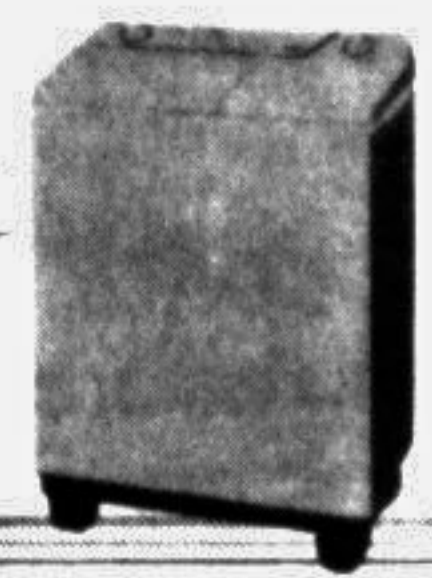


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The Daily Star BUSINESS



HYUNDAI
CARS THAT MAKE SENSE

DHAKA WEDNESDAY, OCTOBER 18, 1995

Work stoppage at Ctg Port worries SCB chief

M R Ali, Chairman, Shippers' Council of Bangladesh expressed its serious concern at the suspension of work at Chittagong Port during the current 4-day hartal which started from Oct 16, says a press release.

It may be mentioned that this premier port, which was already having congestion causing ships' berthing delay, has taken a serious turn due to this unprecedented and continuous 4-day hartal. It is learnt that 16 ships remained stranded at the port jetties and 8 vessels awaiting at the outer anchorage, some more ships will arrive in the next three days of hartal. While about 1,50,000 metric tons of imported cargo remaining stock piled at the port jetties including 54 metric tons of cargo in about 12,000 containers, there are huge number of export containers of garments, frozen foods etc. awaiting at port for immediate shipment. If the delivery of the import containers and the shipment of export containers cannot be effected immediately then it will not only cause heavy loss to the exporters and annoyance of foreign buyers but also serious loss of foreign markets for our export products.

In view of this grave situation and national loss, the Chairman, Shippers' Council of Bangladesh urges to all political parties for exempting Chittagong Port from the hartal in greater national interest.

Death penalty for drug trafficking in UAE

ABU DHABI, Oct 17: United Arab Emirates (UAE) President Sheikh Zayed Ibn Sultan Al-Nahayan on Saturday approved a law enforcing the death penalty for drug-traffickers, the official news agency WAM reported, says AFP.

Sheikh Zayed endorsed the law which also included intensified prison terms of up to seven years for drug abusers.

The federal cabinet introduced capital punishment for drug smuggling earlier this year after a surge in trafficking operations. Police records showed more than eight tonnes of hashish, heroin, cocaine and other drugs had been seized over the past three years. Most of them originated from Pakistan, Afghanistan and Iran.

Last week, the UAE created a high-level committee to combat drugs, grouping the Deputy Prime Minister and intelligence officials along with the ministries of interior, education, information, and Islamic affairs.

Counterfeiting cases Police recover \$ 4.8 m in China

BEIJING, Oct 17: Chinese police cracked 2,600 counterfeiting cases in the first half of this year, recovering more than 40 million yuan (4.8 million dollars), the Economic Information Daily said today, reports Reuter.

The Chinese government "will never cease the crackdown so long as the crime still exists," the newspaper quoted a Chinese official as saying.

The crackdown began last December, when officials announced that counterfeiting of China's renminbi currency was growing worse.

In one of last year's major cases, police arrested 12 people in the southern province of Hainan, including three from Taiwan, in a counterfeit currency swindle involving more than 10 million yuan (1.2 million), the biggest since 1949.

Most cases are smaller, with amounts of bills confiscated ranging from 67,000 yuan (8,100 dollars) to as much as 4.0 million yuan (482,000 dollars), the newspaper said.

Last March, police arrested seven counterfeiters operating on trains between southern Guangzhou and the northern port city of Tianjin and confiscated 1.1 million yuan (132,530 dollars), it said.

22 leading export houses to take part Bangladesh Trade Fair begins in Tokyo Nov 1

By Rafiq Hasan

A total of 22 leading export houses will participate in the Single Country Bangladesh exhibition to be held from November 1 to 14 in Tokyo, Japan.

The Export Promotion Bureau (EPB) in collaboration with the Japan External Trade Organisation (JETRO), has arranged the fair.

The main objective of the fair is to test and promote the sale of products from Bangladesh in the Japanese market and provide the Japanese with a deeper understanding of the exhibiting country, sources in the EPB said.

The participating firms will display products like jute goods, crust and finished leather goods, ready-made garments, greeceen check, gold ornaments, bamboo and cane products, nakshikantha, porcelain table ware and jute carpet.

According to the sources, Bangladesh can exploit huge untapped jewellery market in Japan through exporting quality ornaments which has already been captured by India to some extent.

Among the selected leading firms are, Shah Jute Plastic, HRC Syndicate, Jasper Leather Complex, Gram-reen Uddog, Dhaka Tanneries, The Apan Jewellers, Arku Industries Manufacturing, Comtrade Apparels, Bangladesh Jute Mills Corporation, Monno Ceramic and Joy Silk.

Earlier, Bangladesh held a single country fair in the Japanese capital from February 3 to March 2 in 1988.

According to the sources, 7,867 businessmen visited Bangladeshi stalls and signed many contracts to import Bangladeshi goods.

A high-powered business delegation led by Morshed Khan, special envoy to the Prime Minister, will visit the exhibition.

The delegation is scheduled to visit Japan to participate in the Global Business Opportunity Convention (G-BOC).

The G-BOC is an annual international business oriented event held in October every year since 1990. Bangladesh is going to participate in the convention for the first time.

Out of total export volume, Bangladesh exports 3 per cent to Japanese market. During 1993-94 fiscal year, the export figure was 59.60 million US dollars while import bill for the same year was 186.17 million dollars, which shows that export earnings covered 32.01 per cent of the import cost.

Bangladesh's trade deficit with Japan was 126.54 million US dollars in 1993-94. The trade gap in the year 1991-92 and 1992-93 were 109.98 million and 125.6 million dollars respectively.



Retail fish sellers are seen returning empty-handed from Swari Ghat yesterday as the supply remained cut off due to hartal called by the mainstream opposition parties. — Star photo by A K M Mohsin

Pakistan lifts ban on export of cotton

ISLAMABAD, Oct 17: Pakistan's commerce ministry yesterday lifted ban on cotton export by private exporters with immediate effect, according to an official notification issued yesterday, reports Xinhua.

The ministry asked the exporters to submit contracts for exports to the Export Promotion Bureau to obtain export registration.

The document said the registration has to be submitted to the customs authorities along with the shipping documents at the time of shipping.

In addition, the notification said, an irrevocable Letter of Credit should be

Two British companies stop donations to Tory

LONDON, Oct 17: Two more Britain's leading companies have cancelled their donations to the Conservative Party, deepening the party's crisis and raising further questions over how much the party will have to fight the next election, Xinhua Reports.

According to a report in the Independent newspaper yesterday, the engineering giant Lucas Industries and the car distributor Inchcape had decided to halt their contributions, worth 25,000 and 40,000 pounds (40,000 and 64,000 US dollars) respectively, the report said.

The report predicted that there may be more firms to follow suit.

ASEAN Dec summit will try to quicken free-trade

BANGKOK, Oct 17: Leaders from the Association of South East Asian Nations (ASEAN) will focus on speeding up the liberalisation of financial services in the region when they meet in December, a senior Thai official said, reports Reuter.

Deputy Prime Minister Annuay Virawan told reporters at the weekend a proposal to accelerate the implementation of ASEAN's free trade area would also be on top of the agenda at the December 14-15 summit in Bangkok.

Annuay said ASEAN's seven leaders — from Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam — were expected to sign an agreement affirming their commitment to service sector liberalisation.

The businesses which would benefit from a liberalisation agreement would include banking and finance, airlines, construction and shipping, Annuay said.

He said the ASEAN pact on services would be more comprehensive than a World Trade Organisation agreement on international service sector business.

Annuay said a proposal to speed up implementation of an Asean Free Trade Area (AFTA), covering the group's 420 million-strong market, would also be discussed in Bangkok.

ASEAN originally aimed at creating a free trade zone under a Common Effective Preferential Tariff (CEPT) scheme by the year 2008 but economic ministers agreed last year to speed up its implementation by five years to 2003.

Brunei's Sultan Hassan Al Bolkia then proposed at the group's foreign ministers' meeting at Brunei last July that the timetable for slashing tariffs to a maximum of five per cent be brought forward to the year 2000.

His call met a mixed response.

Some businessmen and government officials in the region have pointed out that Brunei has only a small industrial sector while there are infant industries elsewhere in ASEAN which need some protection beyond the year 2000.

A meeting of ASEAN's economic ministers in Brunei last month agreed to make the year 2000 a voluntary target date.

Annuay said Thailand would be able to eliminate tariffs on some categories of goods, but added the government would need to consult the private sector before making a commitment.

Annuay also said the ASEAN leaders were expected to sign an agreement making the region a nuclear weapons free zone.

KL Securities Commission denies allegations of weakness

KUALA LUMPUR, Oct 17: Malaysia's securities watchdog today brushed aside allegations by the government's top economic adviser Daim Zainuddin that it was not transparent in regulating the country's capital market, reports AFP.

"The Securities Commission is doing its job well though it does not announce its investigations. That does not mean we are not transparent," its Chairman Munir Majir told reporters.

In the first government acknowledgement of poor enforcement to curb what is perceived as investors as a rampant problem on the KLSE, Daim had said that a market that was seen to be opaque could not hope to gain the confidence of either domestic or foreign investors.

He also took the commission to task, saying regulators should also keep in touch with the market-place and its practitioners to have a better perspective of its needs.



Janata Bank and PAGE Comilla (NGO) signed an agreement on poverty alleviation programme at the bank's head office in the city recently. SK Aminuddin Ahmed, General Manager of the bank, and Lockman Hakim, Chief Coordinator of PAGE, seen signing the accord on behalf of their respective sides. Golan Mustafa, Managing Director of the bank, was also present on the occasion.

Toyota, Daihatsu to join hands with Indian automaker

TOKYO, Oct 17: Japan's Toyota Motor Corp and Daihatsu Motor Ltd plan to set up a joint venture with India's Hinduja group to make small passenger cars in India, the Nihon Keizai Shimbun reported today, reports Reuter.

The newspaper said the joint venture could be set up as early as next year.

Political power vacuum hits Turkish financial markets

ANKARA, Oct 17: Turkish markets were uneasy after the government failed to win parliamentary vote of confidence and economists and businessmen said the defeat raised fears planned lucrative customs pact with Europe may be delayed, reports Reuter.

Turkish stock, money and foreign exchange markets started the week restless due to a power vacuum created after Prime Minister Tansu Ciller's 10-day-old minority government lost a vote of no confidence in the parliament on Sunday.

Istanbul Stock Exchange index dropped sharply in the first few minutes of the session by 3.96 per cent to 41,812.86 from 43,577.71 at the opening.

It later bounced back, gaining 2.05 per cent after an active morning session to close up 894.80 points at 44,472.51.

The central bank started selling dollars for Lira at 50,500 to push down the interbank rates, which had soared to around 50,600 Lira. The Bank then lowered the rate to 59,450 Lira and continued dollar sales for Lira at this rate.

"In line with expectations, the central bank intervened heavily at opening. It did everything to show its intentions to keep tight control over the dollar and to continue its monetary policy despite the current political situation," said a banker.

Economists and businessmen said the power vacuum, first created when Ciller's coalition government collapsed in mid-September, may have far-flung impacts on Turkey's economy, trying to get over a crisis that hit the country in 1994.

"Political uncertainty will sustain until early elections if a government cannot be formed soon," said Sedat Aoglu, head of the Economic Development Foundation, an influential business body lobbying for the customs deal with the European Union (EU).

"If parliament does not begin functioning as soon as possible, Turkey will not be able to keep its promises to Europe and political weaknesses will delay the customs union deal by at least six months," he told Reuters.

He said the European Parliament, which has the final say on the lucrative trade pact planned to go into effect from January, was "actually interested in seeing a more democratic Turkey that keeps its promises."

Economists say Turkey, struggling to abide by an austerity programme hammered out in 1994,

Sweating for existence — story of the immigrants in US

NEW YORK, Oct 17: As diners in New York's China town enjoy the delicacies of the east made famous by the scores of restaurants in the district, immigrant workers sweat over hot stoves long enough to become ill in the kitchens, says IPS.

In the equally famed garment district, customers can buy top-quality shirts and pants for a handful of dollars. But the workers who produced these clothes in hidden-away assembly areas are lucky to take home a similar scant amount after speeding long and gruelling hours of toil.

Such scenes may appear to be from the time of Dickens' London, but labour unions and industry analysts here say the sweatshop lives on in the United States.

"There has been a measurable decline in assistance by the government to enforce the law," argues Jackson Chin, Director of New York's Centre for Immigration Rights. He accuses US authorities, especially the Labour Department, of standing by while more workers are forced to labour in cramped conditions for little — or sometimes no — pay.

In New York city alone, the US General Accounting Office estimates there are more than 4,500 sweatshops, employing some 50,000 workers. In Los Angeles there are even more, according to recent data.

Often the most exploited workers are young women in apparel manufacturing and restaurant work. In New York, many of the most vulnerable groups are recent immigrants from China or Latin America who speak little English and have few places in which to work.

Yet despite the large sweatshop problem in places like China town, Chin says only 14 of the Department of Labour's 900 inspectors monitoring abuses are active in New York. Of those, he adds, not one speaks Chinese.

"It's like trying to put your finger in a dike that has burst at the seams," he argues.

New York's China town is a telling example of how new immigrants are exploited in sweatshops. Wing Lam, Executive Director of the Chinese Staff Workers' Association (CSWA), says most workers

there are paid three US dollars an hour — about two-thirds the US minimum wage, and far below the poverty level.

For those low wages, Lam adds, workers labour seven days a week, for 12 hours a day normally, and as many as 18 hours in some workplaces. That gruelling schedule leads to immense physical strain: backaches, pains and illnesses.

"Imagine working seven days a week, non-stop, Lam says. "Many women are destroyed, physically and mentally."

Lam-whose CSWA seeks to improve conditions for all China town workers — argues that unionisation has done little to help China town. These abuses of US labour laws, he says, take place even though 95 per cent of China town workers belong to unions.

"The unions have become almost obsolete," he complains. "Sometimes in union shops, wages are lower than in non-union shops."

For some, labour problems are a symptom of a wider neglect of workers' rights by government and business leaders in recent years.

"It's amazing that people are surprised there are still sweatshops," says Mustafa Chisti, Director of the Immigration Department of the Union of Needle-trades, Industrial and Textile Employees (UNITE), which represents 355,000 garment workers.

Chisti says the Department of Labour lost 23 per cent of its enforcement staff entrusted with monitoring work-place abuse from 1980 to 1992, during the administrations of presidents Ronald Reagan and George Bush.

Meanwhile, he adds, increased globalisation of world trade has boosted the power of big US firms to lower their prices by having products put together in developing countries where labour costs are lower.

As a result, other US firms have tried to lower their own labour costs. Sometimes, that has involved hiring undocumented immigrants willing to work for less than the US minimum wage.

Chisti says: "These jobs are so awful that US workers are not interested in doing them."

But Chin adds: "There's a great incentive to have a Third World of workers here."

Sweatshops are often the only places where clothes, for example, can still be manufactured cheaply enough for retailers to be able to make a 300 to 500 per cent profit when selling them.

Abusive practices are rife. New York activists have told IPS of dozens of recent incidents: A Pakistani worker injured from hauling heavy loads for a construction firm; Chinese garment workers not being paid when their subcontractors suffer financially.

Often, even in the worst cases, individuals are scared to come forward — or, in the case of undocumented immigrants, wary of dealing with officials who they fear may deport them.

The worst-case scenario became readily apparent only recently in California, where workers were living in slave-like conditions in a compound surrounded by barbed wire.

Inside the camp were more than 70 workers, mostly young women from Thailand, who were producing millions of dollars' worth of garments. Those clothes, in-turn, were sold to some of the biggest US retailers.

The retailers took the clothes off their shelves when details of the work camps became known.

Chin notes that the blame for the El Monte scandal fell on sub-contractors who bought the clothes from the camps and sold them to retailers who now protest their innocence. But he adds that buyers for the retailers must know under what conditions those clothes were made, when they were bought up so cheaply.

One buyer for a leading retailer, speaking on condition of anonymity, told IPS that she simply could not check out conditions at subcontractors plants.

"The object is to get the cheapest goods, as quickly as possible, in an intensively competitive industry," she said. "Can't do that and monitor plants, as well."

But retailers may now have to be more careful. The El Monte story captured the public's attention, and Labour Secretary Robert Rich pledged to clamp down on sweatshops.