,000.00
Very heavy	75,000.00 - 80,000.00
Rejected	27,000.00 - 32,000.00
Goat Big & Heavy	13,000.00 - 13,500.00
Light & Medium	7,500.00 - 8,000.00
Rejected	3,500.00 - 4,000.00
Sheep	9,000.00 - 10,000.00
BUFFALO	62,000.00 - 68,000.00

Source: Directorate of Agricultural Marketing

Price Barometer : Essentials

January 17

Retail prices

	(Taka per Kg)		(Taka per Kg)
Rice	17.00-17.50	Meat	(Taka per Kg)
Aman		Beef	Not Available
(Very fine)		Mutton	Not Available
Aman(fine)	14.00-15.00	Oil	(Taka per Litre)
Pajam	13.00-14.00	Mustard	52.00-56.00
Ufashi	11.50-12.00	Soyabean	31.00-32.00
Vegetables	(Taka per kg)	Coconut	
Potato(White)	5.50-6.50	(Colombo)	60.00-64.00
Brinjal	5.00-8.00	Vegetable Ghee	44.00-52.00
Lady's finger	15.00-16.00		(Per Kg)
Cauli flower		Spices	(Taka per Kg)
(Per piece)	5.00-8.00	Onion(New)	12.00-14.00
Karolla	18.00-20.00	Garlic	60.00-68.00
Lalshak	4.00-6.00	Chillies (Local)	60.00-65.00
Green Banana	5.00-8.00	Turmeric(Round)	44.00-48.00
(Four Pieces)		" (Long)	40.00-52.00
Other Foodgrain	(Taka per Kg)	Green Chilies	22.00-24.00
Flour	12.00-14.00	Ginger	16.00-22.00
Alta	11.50-12.00	Cinnamon*	
Wheat	9.50-10.00	(10 grams)	3.00-3.50
Fish	(Taka per kg)	Cardamom*	
Ruhi(big)	105.00-135.00	(10 grams)	8.00-10.00
Kaila(big)	75.00-95.00	Jhira (50 grams)	6.00-7.00
Hilsha	55.00-60.00	Dhans	28.00-30.00
Shrimp(big)	80.00-90.00	Miscellaneous	(Taka)
Singi	60.00-70.00	Ghee	220.00-230.00
Koi	70.00-80.00	Sugar	32.00
Pulses	(Taka per Kg)	Molasses	18.00-20.00
Mashur	32.00-35.00	Salt	7.00-8.00
Moogh	33.00-36.00	Tea-Dust	
Chhola	26.00-28.00	(ordinary)	80.00-90.00
Mator	27.00-28.00		
Khisari	19.00-20.00		

Source: Directorate of Agricultural Marketing