

# DThe Daily Star DUSINESS

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#### SAARC housing ministers' confce tomorrow

Housing and Public Works Minister Barrister Rafigul Islam Mia will leave here for Sri Lankan capital Colombo today to attend SAARC housing ministers' conference, 'reports

The three-day conference of Hosing Ministers from the countries of South Asian Association for Regional Cooperation will begin on Wednesday. officials said here yesterday.

Barrister Rafiq will also perform holy Umra in Makkah. He is expected to return home on March 5.

#### Taiwan's jobless rate rises

TAIPEI, Feb 26: Taiwan's unemployment rate rose to 2.03 per cent last month, just below the record high it set last summer because of an economic slowdown, the directorate general of budget, accounting and statistics said Sunday, reports AFP.

Last month saw 189,000 people out of jobs, an increase of 13,000 people over December and 27,000 over the same period in 1994, the directorate said in a statement.

It was the second-highest monthly unemployment rate recorded here, following the 2.1 per cent recorded last August, it said.

The directorate said the closure of companies and factories due to an economic slowdown as the main reason for the increase.

Deteriorating Taiwanese-Chinese relations also played a role as some domestic firms their investments abroad, economic officials here noted.

The council of economic planning and development said it expects the unemployment rate to decline in the second half of this year following the presidential elections on March 23.

#### Bosnian peace deal architect gets job on Wall Street

NEW YORK, Feb 26: Richard G. Holbrooke, the architect of the U.S led Bosnian peace accord, has paralyed his diplomatic skills into a job on Wall Street, according to Wall Street Journal Service.

CS First Boston Inc. on February 21 named Holbrooke, the former assistant secretary of state for Europe, one of two vice chairmen of its US brokerage unit.

The appointment of Holbrow 3 a coup for CS First Boston, a unit of Swiss-based CS Holding AG. Many Wall Street investment banks are looking for emissaries to boost business, particularly overseas. Typically, investment banks hire former government officials hoping their card files of contacts will make them rainmakers.

At First Boston, Holbrooke; 54 years old, will devote part of his time to developing the firm's investment banking business in Asia while also helping the firm drum up business in the U.S and Europe, CS First Boston said.

It had been rumoured for weeks that Holbrooke would return to a position at Lehman Brothers Inc. where he was a managing director for eight years until 1993. But in an interview Holbrooke said First

Boston made him an officer, "I could not refuse." Holbrooke, who gained fame for brokering the Dayton peace accords for the Balkans, has resume that is particularly suited to his new role. Before

becoming assistant secretary of

the state of Europe in August

1994, Holbrooke was the US

ambassador to Germany. He

also served as assistant secre-

tary of state for East Asian and

Pacific affairs from 1977 to

US car manufacturer General Motors' announcement that it might invest up to one billion dollars in a joint vehicle venture in Shanghai, brings China's target of 50 million cars on the road by the year 2010 one step nearer.

# Economic potential of Panchagarh yet to be explored

By Govinda Shil and Rafiq Hasan back from Panchagarh

Due to lack of proper land management and timely supply of agricultural inputs, the eco-nomic potential of Panchagarh, an agro-based district popularly known as a part of food basket', is yet to be explored.

The farmers of the district hardly get fertiliser and water in time to cultivate their 1.34,319 hectares of arable

"Due to absence of proper irrigation system, farmers can till only 10,100 hectares of land intensively, that is, three times a year," said an agricul-tural extension official of Pan-

"We do not get fertiliser in time and when we get it, we buy it at higher prices", said Goni Mian, a farmer of Tentu-

While talking to The Daily Star, some farmers at Tentulia

MANILA, Feb 26: Property

tycoon Tan Yu, who has built a

multi-million dollar real estate

empire in Taiwan and the

Philippines, says the first mil-

lion was the hardest, says

it big in this world came from

nothing. But they did not make

it because of luck, but rather

because of hard work, patience

and most of all, brains," he

either how old he is or how

much he is worth, made his

first million at 17 and built a

sprawling mansion in Manila

making the first million. After

that, everything was easy," he

col province, southeast of

Manila. He stopped going to

school at the age of 13 when

his mother sent him to Manila

boy and then I became lucky

and made money from selling

have laid the foundation for his

fortune, but Tan Yu said real

estate had always been his real

business, but later on I turned

that over to my brother so I

could concentrate on property

development. If a business has

nothing to do with real estate,

"The most difficult part was

Tan Yu grew up poor in Bi-

"I started out as a baggage

The T-shirt business might

"At first, we had our textile

three years later.

to earn a living.

T-shirts," he said.

Tan Yu, who declines to say

"All of those who have made

Bazaar said agricultural inputs like fertiliser, seeds and pesticides are not always available in this remote area for which their farming is affected.

Urea fertiliser was being sold at Taka 310 per 50 kg bag in Tentulia Bazaar while the price of single super phosphate (SSP, 8 to 16 per cent nutrient contents) at Taka 6.50 per kg and tripple super phosphate (TSP, 46 to 55 per cent nutrient contents) at

Taka 10 per kg as retail prices. They alleged illiterate farmers are often cheated by some fertiliser sellers as they can not differentiate between TSP and SSP. Expressing dissatisfaction

over very 'little' irrigation facilities available in the region. the farmers said they do not take water from governmentowned deep tubewells as the charge is very high.

Picture shows a section of Biman Bangladesh Airlines head office on the third day yesterday of

the non-cooperation programme called by the major opposition political parties. — Star photo

Making first million the hardest,

says Filipino tycoon

I don't get into it." Tan Yu said.

Taiwan from the Philippines in

1972. Now, his Asia world em-

pire covers five countries: the

Philippines, Taiwan, China the

Unlike other property de-

"Location is the most im-

velopers who have to actually

see a property before buying it.

Tan Yu says he would rather

portant thing in buying prop-

erty and you can't analyse loca-

tion by going to the site your-

self because you will not see

anything but land," Tan Yu said.

compute everything, like how

far a place is from everywhere

Philippines as Taiwanese

rather than Filipino because of

the amount of time he spends

in Taiwan, says Asia world is

going to earmark the largest

part of its investment budget

for the Philippines starting

priority among our interna-

tional operations. Second is

Taiwan, third China and fourth

spend only five per cent of his

time in the Philippines, now

he says he divides his time

equally between the Philip-

"We think this country has a

bright future. It has improved a

lot under President Fidel

pines and Taiwan.

Whereas, before he used to

the United States," he said.

"The Philippines will be our

Tan Yu, who is seen in the

"When I buy property, I just

United States and Canada.

look at maps.

else," he said

this year.

He first branched out into

They take Taka 1200 to 1500 per acre as irrigation charge for one season which is too high especially for paddy cultivation. Abser Ali of Aziz Nagar village said.

Local farmers said crop production is good this year due to timely rain fall and last year's flash flood, otherwise they would have faced crop failure.

There are as many as eight deep tubewells, 25 shallow tubewells and 25 power pumps which help irrigate about three hundred hectares of land in Tentulia thana, according to agriculture official. The deep tubewells are being operated by the Water De-

velopment Board while the shallow and power pumps are being managed by the private

There is no control over the private irrigation system and

Ramos, I first went to Taiwan

because at that time, it was

booming. Now, it's being beset

by many problems, especially

political ones, so people have

lost the appetite to invest," he

Philippines' investment

prospects, Tan Yu, bewails the

nation's shaky law and order

and the controversy over envi-

Tan Yu had brought in Tai-

wan's Tuntext Group in 1994

to lead an international con-

sortium that was supposed to

develop camp John Hay, a

former US military camp in

Baguio city in the northern

protested saying they feared

the resort's impact on the en-

three big projects in the

AIC Realty Corp unit, is the

construction of office-residen-

of reclaimed land fronting

Manila Bay which will house a

club and four office residential

the cost of the two projects.

Tan Yu would not disclose

The third and most ambi-

tious project is the 50 billion

US dollars to 100 billion US

dollars development of Fuga Is-

The project, however, failed

Asia world has lined up

One project, handled by its

Another is the development

locals

Philippines, into a resort.

to take off after

tial towers in Manila.

vironment.

Philippines.

ronmental issues.

Although, bullish about the

the owners of shallow and power pumps fix charges as they wish. As a result, the cost of irrigation has been increased, he pointed out.

He felt that the crop production would increase at least three-fold if all arable lands in the region are brought under irrigation network.

On an average 20 out of 130 deep tubewells in Panchagarh district remain out of order for a long time.

According to Panchagarh district agriculture officials, a total of 5126 different water extraction sources, of which 130 deep tubewells, 2720 shallow tubewells, 10 low-lift pumps, 480 treadle pumps, 226 manual tubewells and 1480 traditional system are being used for irrigation of lands in the district.

## India's food procurement going on steadily: Ajit

NEW DELHI. Feb 26: The Union Food Minister Ajit Singh yesterday said that food procurement in the country was going on steadily and added that due to successive years of bumper production of wheat, the country had a comfortable buffer stock of 13 million tonnes as on January 1 this year, far in excess of the buffer stocking norm of 7.7 million tonnes, says PTI.

Addressing a meeting of the parliamentary consultative committee attached to his ministry, Singh said that going by the current estimates of production, the procurement of wheat in the coming rabi marketing season might touch 13 million tonnes. Arrangements for extending effective price support to the farmers would be made by opening adequate number of purchase centres, making advance purchase of gunnies and by deployment of sufficient men and materials, he said.

He said that over 73 lakh tonnes of rice had already been procured in the current mar-keting season and 123 lakh tonnes of wheat was procured during the just-ended rabi marketing season.

Stating that wheat procurement for the central pool during the last few seasons was quite good, he said wheat was available in plenty in the central pool to meet the demands of the various schemes implemented by the central government. The huge stock of wheat available in the central pool and enabled India to enter the export market for the first time in 1995-96.

The responses, he said. were encouraging and it was likely that India might have a prominent role in the international wheat market in the coming years. The prospects of an expanding market might also lead to the purchase of higher quantum of wheat by the private trade which will relieve the pressure on FCI, he said and added that the government was also attaching a high priority to sugar export.

ports from the Asian countries

fell from 17.4 per cent in

1990 to 14.5 per cent in 1994.

side's biggest hope for the

ASEM conference is that it will

help pave the way for a recov-

ery in exports to the EU."

would like to encourage their

EU counterparts to realise

market-opening measures that

are at least on the level of

those being pursued by mem-

bers of the Asia-Pacific Eco-

nomic Cooperation (APEC) fo-

JETRO said that Asian atti-

Nine of the Asian countries,

The EU accounted for 8.8

JETRO said its survey

confirmed that the Asian side

is looking to stimulate further

EU investment through the

upcoming meeting

tudes about investment "were

excluding Brunei, attracted approved foreign investment

worth a total 82.1 billion dol-

billion dollars worth, or 10.8

per cent, down from 13.3 per

JETRO said

much the same."

lars in 1994.

cent in 1990.

"Accordingly, the Asian

Specifically, the Asian side

He detailed a plan passed by the cabinet on February 15 to sell shares in 70 companies.

companies, Fahmi said.

Egypt to sell off

beer, wine cos

in April

sell off its state-owned beer

and wine companies in April

amid a wave of privatisations

involving 70 companies, a pub-

lic sector official told the state

news agency MENA yesterday.

Al-Ahram Beverage companies

will be among four companies

"to be sold completely, except

for 10 per cent of shares re-

served for employees," Hamed

posed bids will be made next

April" for the Vineyards, which

produce wine, and Al-Ahram,

producer of the country's only

beer, along with a woodwork-

ing and the duty-free market

owned holding company for

housing, tourism and cinema

(HCHTC), responsible for

selling off companies in the

Fahmi, heads the state-

"The choice between pro-

Fahmi told the news agency.

The Egyptian Vineyards and

CAIRO. Feb 26: Egypt will

#### Singapore GDP may grow by 8 pc in '96

SINGAPORE, Feb 26: Singapore's gross domestic product (GDP) is expected to grow by seven to eight per cent in 1996 following 8.9 per cent expansion last year, officials said today, reports AFP.

The ministry of trade and industry, releasing results of a 1995 economic survey, expected slower growth in the crucial electronics sector and more moderate expansion in the Asia-Pacific region.

While the outlook for the external environment remains positive, sentiments about the European and US markets are less optimistic than before, the report said.

The economy grew by an average of 10 per cent in 1993 and 1994 but analysts say seven to eight per cent would be a more sustainable level for Singapore, which experienced a mere 1.7 per cent inflation

The ministry also cited continued pressure on Singapore's costs and competitiveness.

The strong Singapore dollar and a chronic labour shortage have pushed up production costs in the city-state, which is shifting to more value-added sectors like high-end electronics while transferring labourintensive industries overseas.

#### Oman's oil income grows by around 6pc in '95

MUSCAT, Feb 26: The oil income of the Gulf state of Oman grew by around six per cent in 1995 due to an increase in crude prices and its exports, one third of which went to an increase in crude prices and its exports, one third of which went to Japan, an official report showed yesterday, says AFP.

Oil revenues, which form the bulk of Oman's income. stood at around 1.39 billion Omani riyals (3.6 billion dol-lars) in 1995 compared with 1.31 billion riyals (3.4 billion. dollars) in 1994 the Development Ministry said.

Crude exports surged by 13.9 per cent to around 715,000 barrels per day (BPD) from 627,000 BPD while the average price of Omani crude increased by around eight per cent to 16.39 dollars from 15.17 dollars.

Oman, which is not a member of the 12-nation Organisation of Petroleum Exporting Countries, produces around 850,000 BPD, of which nearly 100,000 BPD are supplied to the local refinery.

The country has set a production target of 878,000 during its fifth development plan for 1996-2000.

## Bangkok meet may help boost Asia-Europe trade

TOKYO, Feb 26: Asian participants at next month's landmark meeting with the European Union hope the conference will help redress declining exports and shrinking investment, according to a Japanese survey released here, reports AFP.

The Japan External Trade Organisation (JETRO) said in a statement it had surveyed government officials, businessmen and academics through its 22 offices in the region ahead of the Asia-Europe Meeting (ASEM) in Bangkok starting

It found that while the 10 Asian countries taking part in ASEM had become an important export market for the European Union, the EU share of exports from the Asian countries had declined. The Asian side was also

worried about shrinking European investment Asian participants at the ASEM are the seven members of the Association of South East Asian Nations (ASEAN) — Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam - as well as China, Japan and South

JETRO 'said that global exports by the 15 EU countries grew an annual average of just 1.8 per cent between 1990 and 1994.

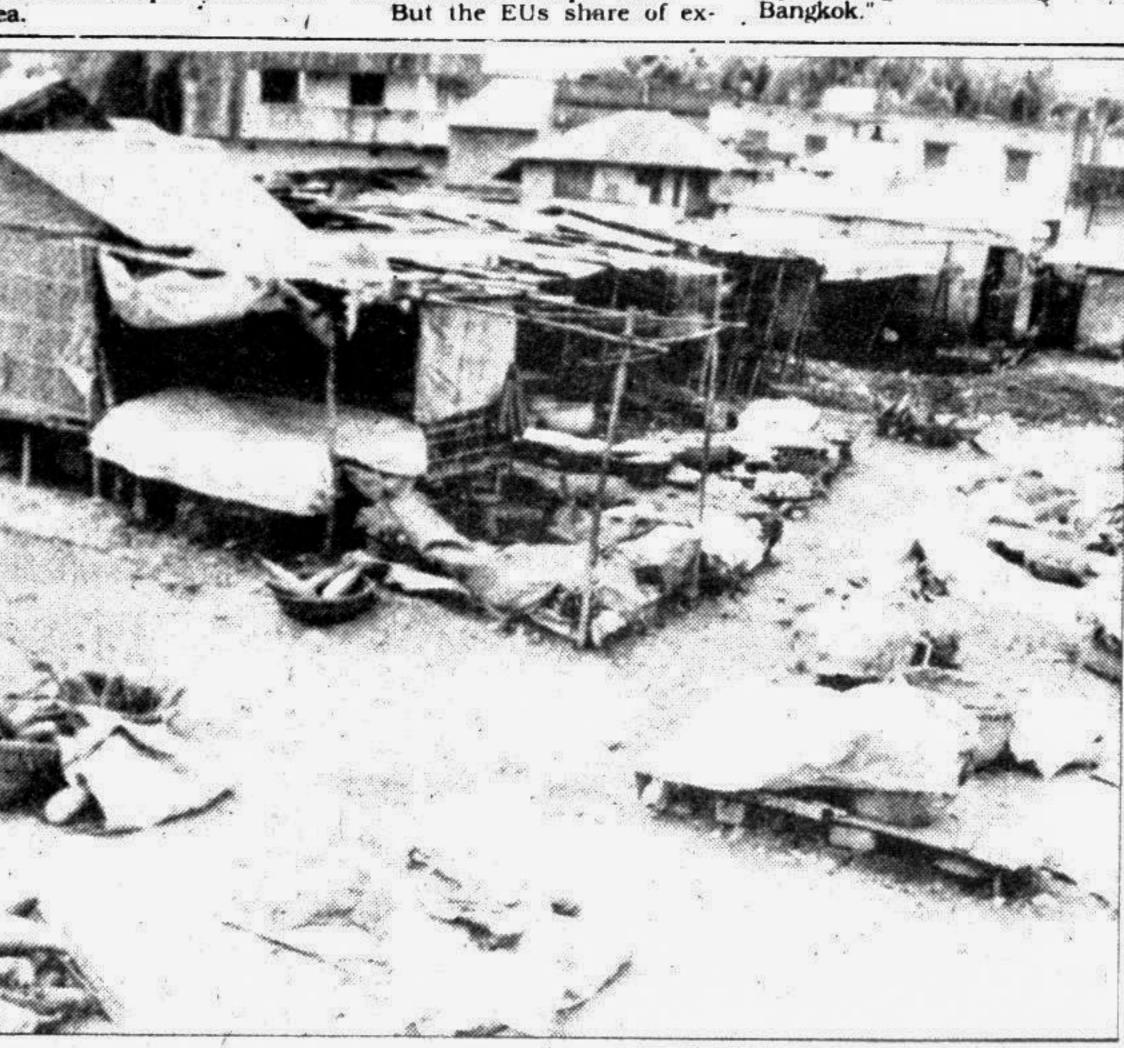
Exports to the United States grew 3.9 per cent, but exports to the 10 Asian countries jumped 9.6 per cent, "the highest figure for any regional market for EU exports."

"As a result, the 10 countries have become an important export market for the EU," it said, adding that in 1990, the countries accounted for 4.6 per cent of total EU exports, growing to 6.2 per cent in 1994 "In the future, the Asian

market holds one of the keys to helping the EU overcome its economic difficulties, including trade," JETRO said. But the situation for the

Asian side was different, the survey found. Global exports by the 10 ASEM participants from Asia increased 11.6 per cent between 1990 and 1994. Regional exports between those countries grew 16.8 per cent,

exports to the US rose 10.3 per cent and exports to the EU increased 6.6 per cent.



Traders fled the Tongi Bazaar during the clash between policemen and opposition political activists yesterday. — Star photo

#### Traffic jams compel Chinese people to look for alternate route in the face of such conflicting Fons Tuinstra writes from Shanghai an unequal struggle. State-

interests is difficult, and advice from foreign traffic experts is not always helpful. Shanghai Mayor Xu Kuangdi ruefully recalls how "American and Japanese experts told us to get rid of the bicycles in the city, while Dutch experts said get rid of the cars".

So the city did a bit of both, closing some major streets to bicycles and others to cars. And still the average speed of motorised transport is only eight kilometres an hour.

Questioned about the traffic jams, a city spokeswoman admitted they had no traffic management experts; saying: "Look out of the window - you can see the problems for yourself. We have no solutions. Maybe you can pass by and give us some".

Meanwhile, work continues on an underground railway, which is already partly in use. But the development most keenly watched by commuters is the tussle between the new private bus companies and the

old state-owned monopoly. At first glance it looks like owned Shanghai Transit runs 7.415 buses on 458 routes and employs more than 80,000 people. Da Zhong Taxis, one of several new transport companies, runs only 61 buses on three lines with 150 employees. But as China shifts towards private enterprise, it is Da Zhong's future which looks brighter. Despite its unprepossessing

office in a run-down area of town, in three years it has grown from virtually nothing into the city's biggest taxi business with over 2,000 cabs. It has now diversified into buses and is doing well on the Shanghai stock exchange, with a post-tax profit last year of more than 99 million yuan.

Newspapers and television stations give it considerable coverage as an example of a Chinese company able to make money in a responsible way.

Shanghai Transit, on the other hand, survives on dwindling municipal grants which are due to stop in three years. There is barely enough money for maintenance - let

years ago we employed 11.7 alone new buses — and breakpeople per vehicle", says gendowns are common. Shanghai Transit's workeral manager Li Gangsheng. force has been cut, too. "A few "Now people have to work

The pace of progress

### Singapore Jakarta Average inner-city Bangkok travel speed in kilometres per hour

much harder." Not very much harder: now he employs 11.3

people per bus.

housing.

Da Zhong Taxis employs only 2.4 per bus. Employees work longer hours and earn about 30 per cent more than their state-owned counterparts. But both companies take responsibility for workers' health care, pensions and

The economic changes that are giving a role to private firms such as Da Zhong Taxis are radically affecting the nature of public services.

Shanghai Transit has traditionally catered for the poor by rarely putting up fares - always a politically sensitive move that has required Beijing's approval. Since 1949, we have increased fares only three times," Says Li.

One way of increasing revenue without involving Beijing is the introduction of the new "special" routes, such as those secured in an auction early this year by Da Zhong Taxis.

"Twenty days after the auc-

tion our buses started the ser-

vice," says general manager Xu

taxis.

Xueguang proudly. The routes were in areas that previously had little public transport. Shanghai Transit failed to win any new lines.

Buses on these routes connect particularly busy places and make fewer stops, and, in what may be a sign of things to come, the fares are higher than normal, averaging two yuan - four times the maximum charged by Shanghai Transit. Throughout the city, there

are 2,616 buses on "special services". They account for 209 million passenger journeys, compared with Shanghai Transit's 5.3 billion, but the length of their routes is al ready up to one-third of Shanghai Transit's

Xu. a 48-year-old former dockworker, is keen to emphasise his company's social conscience. He says its bus operations are subsidised by its

"It was about time we gave something back to the community", he says. "We are not doing this to make a profit. We do it to accommodate the residents of the area.

"In this way we help promote the economic development of Shanghai. We are very concerned about our reputation in the city.' Xu proudly elaborates on

the extra services his company

currently provides, from free

transport for the sick to um-

brellas for pregnant women. But how long this generosity will last is debatable. In the future much will depend on what shareholders want - and they will expect Da Zhong

Taxis to behave like a company, not a charity. Xu makes it clear the company's strategy is to secure a foothold in the market and then expand: "This operation has only just started. Everything's very new for us. But I

expect we'll have 100 buses by the end of the year, and in the next five years we'll buy another 500. "We're not worried about profits. The market here is enormous and transport will be a most important element

in this society. We'll get a piece of the cake " - Gemini Exchange rate: \$1= 83

(Fons Tuinstra is a Dutch journalist based in Shanghai.)

To fulfil that dream - or, as many environmentalists see it,

that nightmare — car production over the next 15 years will have to rise from 1.3 million a year to 5.5 million, at which point output would be exceeded only by the United States and Japan. Officials see the car industry as central to China's ambi-

tious dash for growth, taking over from the priority given in previous years to bicycles. Bicycle production began after the Communist Party came to power in 1949, and within 40 years domestic sales

had reached 37 million - sur-

passing total worldwide car

sales.

Bikes are now the main form of transport in most Chinese cities, and Shanghai has seven million of them. It is not surprising that the city's 13 million residents, are more concerned with cycle lanes and bike-parking facilities than with future car jams. Forming a transport policy