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Road dev project taken up in Patuakhali

PATUAKHALI, Sept 29: Barisal Road Division has taken up a programme to develop certain roads at a cost of Tk 96,17,626 in the district in the current fiscal, reports UNB.

The roads are : Rajapur-Kathalia, Amua-Bamna-Pathar-ghata, Rahmatpur-Babuganj and Muladi-Hizla-Mehendiganj.

Executive Engineer of Barisal Road Division Abdul Malek said over Taka 65.56 lakh would be spent for development of certain portions of Rajapur-Kathalia; Amua-Bamna-Pathargacha roads and over Taka 30.60 lakh would be utilised for the development of Rahmatpur-Babuganj, Muladi-Hizla-Mehendiganj roads.

The work on the roads will start soon.

With the implementation of the project, road communication in the area will be developed to a great extent.

Call money rate

Money rates in the call money market during the week ended Wednesday ranged from 1.70 per cent to 6.00 per cent, says a press release.

During the same week interest rates offered by the bank on Certificate of Deposits varied from 5.00 per cent to 8.25 per cent. The bank rate, however, remained unchanged at 5.50 per cent.

Hats, bazars in Manikganj in shambles

MANIKGANJ, Sept 29: Almost all the hats and bazars of the district, are, in deplorable condition causing suffering to the buyers and sellers, reports UNB.

These markets were set up by local initiatives long before and shops were built in haphazard manner. In the absence of maintenance and care by the concerned authorities the roads and lanes of these markets have become narrow.

Garbages are being dumped in the markets polluting the environment. Besides, foods are prepared and stored in the hotels and restaurants in unhygienic manner.

Local people said some big markets like Ghior, Tauta, Shibalaya, Zafraganj, Jhitka, Saturia, Utholi, Borongail and Shingaire are also beset with manifold problems.

After a slight rainfall, the roads of these markets become muddy and slippery as the drains remained silted for long due to lack of maintenance. During the rainy season the movement of vehicles become hazardous and risky due to dilapidated condition of roads.

Most of the markets have to sheds for fish and vegetable sellers and during the rainy season it is difficult for consumers to purchase these commodities.

BWDB to implement 23 projects this yr

Bangladesh Water Development Board will implement 23 projects including 18 investment projects and five technical assistance projects this year, says a press release.

This was revealed at the inter-ministerial review meeting on progress of BWDB projects at the board's conference room yesterday with Majid-ul-Huq, Minister for Water Resources in the chair.

The government has allocated Taka 832 crore in this year's Annual Development Programme (ADP) for the total 53 projects of the board.

Majid-ul-Huq urged officials of (BWDB) to work with greater sincerity, dedication and efficiency and with a greater sense of responsibility to accelerate the pace of project implementation.

The minister laid emphasis on strengthening of the board's design and planning works. He also stressed the need for streamlining the process of land acquisition and making it speedier.

Majid-ul-Huq called upon the board to put top priority on implementing the projects promised by the Prime Minister.

He urged the board officials to complete the Teesta Barrage Project on a priority basis.

He put a premium on efficient operation of North Bengal Tubewell Project and emphasised the need for rapid implementation of the Bhabadah Project and Chenchury Beel Project.

Md. Nazrul Islam, Secretary, Water Resources Ministry, and Majidul Islam, Chairman, Water Board also spoke on the occasion.

Besides high ranking officials of Water Resources Ministry, representatives of Planning Commission, ERD, Implementation, Monitoring and Evaluation Division and the Land Ministry also participated in the meeting.

Five best Philips Light dealers selected on the basis of a countrywide competition were sent to Holland on a week-long trip. Picture shows the dealers with A S Mahmud, Chairman, Transcom Electronics Ltd, Obaidur Rahman Khan, Executive Director, Atiqur Rahman, Director, A R Chowdhury, Light Manager and A Kader Khan, Sales Manager.

1.5 m public sector employees in India protest economic policies

BOMBAY, Sept 29: More than 1.5 million employees of state-owned banks, insurance companies and public sector industries stayed away from work across India today to protest the government's economic policies, reports AFP.

Financial transactions were brought to a standstill by the one day strike called by a "joint action committee" representing about 20 left wing trade unions.

Some 1.5 million people, including employees of the country's central bank, the Reserve Bank of India, took part in the strike, trade union officials said.

MRC Nambisan, a strike organiser, said the shutdown was called to express opposition to New Delhi's moves to privatise the banking and insurance sectors.

"It is also against the new economic policy that permits free and unrestricted entry of multinational firms into the country," he said.

Insurance and bank workers across India downed tools several times in the past 18 months to protest the reform programme begun by the government of Prime Minister PV Narasimha Rao in July 1991.

Workers fear job losses in the state-run banking and insurance sectors if privatisation is put into effect.

New Delhi began to open up banking in January 1993 as part of efforts to revitalise the moribund and inefficient state-run banks, most of which were in the red.

Some five private banks have opened shop since then, bringing modern and high-tech banking practices into the country.

The Indian insurance market is controlled by the general insurance co. and the life insurance corporation, both of which state-owned.

USAID director says

Entrepreneurship dev key to poverty alleviation

Dr Richard M Brown, Director of the US Agency for International Development (USAID) in Bangladesh, stressed that training to enhance entrepreneurial skills will increase employability, says a USIS press release.

He made these remarks as chief guest at the closing ceremony of the workshop on "Training of Trainers for Entrepreneurial Development," organized by the Business Advisory Services Centre (BASC) in the city on Monday.

Addressing the participants of the workshop, Dr Brown said, "Our major goal is poverty alleviation which can be addressed by generating employment, income and productivity. This training programme is right at the centre of this campaign."

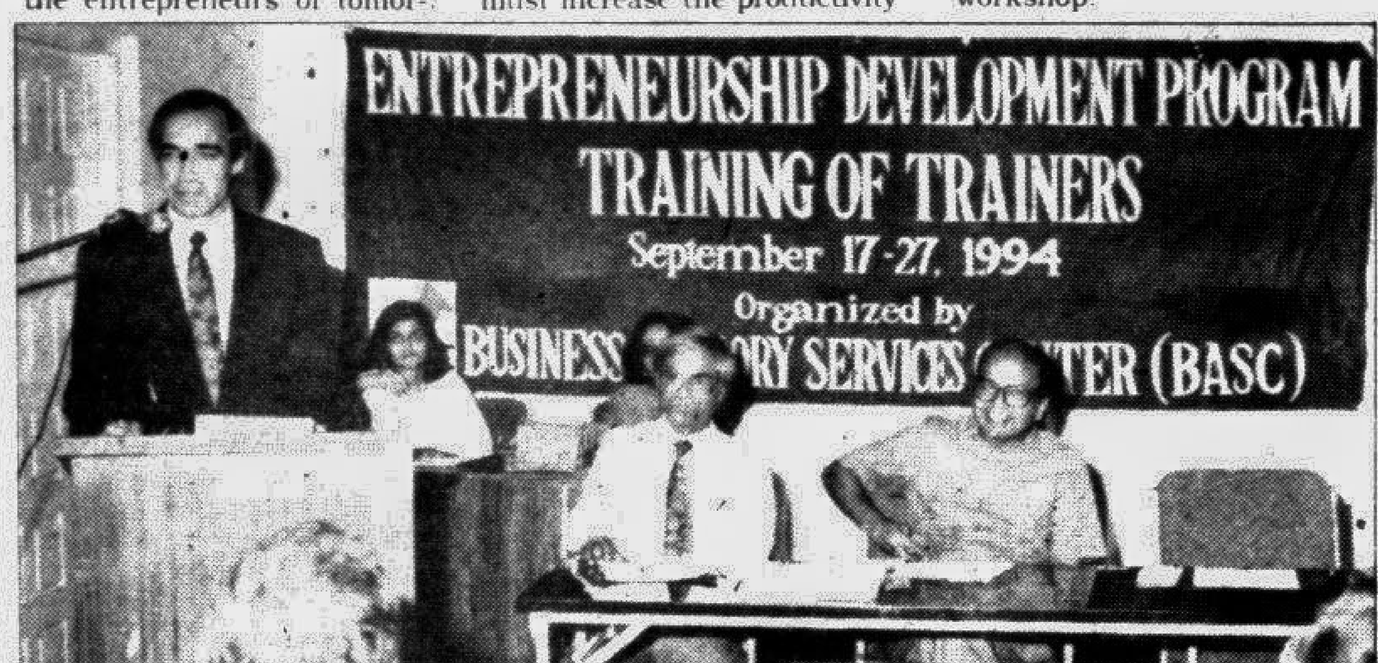
Brown urged the participants to develop themselves as "the entrepreneurs of tomorrow" who are "truly critical for this country's future." He said that the growth of small enterprises, primarily in the manufacturing and agri-business sectors has tremendous potential. He informed his audience that most of the economic growth taking place in the US today is also in the small and medium scale industrial manufacturing sector.

The USAID director said that micro, small and medium enterprises contribute approximately five-six per cent of Bangladesh's gross domestic product (GDP), already almost half of the manufacturing sector's share of the GDP. Brown said "if industrial policy reforms are successful in opening up business opportunities, we foresee Bangladesh experiencing a sustained period of growth in small and medium enterprises."

Dr Brown said Bangladesh must increase the productivity and competitiveness of its products and services.

Addressing the gathering on behalf of the participants, Nilufer Ahmed Karim, a management counsellor from Bangladesh Management Development Centre, described the course as immensely beneficial. She said that instead of theoretical lectures, the participants used case studies to learn production management, marketing techniques, planning, and cost/benefit strategy in a simple and easy-to-understand way. The course also included field trips to small manufacturing units using exemplary entrepreneurial methods.

Seventeen management personnel from different small-scale industrial concerns, including a number of women, participated in the workshop.



Dr. Richard M. Brown, Mission Director, USAID Dhaka, addressing the certificate awarding ceremony at the Business Advisory Services Centre (BASC) in the city on Monday. Mahbub Ul-Haque Khan (left), Project Director, BASC and A Hafiz Chowdhury, Chairman, BASC Board of Directors are also seen in the picture.

GCC decides not to produce cigarettes

ABU DHABI, Sept 29: The six member states of the Gulf Cooperation Council (GCC) have decided not to produce cigarettes in order to curb smoking, the 'Gulf News' reported here on Wednesday, says Sinhua.

In a meeting held Tuesday in Riyadh, the GCC's industrial minister decided that its member states will not grant licenses for local cigarette production, the paper said.

The decision was passed at the suggestion of GCC health ministers, the paper quoted Saudi Industry Minister Abdel Aziz Al Zamel as saying.

The GCC groups Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

In August, Bahrain announced a series of measures aimed at curbing smoking, including a ban on tobacco-growing and cigarette production.

According to a report, the six Gulf states import more than 410 million dollars worth of cigarettes per year, mainly from Britain and the United States.

OPEC chief meets Saudi crown prince

DUBAI, Sept 29: OPEC head Abdullah Salem Al-Badri of Libya, delivering messages from Colonel Muammar Gaddafi calling, for an Arab summit, met with Saudi Arabia's crown prince on Wednesday, the Saudi news agency said, reports Reuter.

SPA said Badri, who arrived in Saudi Arabia from Bahrain on Tuesday, delivered a message from Gaddafi to Crown Prince Abdullah Bin Abdul-Aziz in Jeddah.

The agency gave no details but said Badri later left the kingdom for an unspecified destination.

Bangladesh Bank Affairs

Statement of affairs of the Bangladesh Bank Banking Department as on September 15, 1994.

Liabilities		Taka
Capital Paid Up		3,00,00,000
Reserve Fund		3,00,00,000
Rural Credit Fund		226,05,96,000
Industrial Credit Fund		63,78,52,000
Export Credit Fund		65,00,00,000
Agricultural Credit Stabilisation Fund		220,00,00,000
Deposits:		
(a) Government	626,92,68,000	
(b) Banks	3650,38,32,000	
(c) Others	5142,90,59,000	9420,21,59,00
Allocation of Special Drawing Rights		91,74,31,000
Bills Payable		250,35,08,000
Other Liabilities		1480,93,64,000
Total Liabilities		11824,09,10,000
Assets		**Taka**
Notes		31,83,000
Taka Coin		-
Subsidiary Coin		-
Bills Purchased & Discounted:		
(a) Internal		
(b) External		
(c) Govt. Try. Bills	58,64,93,000	58,64,93,000
Balances held outside Bangladesh *		7984,20,74,000
Special Drawing Rights held with the IMF		
Loans and Advances to Government		
Government's Debtor Balances		
Other Loans and Advances		1290,83,02,000
Investments		729,24,46,000
Other Assets		1760,34,12,000
Total Assets		11824,09,10,000

Includes Cash & Short Term Securities. Registered No.

An account pursuant to the Bangladesh Bank order 1972 for the week ended September 15, 1994: Issue Department

Liabilities	Taka	Taka
Notes held in the Banking department	81,83,000	
Notes in circulation*	5995,18,71,000	
Total Notes Issued		5996,00,54,000
Total Liabilities		5996,00,54,000
Assets	**Taka**	**Taka**
1A. Gold Coin and Bullion	109,15,97,000	
Silver Bullion	-	
Special drawing rights held with the International Monetary Fund	-	
Approved Foreign Exchange	3400,00,00,000	
		3509,15,97,000
B. Taka Coin	16,60,93,000	
Government of Bangladesh Securities	205,15,34,000	
Internal Bills of Exchange & other commercial papers	2265,08,30,000	
		2486,84,57,000
Total Assets		5996,00,54,000

Foreign investment in China up 55 pc in eight months

BEIJING, Sep 29: Foreign investment in China rose 55 per cent to 20.52 billion dollars in the first eight months of this year, an official report said Thursday, reports AP.

The China Daily said investment continued to surge last month, spearheaded by increases in capital-intensive projects.

China has said it expects foreign investment to hit 30 billion dollars this year. Last year, it was 26 billion dollars second only to the United States.

The total number of new contracts declined in the first eight months, but technology-intensive projects continued to grow. The average foreign investment per project was 1.7 million dollars in the first eight months, up from 1.3 million dollars in the same period last year.

'95 better year for Third World economies: IMF

MADRID, Sept 29: Economic growth in developing countries is expected to slip a bit this year but stabilise in 1995, according to the International Monetary Fund's (IMF) semi-annual review of the global economy, says USIS.

In its World Economic Outlook released September 28, the IMF forecast 5.6 per cent aggregate growth among developing countries in 1994 and 1995, with stronger growth next year predicted for Africa, Latin America, and the Middle East and Europe, and somewhat slower growth in Asia.

The report also urged greater fiscal and monetary tightening in the industrial counties, including further interest rate increases in the United States, to assure that inflationary expectations are suppressed, growth can continue over the medium term and adequate resources can be transferred to the developing countries.

IMF Research Director Michael Mussa told reporters September 28 that "on the whole, prospects for the world look brighter now than they have for the last three or four years."

The IMF forecast a slowdown in the rate at which Russia's economy is declining and predicted that the fall in growth in Central and Eastern Europe will bottom out soon, with the region boosting output 1.4 per cent in 1995.

It took note of successful reform efforts in the Czech Republic, Hungary, Poland, the Slovak Republic, Slovenia, Albania, the Baltic countries and Mongolia.

Russia, Moldova and the Kyrgyz Republic, while making some progress toward stabilisation, have yet to contain government budget deficits and reduce and stabilise inflation at low levels. Many banks and enterprises are insolvent, large payments arrears have built up, there has been relatively little progress on agricultural privatisation and land reform, and wide-spread corruption and crime threaten to undermine support for market reforms, the fund said.

It warned that without a substantial and sustained reduction of inflation and a more stable macroeconomic environment, there is little likelihood of a turn around in this group of countries in the short term and the pace of growth will be impeded in the long run.

The IMF projected some slowing in average growth in Latin America to 2.8 per cent in 1994 as weaker than expected growth in Mexico and increased difficulties in Venezuela offset upward revision to the projections for Argentina and Brazil. It said that higher then expected real interest rates in Mexico and uncertainties associated with an election year have moderated economic activity in the country.

To a large extent it said, the considerable divergences in growth among developing countries reflect the varying degrees of success that countries have had in implementing appropriate macroeconomic stabilization and structural reform policies. The report highlighted gains being made by Argentina, Chile, Colombia and Peru and reforms being implemented in China and India.

Though the report projects some strengthening of growth in Africa in 1994 and 1995 , the IMF reiterated its concern that economic conditions in most of Sub-Saharan Africa will remain unsatisfactory. The report noted that per capita income, after adjustment for inflation, fell by more than eight per cent over the 1989-1993 period in that region. The improved growth prospects will only result in a modest rise in living standards — generally from very low levels — and will not be shared by all countries, the Fund said.

"There are, however, a number of factors that point to some improvement in the near-term outlook," it said, citing the strengthening of demand in industrial countries, the firming up of commodity prices and liberalisation of exchange systems.

The IMF's world export-weighted index of non-fuel commodity prices in August was up 14.5 per cent in dollar terms from a year earlier. The index is still well below its peaks in the 1980s, the report said.

It said that prospects for realistic debt relief for the poorest and most indebted countries have improved and the major industrial countries now appear willing to reduce the stock of debt to official creditors and increase concessionality for those countries facing special difficulties.

Mussa said that the IMF has no intention of easing the economic conditions it places on assistance but is reviewing ways to increase the level of access to IMF funds to countries implementing economic reforms.

In the Middle East, inflation remains relatively high and growth has slowed somewhat as a result of the decline in oil prices. However, the Fund seeds the prospect of a lasting peace settlement in the region offering the opportunity to revitalise investment growth through a reduction in defence spending and a refocusing of efforts in the areas of infrastructure, water transportation and regional integration.

In Asia, growth for the region as a whole is projected to slow lightly in 1994, primarily because of an expected moderation of the expansion in China from an unsustainable pace. South Korea is projected to grow at a six per cent pace in 1994 and strong growth in exports in the Philippines has contributing to stronger projected growth there in 1994 and 1995. Export strength is also contributing to strong expected performance in Thailand. In Indonesia, buoyant domestic demand is expected to maintain growth at 6.5 per cent in 1994 and inflation is expected to continue to decline gradually.

Overall, world output is projected to increase from 2.3 per cent in 1993 to 3.1 per cent this year and 3.6 per cent in 1995.

"The stronger signs of a turn-around in economic activity in continental Europe and, somewhat more tentatively, in Japan suggest that the long and unusually severe downturn may finally have ended," the report said.

Industrial country growth is expected to more than double from 1993's 1.2 per cent to 2.7 per cent in 1994 and the same in 1995. Output is expected to slow somewhat in the United States, the United Kingdom and Canada but increase in most other industrial countries.

The IMF said that Western Europe and Japan have no begun to emerge from recession while upswings have gained momentum in the United Kingdom, Canada and Australia.

It warned that while there may be little immediate risk of any generalised pickup in inflation, if the strength of economic activity proves to be stronger than currently projected "further adjustments of monetary conditions may be warranted before long."

In the United States, it said, "further increases in policy-related interest rates are needed and are expected by financial markets, if overheating and a rise in inflation expectations are to be avoided."

Mussa said that a further tightening is not required immediately but probably would be needed within the next six months to a year.

The IMF said that its forecast for a moderation of US growth to 2.5 per cent in 1995 from 3.7 per cent in 1994 is predicated on a rise in short-term interest rates.

In Japan, however, the Fund suggest that a relatively easy stance of monetary policy be maintained to allow recovery there to gain strength and to alleviate upward pressure on exchange rates.

The IMF also strongly suggested that if growth is to be sustained over the medium term, many countries are going to need to cut their fiscal deficits in order to alleviate pressure on interest rate.

The Fund said that while many countries have begun to implement cuts in fiscal deficits, in most cases the level of these programmes "appear to be too modest."

The IMF said that recent depreciation of the US dollar may improve somewhat the large US trade and current account imbalances. Unless the United United States steps up fiscal deficit reduction, this improvement will result in excess demand pressure, in warned.

It said that an extension of the income tax cut in Japan is appropriate in the near term but fiscal consolidation will need to resume over the medium term, along with comprehensive socials security and tax reform, to forestall an unsustainable increase in public debt as the population ages.

Clear signs of recovery in Germany need to be supported by additional fiscal measures — particularly cuts in industrial and agricultural subsidies and streamlined and better targeted public pensions, health care expenditures and welfare benefits — that would create room for a reduction in taxes.

Mussa said that short term interest rates in Germany are probably around the bottom of where they should be, and any further easing would depend on future monetary conditions.

In most of Europe, the problem continues to be one of high rates of structural unemployment. However, Mussa pointed out that the peak of European unemployment has probably already been reached and that the employment situation is "a little bit more favourable" than previously believed.

The IMF report also warned that the sharp inflow of capital to developing countries does not in all cases, reflect improvement in developing country economies but can be attributed, in part, to weakness of activity in industrial countries over the last few years.

The report said that the increase in long-term interest rate since early in 1994 poses a risk for developing countries with substantial debt burdens. Debt service rations for developing counties in Latin American remain well above the developing country average, although these ratios have decline considerably from the peak levels reached in the mid-1980s. The ratio of debt to exports in Sub-Saharan Africa, one measure of the ability to service the debt, is three times the developing country average and only modest improvements are projected for 1994 and 1995, the report said.

The IMF revise upward its forecast of world trade growth to seven per cent this year and six per cent in 1995 — well above the five per cent average growth rate during the past 20 years. The growth reflects increased activity in industrial countries, stronger import demand in countries in transition, and continued rapid growth in developing countries, the report said.

It said that the underlying current account imbalance between the United States and Japan is expected to remain significant.

The US current account deficit is projected to widen slightly in 1994 and then to stabilise at 2.5 per cent of gross domestic product (GDP) in 1995. The Japanese current account surplus is projected to decline marginally in 1994 and shrink to 2.5 per cent of GDP in 1995.

The report noted that recent improvements in growth prospects for Europe and Japan have been one reason for the strengthening of the Japanese yen and German mark against the US dollar. The dollar has fallen by 12 per cent against the yen through mid-September of this year, of which 5.5 per cent has taken place since the beginning of June. Against the mark and the French franc, the dollar has dropped by roughly 11 per cent since the beginning of the year.

Mussa said that it might be preferable if the dollar were a little stronger then weaker. If the dollar were to weaken further, that would suggest the possibility of further tightening of US monetary policy, Mussa said. However, he said that the dollar, when viewed from a longer term perspective, does not appear to be unusually weak.