

**Saifur says
IDB should help
promote economic
ties among
member states**

Finance Minister M Saifur Rahman returned home yesterday after attending the two-day 19th annual meeting of the Board of Governors of the Islamic Development Bank (IDB) which ended in Jeddah yesterday, reports BSS.

Addressing the concluding session of the meeting the Finance Minister said that the bank had adopted new strategic agenda, the plans for individual country assistance strategy studies, the formation of Islamic cooperation for insurance and export credit, the establishment of an international Islamic leasing and financing company, the strengthening of technical co-operation programme among the member countries and the continuation of its research, training and other promotional activities.

Saifur suggested that the IDB should make every endeavour to further strengthening and consolidating its vital catalytic role in facilitating and promoting cooperation in diverse economic fields of the member countries.

The Finance Minister noted with concern that the recent positive developments in the international economic situation did not reflect the adverse economic situations suffered by many developing countries, particularly the Sub-Saharan and other least developed countries.

Saifur appreciated the efforts of IDB in assisting the member countries and in promoting cooperation amongst them.

**Shippers' Council
executives
leave for
Colombo tomorrow**

The Chairman of Shippers' Council of Bangladesh M R Ali, and the Senior Vice-Chairman Md. Rezaul Karim will leave Dhaka for Colombo tomorrow to attend UNESCAP sponsored sub-regional seminar on "Multimodal Transport" to be held there from November 22-24, says a press release.

The seminar is likely to be participated by officials of government departments and representatives of private sector organisations concerned with transport, trade and shipping of Bangladesh, India, Pakistan and Sri Lanka.

The main objectives of the seminar is to review the present situation of multimodal transport of trade in the participating countries, consider ways and means to improve it and then to formulate an action plan for promoting regional co-operation for development of multimodal transport in intra and inter-regional trade for the benefit of the participating countries.

**Despite observance of hartal
DSE trading on the rise**

By Sohel Manzur

Despite two consecutive hartals observed by country's opposition political parties last week, share prices on the Dhaka Stock Exchange (DSE) floor continue to surge and trading increase with all other indicators showing a steady rise.

Market capitalisation rose to Taka 39.74 billion (9.93 million dollars) Thursday increasing by about 2.1 per cent compared to a Taka 38.91 billion (9.73 million dollars) on the previous week's closing on November 9.

According to market operators, despite successive hartals, turnover in volume tripled to 2,43,177 at the close of trading Thursday against 80,842 shares traded at the

beginning of working day on Monday following the stoppages. Turnover in volume at the end of previous week's trading was 79,734.

Turnover in value also projected corresponding rise during the period. The traded value rose to a Taka 40,591,729 on Thursday from only a Taka 16,118,610 traded Monday.

Share brokers believe the jump in trading in the just concluded week was because of rush among traders to recover from three days of political instability.

All share price index also rose to 838.94 points on Thursday from Monday's 813.26. It was 821.33 at the close of trading in the previous

week on November 9.

During the four working days of last week, 82.75 issues were traded on an average per day as against 67.60 issues traded during the five working days of the previous week.

According to DSE sources, the continuing rise in share prices and in trading of shares was because of increased number of people diverting their bank deposits to share market as a result of reduction in interest rates on savings in recent years.

It was also backed by more potential companies which are being listed with the DSE and the recent inflow of foreign capital into the market that has acted in building confidence among the local equity investors.

GATT ratification faces challenge

WASHINGTON, Nov 18: White House Chief of Staff Leon Panetta said Thursday that three to five Senate votes are lacking of the 60 needed to ratify a new world trade accord, reports AP.

"We've got some work to do," he told reporters at a briefing on the pact, negotiated under the General Agreement on Tariffs and Trade (GATT). "We have somewhere between three to five votes still to be nailed down in order to get to the 60."

Panetta said he is confident of passage in the House of Representatives. But in the Senate incoming Majority Leader Bob Dole has raised three objections to the bill implementing the accord.

"I think he's raised some legitimate questions. I think they can be addressed," US Trade Representative Mickey Kantor said Thursday. "We'll continue to work over the next

few days and I am hopeful we can reach a productive resolution which will gain his support for this trade bill this year."

Sen. Bob Packwood, incoming chairman of the Senate Finance Committee, predicted Kantor would be able to accommodate Dole.

In a related development, Kantor challenged on Wednesday Texas billionaire Ross Perot to debate the merits of a new world trade accord. Perot, an independent candidate for president in 1992, opposes the accord.

Last year, Perot's debate with Vice President Al Gore on the North American Free Trade Agreement was credited with helping the Clinton administration eke out a narrow victory on that trade pact.

President Clinton, in a speech Wednesday to US business leaders in Jakarta, Indonesia, urged Republicans

to join with Democrats to pass the accord.

Gore, at a news conference Wednesday in Washington arranged by big corporations supporting the accord, said "It is abundantly clear that a delay of the GATT would definitely kill the GATT... and hurt our country immeasurably."

Incoming House Speaker Newt Gingrich, in a letter to Clinton, renewed his pledge to work for a large bipartisan majority for GATT.

But Gingrich, a Republican, told reporters he remains "very concerned" about GATT's prospects in the Senate and said the White House "needs to agree" to concerns expressed by Dole.

Dole has said he is predisposed to support GATT and would prefer to do it this year during a session of the old Congress, which is dominated by Democrats.



ANZ Grindlays held a reception to welcome its new general manager for Bangladesh Frank Gamble (C) at a city hotel on Thursday. Seen in the picture are: (from left) Latifur Rahman, President, MCCIL, K Raghunath, Indian High Commissioner, Sohel Rahman of Beximco Group and M A Ali, Chief Manager, ANZ Grindlays. — Star photo

**Record price for
first novel**

NEW YORK, Nov 18: Dell Publishing has agreed to pay 3.15 million dollars for the North American publishing rights to a love story being written by Britain's Nicholas Evans, calling it a record price for a first novel, reports AP.

The book, which is expected to be completed by the end of the year, is titled "The Horse Whisperer."

Dell said Thursday it made its winning bid for the Evan's book late Wednesday at the end of a two-day bidding auction which initially attracted nine publishers.

Its hardcover imprint, Delacorte Press, will publish the book next fall and a Dell paperback will follow, the company said.

The book was described as a love story set in Montana about a man who tames wild horses by talking to them and transforms the lives of a troubled family whose daughter has been severely injured in an accident involving her horse.

The previous highest price paid for North American publishing rights to a first time novel was believed to be about two million dollars. Time Warner Inc's Little Brown and Warner Books publishing units paid that price for the thriller "The Day After Tomorrow" by Allan Folsom in 1993.

Earlier this month, Warner Books reportedly agreed to pay two million dollars for another first novel, a political thriller "The Executive Power" by David Baldacci.

Dell is getting the hardcover, paperback, book club, second serial and large print rights for "The Horse Whisperer" in the United States and Canada.

Evans, 44, is a former print and broadcast journalist who has also written and produced films including the recent "Just Like a Woman."

**Zahir reviews performance
of pulp, paper mills**

Industries Minister A M Zahiruddin Khan has reviewed the quality of white printing paper produced by North Bengal Paper Mill, a BCIC enterprise, reports BSS.

He also reviewed the overall performance of the pulp and paper mills at the BCIC Bhaban where the Chairman of BCIC, Directors and other senior officials were present, a BCIC press release said here yesterday.

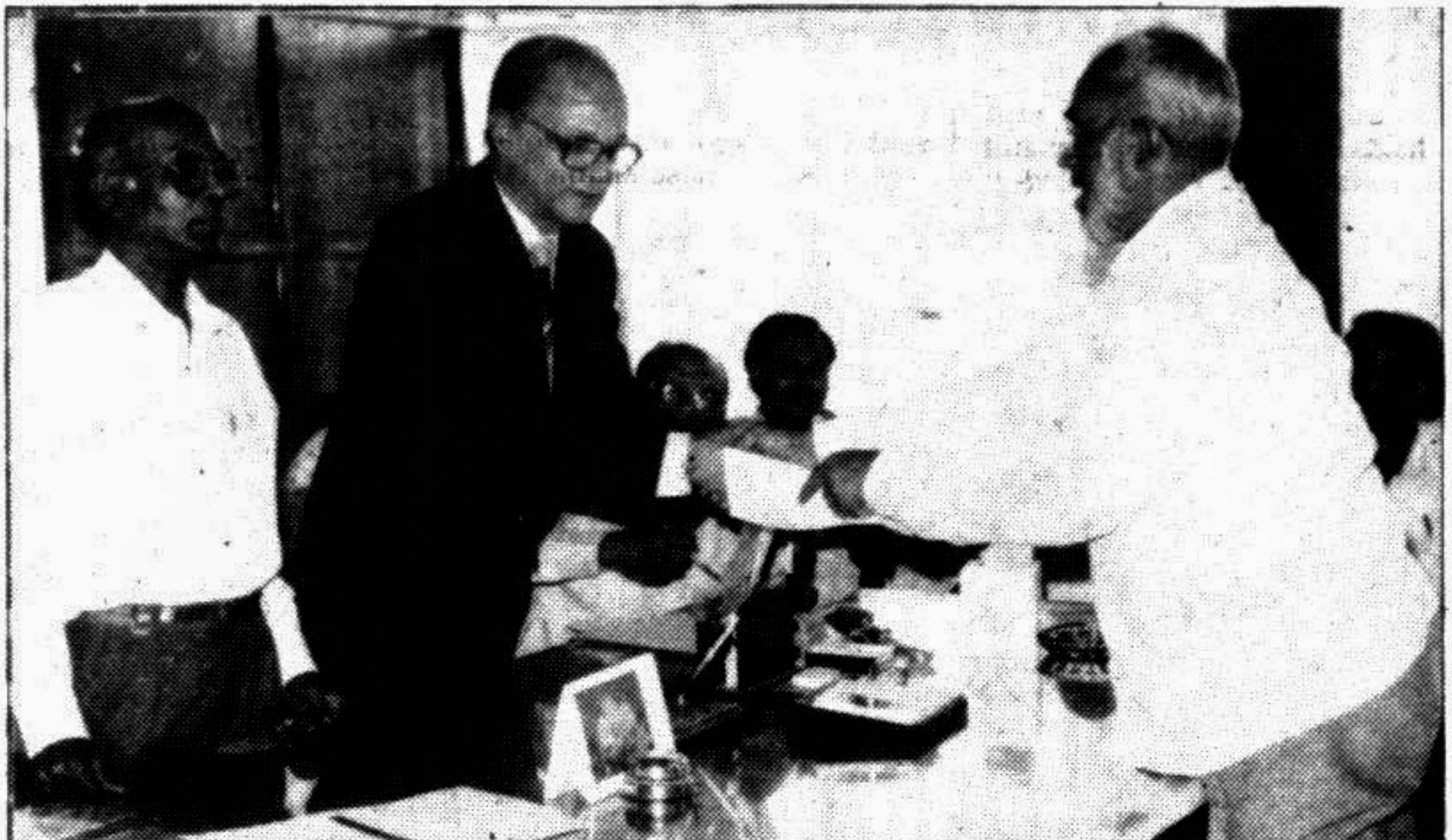
North Bengal Paper Mill is producing the white printing paper by using locally manufactured and recently installed digester and the pulping machinery, the press release added.

The quality of this writing and printing paper produced, for the first time from green jute in the country in terms of tensile strength, burst fac-

tor, etc, compares quite favourably with paper made out of conventional raw materials like bagasse, bamboo and wood.

BCIC normally imports around 10,000-12,000 mt pulp annually at a cost of around Taka 25 crore in foreign exchange to meet the shortfall of pulp to produce paper and newsprint. The use of green jute will replace this import and make a saving of Taka 25 crore in foreign exchange.

The four pulp and paper mills of BCIC namely Karnaphuli Paper Mill, Sylhet Pulp and Paper Mill, North Bengal Paper Mill and Khulna Newsprint Mill, have so far produced about 5,000 mt pulp from green jute valuing Taka 15 crore approximately.



W Chowdhury, former Chairman of PDB, handed over a cheque for Taka four lakh to Professor Syed Mohibuddin Ahmed, Vice-Chancellor, Shahjalal University of Science and Technology, for Ismail Memorial Trust in Sylhet recently. — Star photo



David Brougham and Cob Stenham, directors of Standard Chartered PLC, met Khorshed Alam, Governor of Bangladesh Bank at the latter's office on Thursday.

Pre-Qualification Notice

1. Name of work : Construction of 7-vents (5'x6') R. C. B Drainage-cum-Flushing Sluice No. 4 Polder No. 65/A-1, Dutch-Sweidish assisted project (EIP), P. S Chakaria, Dist. Cox's Bazar during the year 1994-95.

2. Estimated cost : Tk. 169.45 lakh (Approx).

3. Price of document : Tk. 1,500.00 (Taka one thousand and five hundred) only per set (Non-refundable).

4. Date, time and place of receiving applications : Up to 12-00 hours of 06-12-1994 in the following offices:-
a) Office of the Chief Engineer, South Eastern Zone, BWDB Chittagong.
b) Office of the Superintending Engineer, Cyclone Protection Circle, BWDB, Cox's Bazar.
c) Office of the Superintending Engineer, O&M Circle, BWDB, Dhaka.

5. Eligibility of Contractor/Firm : 'A' Class contractors/Firms of Bangladesh Water Development Board during the year 1993-94/1994-95.

6. Name and address of the office where documents and all other information will be available up to 27-11-1994 during office hours : a) Office of the Chief Engineer, South Eastern Zone, BWDB, Chittagong.
b) Office of the Executive Engineer, Cox's Bazar O&M Division, BWDB, Cox's Bazar.
c) Office of the Executive Engineer, Dhaka O&M Division-II, BWDB, Dhaka.

7. Address of the Advertiser : Chief Engineer, South Eastern Zone, BWDB, Chittagong.

Md Ataul Huq
Addl. Chief Engineer,
South Eastern Zone,
BWDB, Chittagong.

PANI-234/94-95
DFP-10047-14/11
G-1802

**Sony plans to reduce book value
of movie making subsidiary**

TOKYO, Nov 18: Sony Corp's stock took a beating early Friday, a day after a huge write-off on its movie-making subsidiary that represented the latest big loss for a Japanese company on a high-profile US investment.

The electronics giant said Thursday it was reducing the book value of its movie-making subsidiary now known as Sony Pictures Entertainment, by 2.7 billion dollars. Analysts called the move a concession it paid too much in buying the studios Columbia Pictures and TriStar Pictures five years ago.

The Sony losses cap a spectacular series of flameouts by Japanese companies that vastly overpaid for US "trophy" properties such as golf courses and real estate in the late 1980s.

During that time, Japan's "bubble economy" inflated the value of Japanese stocks and real estate. Individuals and companies found it easy to borrow against paper profits to invest in the United States, and in their eagerness paid little attention to price or risk.

Tycoon Minoru Isutani was forced to sell the famed Pebble Beach golf course in California at a loss of 340 million dollars just 18 months after purchasing it in September 1990 for 841 million dollars.

Mitsubishi Estate bought a majority interest in Rockefeller Center, the landmark Manhattan complex of 19 buildings, in 1989 but now may default on its mortgage payments because the property isn't bringing in enough rent money, documents disclosed this week.

Mitsubishi paid 1.4 billion dollars for 80 per cent of the Center but it is now believed to worth hundreds of millions less than that.

Sony's announcement came after the close of trade Thursday, and its share price plunged in heavy Friday morning Tokyo trading, dropping 8.1 per cent on volume of 2.6 million shares. The market's benchmark Nikkei Stock Average also took a hit, falling 137.33 points or 0.71 per cent.

Sony made Thursday's disclosure in announcing that it lost 309 billion yen, or 3.16 billion dollar, in the six months ended Sept 30 in contrast to a profit of 9.97 billion yen a year earlier. It also said it expects to post a loss for the year rather than a profit.

The write-off involved the so-called goodwill value of the movie subsidiary. Goodwill represents the premium paid for a company above the total value of its assets. Buyers pay the premium expecting the difference will be made up in future profits.

Sony paid 3.4 billion dollar in 1989 for Columbia Pictures Entertainment Inc, which owned both Columbia Pictures and TriStar Pictures. Since then it has poured billions of dollars more into the studios, which have been plagued by leadership turmoil and a series of high-budget flops.

Last month, the chairman of Sony Pictures Entertainment, Peter Guber, resigned. Sony is expected to have to inject millions of dollars more to get the subsidiary back on its feet.

Many analysts have said Sony paid far too much for the studios, but the consumer electronics maker maintained that "synergy" between electronics and software, such as movies and music, would create new sales opportunities.

Sony said in a statement that the write-off was needed "in consideration of anticipated additional investment to attain acceptable performance" by the subsidiary.

Analysts said Sony may be feeling the consequences for a long time to come.

"This will cause a fundamental shift in the way investors view the company," said Makio Inui, an analyst in Tokyo for Kleinwort Benson Securities.

"It's basically saying that (Sony president Norio) Ohga wasted \$2.7 billion of the shareholders' money," he said.

Following the announcement, Standard and Poor's Corp said it is reviewing for possible downgrade its debt ratings on about 7 billion dollars in debt from Sony and its subsidiaries. A lower debt rating could make it more expensive for Sony to borrow in the future.

In its earnings report, Sony said its profit would have fallen 26 per cent to 7.4 billion yen, or 75.3 million dollar if the impact of the movie division were excluded. Six-month group sales rose 4 per cent to 1.84 trillion yen, or 18.7 billion dollar, from 1.77 trillion yen a year earlier.

Sony said its mainline electronics product sales enjoyed "remarkable growth" during the six months. But its entertainment revenues were hit by the weak performance of Sony Pictures Entertainment, whose sales tumbled 14 per cent to 130.10 billion yen, or 1.3 billion dollar because of a dearth of hit films.

The movie unit's woes didn't end there. Sony reported operating losses of 50 billion yen, resulting from a number of unusual items, including the abandonment of a large number of projects in development and the settlement of outstanding lawsuits and contract claims.

"You don't have to be a

**Critics charge
NAFTA fails to live
up to promise**

WASHINGTON, Nov 18: The North American Free Trade Agreement has failed to live up to its promise of more US jobs and increased exports to Mexico, critics charged Thursday on the one-year anniversary of House passage of the pact, reports AP.

"NAFTA is but another nail in the coffin of American workers abandoned by outdated trade policies," said Democratic Rep Marcy Kaptur of Ohio at a news conference organized by opponents.

The critics pointed out that the federal government has acknowledged more than 12,000 workers have lost their jobs as a result of the trade pact since its implementation January 1. The American Federation of Labor-Congress of Industrial Organizations, which staunchly fought passage of the agreement, estimates the job loss at 37,000.

And the United States' trade surplus with Mexico has plunged 55 per cent from its 1992 peak, the opponents said. For the first eight months of 1994, the US trade surplus with Mexico was \$1.7 billion — down from \$3.9 billion for the same period two years earlier.

In selling the trade pact to Congress, Bush and Clinton administration officials both cited 1992 trade figures and said NAFTA would improve them.

Mathematical giant to figure out what is going to happen very shortly because the trends are in the wrong direction," said Kaptur, predicting that imports from Mexico will overtake exports.

Commerce Department officials rejected the critics' contentions. Although some 12,000 jobs have been lost, the department estimates up to 100,000 other jobs were created during NAFTA's first six months — noting that it's much easier to count lost jobs than new ones.

DPRK's economy declines

SEOUL, Nov 18: North Korea's economy declined and its foreign trade fell in the first half of this year due to sagging industrial output and shortages of energy and raw materials, a South Korean government report said today, according to Reuters.

The Unification Ministry report also cited deep-rooted structural inefficiency and diplomatic isolation over Pyongyang's suspected nuclear weapons programme as contributing to the shortfalls.

The report said six-month trade with China and Japan fell 22 per cent and 16.8 per cent year-on-year, to 340 million US dollars and 180 million US dollars respectively.