

Japan's forex reserves hit record high

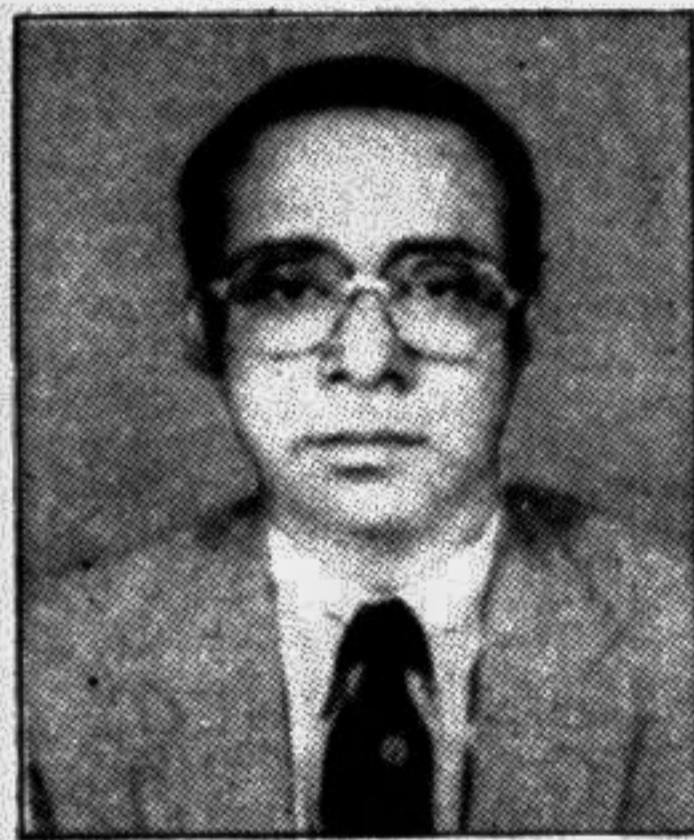
TOKYO, Apr 2: Japan's foreign exchange reserves hit a record high of 101.74 billion dollars at the end of March, the finance ministry said Friday as the Bank of Japan continued buying dollars to halt the yen's rise, reports AFP.

The total, including convertible foreign currencies, gold and international monetary fund special drawing rights, gained 3.31 billion dollars in the month but the ministry, as the custom, declined to give reasons for the increase.

It was the fifth straight month-to-month increase in Japan's foreign reserves.

The increase was attributed by foreign exchange dealers to continued dollar buying by the Bank of Japan to check a rapid rise in the value of the yen. The central bank's dollar purchases were estimated at some three billion dollars.

After fetching 104.70 to the dollar at the outset of March, the yen ranged between 102.52 and 106.58.



A Rob Chy new DCCI President

A Rob Chowdhury has been elected President of the Dhaka Chamber of Commerce and Industry for the term 1994 in the AGM held on Thursday, says a press release.

Chowdhury is the Chairman and Managing Director of Arco Cold Storage Ltd, Ruba Textiles Ltd and Razeev Exports Ltd.

He was a Professor of Commerce of Jagannath College, Dhaka, senior officer of the BTC, IWT and the erstwhile EPIDC.

Chowdhury was also the Chairman of the Bangladesh Cold Storage Association and a member of the Executive Committee of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

No visas at Bangkok Airport

Thailand has decided not to issue visas on arrival at the Bangkok Airport with effect from April 2, says a press release.

Passengers going to Bangkok have been requested to obtain visas from the Thai embassy in Dhaka before travelling.

## Whole-sellers' monopoly over 'Tangail Saree' alleged

By Masud Hasan Khan

TANGAIL Apr 2: Tangail Saree, the exquisite women's wear of Bangladesh is allegedly being monopolised by a section of whole-sellers and yarn merchants.

The cotton apparel, which is appreciated by women for its comfort, exclusive designs and price, is doing a good business all over the country and in neighbouring India, thanks to the deprivation of the weavers by a stiffly controlled market.

You are out of the business if you do not belong to any one of the 'Mahajan gangs', refuse their loans or advances, or decline to weave designs supplied by them," says Tarapada Basak of Bajitpur village, some three kilometers off Tangail town.

The more people are getting back their taste for Tangail sarees, the more the monopolists are pulling the noose around the neck of the weavers, he alleges.

Tarapada Basak is a member one of the 62 families at Bajitpur, the home of a waving clan that boasts of their skills in handloom and mastery in designs.

It was a terrible Tuesday,

searing with the heat of late March, when this correspondent visited Bajitpur.

Father of two sons and a

daughter, the first sound of the world Tarapada listened to as a baby was the noise of the spinning and conch shells blown to mark his birth.

In every weaving family, at least two looms have now stopped operating for shortage of fund, he says.

Beside the hat, the noise of a baby crying in some homes a radio advertising for a detergent soap, was punctuated by the rattling noise of the spinning.

There in the semi-darkness of his house, Tarapada Basak (50) was making designs on a 14-cubit white and purple cotton saree that would earn him about Taka 400.

The price the weavers usually get from one saree is very low, the price difference between the saree producer and a retail buyer is very wide, he says.

"This saree will be sold at some shop in Tangail or Dhaka three times the price that I will get from the mahajan who has given me some advance," says Basak, whose name itself tells that weaving is the profession of his family.

"But I can not help it by refusing the money ... I need the money," he says.

Not only the price, the money collected as tolls during

the market day has sky-rocketed, too, says Sukumar Basak, another resident of Bajitpur.

For each of the saree sold at the four-feet-by-four-feet stall of the Bajitpur hat, the weaver has to pay Taka 50 to the leaseholder, he says.

Besides, there are extortions — hoards of youngsters — who regularly arrive from the Tangail town early in the morning on every market day.

Transaction during the market day ranges between Taka 20 to 25 lakhs, the saree weavers say alleging that several complaints to the police against these extortions have produced no or little result.

Elders of the Bajitpur village also report migration of weavers. They say that there were 32 villages dwelt by the saree-producing Basak families in Tangail district.

Most of them have migrated to India for lack of patronage, now only eight to nine villages remain, they say.

"When I was a kid, my ears used to buzz with the noise of thousands of spindles shuttling between the looms," says Mir Muhammad Alim, a young man of nearby Thanapara in Tangail town. "Now it is so quiet — as if they never existed," he says.

The local banks no longer provide credits to the weavers, he says.

Now, the yarn traders of Tangail are hostage to the big yarn merchants of Narayanganj while the weavers are hostage to the traders," comments Tarapada.

Not only the price, the money collected as tolls during

## ROK registers \$ 2.58b trade deficit

SEOUL, Apr 2: South Korea registered a \$ 2.58 billion dollar trade deficit during the first quarter of this year casting doubt over whether it could reach its goal of balanced trade this year, reports AFP.

The trade ministry said exports increased 10.5 per cent to 7.63 billion dollars in March, while imports surged 15.7 per cent to 9.32 billion dollars for a \$ 655 million dollar trade deficit for the month.

The accumulated trade deficit for the first quarter has now reached 2.57 billion dollars, up 793 million dollars from the same period of last year.

Trade ministry officials attributed the larger deficit to rising imports of machinery and raw materials as the economy entered an expansionary phase.

Because of greater-than-expected economic growth, economic institutes, including the state-financed think tank, the Korea Development Institute, were now readjusting upward this year's growth forecast to between seven to eight per cent, about one percentage point higher than earlier predictions.

If the upward trend continues in imports, South Korea will probably miss its goal of an even 90 billion dollars in both exports and imports, the ministry officials said.

## India lifts ban on raw cotton export

NEW DELHI, Apr 2: India's Textile Ministry has lifted the freeze on export of raw cotton, official sources said here today, reports Xinhua.

The ministry had on February 8 this year frozen exports of the entire contracted BTU unshipped quantity of raw cotton with a view to check skyrocketing cotton prices.

"This is a step in the right direction and it is expected to repair the damage done to the country's image at a regular and reliable supplier as a result of stopping exports of contracted quantity," said a leading exporter.

## US cigarette cos spend \$4.6b on ads in '91

WASHINGTON, Apr 2: The US cigarette industry spent 4.6 billion dollars in advertising and promotions in 1991, the year that a quarter-century decline in US smoking ended, reports AP.

The Federal Trade Commission reported Friday that the total cigarette marketing budget increased 16 per cent in 1991, the latest data available.

That was the year, the Centers for Disease Control and Prevention says Americans' 25-year decline in smoking levelled off. About 25.7 per cent of Americans, or some 46 million people, smoked in 1991.

## Fisheries Research Institute Mymensingh Tender Notice

Tender Notice No. FRI-93-94/PS/TN-1/2

Sealed tenders are hereby invited from the manufacturers/bonafide suppliers for supply of Scientific equipments (divided into Seven separate packages) for the Fisheries Research Institute, Mymensingh.

A complete set of tender documents with specification may be obtained from office of the Director, Fisheries Research Institute, Mymensingh/Member Director (Fish), Bangladesh Agricultural Research Council, Farmgate, Dhaka on submission of a written application to the above and upon payment of Taka 100/- (One hundred) (non refundable) for each package on or before 13.4.94. Tender will be considered separately for each package. No tender documents will be sold on the date opening.

Tender will be received up to 12.00 hours on 14.4.94 in the Office of the Director, Fisheries Research Institute, Mymensingh/Member Director (Fish), Bangladesh Agricultural Research Council, Farmgate, Dhaka and will be opened on the same day at 12.30 hours in the aforesaid Offices in the presence of the bidders or their valid representatives, if any. All tenders must be accompanied by bid bond of 2% of the quoted price in the shape of Bank Draft/Pay Order/Bank Guarantee (Bank Guarantee shall be valid for 90 days) from any schedule Bank of Bangladesh in favour of the Director, Fisheries Research Institute.

The authority is not bound to accept the lowest tender and reserves the right to accept or reject any or all the tenders or the part and may divide the work without assigning any reason whatsoever.

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## US move to scrap China's MFN status unwise: WB

maintaining export controls. Clinton last year demanded overall significant progress in China's human rights policies as a condition of renewing favourable trade benefits after June 3, 1994.

Increasingly the administration, US businessmen and members of Congress have grown fearful China might not meet the criteria, forcing reversion of MFN, a move seen as potentially disastrous for American business and US relations with Beijing and the rest of Asia.

## China-Cuba accord to promote trade ties

HAVANA, Apr 2: China and Cuba signed four agreements on trade cooperation here yesterday to further promote their economic and trade ties.

The four agreements include the minutes of the negotiation session, a protocol on bilateral trade for 1994, an accord on loans granted by China to Cuba and notes on the pricing of raw sugar.

The signing came at the conclusion of the sixth session of the mixed commission for economic and commercial relations between China and Cuba.

## EU gets oil taxes 3 times higher than OPEC

ABU DHABI, Apr 2: Energy taxes earn the European Union three times more than OPEC's income from oil exports and the gap could widen if the EU goes ahead with plans to impose new taxes, an official Arab report said, reports AFP.

Japan is also earning nearly twice OPEC's revenues but the increase in the oil taxes over the past five years has been slower than that in the EU, according to a study published by the Organisation of Arab Petroleum Exporting Countries (OAPEC).

The Cairo-based group said oil taxes in the EU had surged from 39.33 dollars a barrel in 1988 to 49.43 dollars in 1990 and about 58 dollars in 1992.

This boosted the price of an oil barrel to the end user in the EU from 71.01 dollars to 92.23 dollars and 96.80 dollars in the same period, it said.

"The increase in the EU takes on oil imports was far higher than the increase in OPEC's oil prices," the report said.

The United States imposes the lowest taxes in the three groups, standing at 8.77 dollars in 1988 and 12.30 dollars in 1992. Prices to consumers also remained nearly one third of the EU energy tax and one fifth of the barrel's price to the end users.

The EU is already under pressure by Gulf and other oil producers over its proposals to impose additional energy taxes with the aim of containing the emission of carbon dioxide, blamed for global warming.

The tax will start with three

gulf states, receiving around 4.5 million barrels per day (BPD) from the region. It is followed by Japan, which gets around 2.6 million BPD and the United States with two million BPD.

Japan's energy taxes have also risen between 1988 and 1992 but slower than those in the EU. They increased from 25.32 dollars to 30.47 dollars but the barrel was sold to consumers at as high as 80.4 dollars and about 58 dollars in 1992.

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"The increase in the EU takes on oil imports was far higher than the increase in OPEC's oil prices," the report said.

The price of OPEC's basket of seven crudes rose from 14.24 dollars in 1988 to 18.42 dollars in 1992 but it remained nearly one third of the EU energy tax and one fifth of the barrel's price to the end users.

The report showed coal, seen by OPEC as more polluting, was heavily subsidised in the EU. A breakdown showed subsidies on coal production in Britain stood at 4.8 dollars per barrel equivalent, at 22.8 dollars in Germany, 20.2 dollars in Belgium and 11.3 dollars in Spain.

## China's trade system now more open than US, Japan: World Bank

began its market-oriented reforms, China's exports have increased ninefold and imports more than sevenfold.

The promotion of external trade has been central to China's efforts to modernize its economy," the study said. China's economy, it said, has

become "significantly more open than the US and Japan."

The share of merchandise trade in China's gross domestic product went from 10 per cent in 1978 to 31 per cent in 1991, with imports accounting for 15 per cent. China

despite a complex array of tariff and nontariff barriers to trade, China has become a relatively open economy, with evidence of considerable tariff redundancy," the bank said in a recently concluded country study report.

The study entitled "China: Foreign trade reforms" noted that the people's republic, now the 11th largest exporter in the world, has made "dramatic progress" in reforming its trade system in recent years.

Import penetration in certain sectors in China, the study said, is "extremely high", standing at 28 per cent of the gross value of industrial output of China's machinery and transport equipment sector in 1990.

The present is an opportunity for China to embark on a substantive programme of trade liberalization," the report said, stressing that the importance of trade planning in China has been "declining."

It follows a series of reforms last year, including the legalization of the dollar, that

sought to counter the devastating impact of the breakup of the Soviet Union, Cuba's largest trading partner.

The pace of reform had appeared to slow down, but the announcement by Gramma indicated that the government was now ready to move cautiously forward on further reforms of the economy.

Though described in the Cuban constitution as the "supreme organ of state power," the national assembly of popular power usually meets for only a few days a year to ratify decisions made by the Council of State.

During the same period, China's trade deficits with China's Taiwan, Japan, and South Korea stood at 10.4 billion, 5.5 billion and 1.2 billion dollars respectively.

## Cuba plans steps to revamp economy

HAVANA, Apr 2: Cuba said Friday it was convening a special session of the National Assembly to consider a new series of measures to deal with a mushrooming deficit redundancy, the bank said.

The session was set to open May 1, according to the Communist Party newspaper Gramma, which called it "The best tributes" that could be paid to the working class on the International Labour Day.

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It follows a series of reforms last year, including the legalization of the dollar, that

Since 1979, when the world's most populous country

became "significantly more open than the US and Japan."

It appears to be more than twice as open as India and Brazil," it said.

In 1978, the study said, trade in China was monopolized by 12 foreign trade corporations and there was no foreign direct investment.

But by 1992, over 3,000 such corporations competed for export business and over 90,000 foreign direct investment projects had been approved with a contracted value of \$8.1 billion US dollars, the study said.

In the 1980s, the study said, China's exports outperformed those of most other countries, including such newly industrialized economies as Malaysia. China now exports about 17 per cent of the gross value of industrial output of its overall manufacturing sector.