

SANYO

Air Conditioners

Sole Distributor in Bangladesh

Transfin Trading Limited

100, Kazi Nazrul Islam Avenue, Dhaka-1215
Telephone: 815306-09, 819625-29, Fax: 819622

The Daily Star BUSINESS

DHAKA SATURDAY, JULY 6, 1996

**HYUNDAI**

CARS THAT MAKE SENSE

UNDP conference on energy collaboration in Stockholm

STOCKHOLM, July 5: Energy specialists and parliamentarians from India, Pakistan, Nepal and Bangladesh are meeting in Stockholm for a week-long conference on energy collaboration, the United Nations Development Programme (UNDP) said Thursday, reports AFP.

Among the projects to be discussed during the meeting which began July 3 and runs until July 9, are a possible natural gas pipeline from the Middle East to Pakistan and India energy efficiency and renewable energy, and air quality management UNDP Asia and Pacific representative Henning Karcher told AFP.

Water related issues may also be a discussed, he said. The conference supported by the UNDP and hosted by the Stockholm Environment Institute is taking place in the form of plenary discussions and working groups.

Recent political turmoil seen vital reason EPB fails to achieve export target in '95-96

By Govinda Shil

The Export Promotion Bureau has said the country's entire export activities have been disturbed due to past political stalemate.

In its Export Statistics of July-May period of 1995-96 financial year, the bureau said the export target of readymade garments, tea, frozen foods, handicrafts, leather products, nafta, furnace oil, bitumen and items under crush programme could not be achieved. Meanwhile, prices of some of the Bangladeshi products have increased in the international market.

According to the EPB statistics, the average price increase is 3.42 per cent. The prices of primary commodities increased by 9.40 per cent while its export fell by 14.04 per cent.

In the case of industrial products, the target was sur-

passed by 3.03 per cent. The export target for this sector was 2979.16 million dollars while the real export was 3069.47 million dollars.

For the primary products, the target was fixed at 504.17 million US dollars and real export at 433.36 million dollars. During July-May period, the export target for readymade garments was fixed at 1833.33 million dollars while it fetched 1742.50 million dollars showing a decline of 4.95 per cent.

The price of tea in the international market increased by 20.20 per cent while its export fell by 3.05 per cent. Its export target was fixed at 32.08 million dollars.

The price of leather products also increased in the international market by 8.87 per cent but its export declined by 5.31 per cent.

The statistics revealed that

USA was number one importer of Bangladeshi products which imported goods worth 1067.33 million dollars US imports constituted 30.47 per cent of the country's total exports.

The main items that were exported to USA are Shrimp (65.54 million dollars), jute yarn and twine (8.06 million dollars), readymade garments (778.77 million dollars), and knitwears (109.29 million dollars).

The United Kingdom ranked second in importing Bangladeshi products. It imported goods worth 382.99 million US dollars followed by Germany, 334.76 million US dollars.

Japan imported goods worth 108.24 million dollars while Bangladesh exported 64.64 million dollars worth of products to India.

Tk 30.92cr BAU budget announced

Bangladesh Agricultural University (BAU) has announced Tk. 30.92 crore budget for 1996-97 fiscal year with a revised budget of Tk 29.23 crore, reports UNB.

The budget, announced at a Finance Committee meeting with Vice Chancellor Prof Dr Shah Mohammad Farook in the chair on Sunday, was presented as per fixed ceiling of University Grants Commission (UGC) against Tk 38.30 crore.

Of the total budget, Tk 27.30 crore will come from government grants through University Grants Commission and Tk 1.60 crore from own resources and excess Tk 2.02 for covering the pension deficit.

In the recast allocation, Tk 21.60 crore will be spent for salary-allowance sector including pension, income tax, group insurance and recreation, Tk 4.50 crore for miscellaneous expenses, Tk 2.80 crore for education and Tk 2.02 crore for covering pension deficit.

Committee Secretary Treasurer M Idris Ali also presented the revised budget of Tk 29.23 crore against the demand of Tk 35.50 crore in the 1995-96 fiscal year.



British High Commissioner to Bangladesh Peter J. Fowler called on Commerce and Industries Minister Tofael Ahmed at his office on Thursday.

— PID photo

Farm sector needs support to compete global trade

The agriculture, which contributes 35 per cent to nation's GDP (Gross Domestic Product) and employs 66 per cent of manpower, warrants necessary support to cope with the competition in the international trade following the establishment of World Trade Organisation (WTO), reports BSS.

The WTO, which is the follow-up of the successful completion of Uruguay Round of GATT, has deemed to have eliminated the disparity that existed in marketing farm products globally and thereby opened up competition on equal footing, a seminar was told, Thursday.

Speaking at the seminar, Commerce Secretary Mofazzal Karim said being an LDC, Bangladesh as per Uruguay Round agreement is entitled to provide subsidy to all exportables to give encouragement. Bangladesh provides less than ten per cent of the subsidy which it is entitled to give to agriculture as per WTO, he pointed out.

Under prevailing market price, the government as per agreement can extend Taka 3150 crore per annum as subsidy to agriculture. Subsidy

worth Taka 430 crore was extended to agriculture during last fiscal year, he said adding that due to lack of own resources necessary fund could not be provided.

The seminar titled "Uruguay Round agreement on agriculture" and "Uruguay Round agreement on the application of sanitary and phytosanitary measures" was held Thursday at the Auditorium of Bangladesh Agricultural Research Council (BARC).

Organised by Commerce Ministry, the seminar dwelt on the effects and implications of those agreements on the economy of Bangladesh.

Split into two sessions, the seminar head the key note papers on the two subjects by Dr. Abul Kalam Azad of Chittagong University and a local consultant on the "Uruguay Round study project".

Agriculture Secretary M. Akhter Ali, presided over the inaugural session.

About one hundred representatives from relevant private and public sector agencies, academic, research and non-government organisations attended the day-long seminar.

Karim said support to agriculture could not be raised because of paucity of resources. In this context, he said "we should see seriously how to deprive maximum benefit from the rich and developed countries as per the provisions of the agreement."

Referring to agreement on the applications of sanitary and phytosanitary measures, the Commerce Secretary said like agriculture agreement, provisions of this can have serious implications on farm products particularly the exportables. Because of this agreement, export of shrimp could be seriously affected in the event of outbreak of any infectious disease in the country, he said adding this would seriously harm the economy.

The Commerce Secretary said there was no option but to implement WTO to ensure supply and price of meat, fish, vegetables and fruits. It is advisable to prevent outbreak of diseases at the beginning instead of spending resources to cure diseases, he added.

In his paper Dr Azad emphasised on directing resources at our disposal to increase agricultural production,

Economic development: Right battle, wrong enemy

Dr Shafi A Khaled

The Japanese, Taiwanese and South Korean experiences suggest that assimilation with the West by making major concessions of religious and cultural values is not a necessary condition of economic development. Their success was not of a Judeo-Christian origin as we often hear Western leaders extol regarding modern economic achievement.

Robert Fulghum, the celebrated author of *All I Really Need to Know I Learned in Kindergarten* (Willard Books, 1988), has noted that the tallest and strongest trees are those that have the deepest roots. History gives a sense of belonging, character and vision. An ahistorical society will suffer repeated internal conflicts with consequent wastage of resources as it tries to discover and establish some from

of common address for the majority of its citizens.

The Bangladeshi society may be fraying at the edges, but the power of its essentially monogamous, nonaddictive, kind, fair, respectful, responsible, cooperative and monotheistic value system is still pervasive. However, given the rapid degeneration now afoot, twenty years from now that may no longer be true.

As Dr Md Muqtada of the International Labour Organisation suggested to me many years ago, the problems of Bangladesh may be due more to the population explosion than to anything else. Dr Khandker Abdul Wahab of University of Wisconsin, La Crosse has some reservations about this. He thinks it is corruption that is

hurting us. May be it is corruption brought about in a situation of over population and poverty. Regardless, fingering the value system as a source of Bangladesh's problems is far fetched, quite out of line and patronising. This type of fault-finding is very fashionable and widely accepted in the western press and electronic media. However, this has happened in a vacuum of intellectual challenge. But there is a great amount of self correcting integrity in most of these Western institutions. Once they discover their mistakes they will rethink, rewrite and rebroadcast. For us, the harm may be severe if we act upon the insinuations of the misplaced analyses wafting in from the Far West. To attack Bangladesh's social integrity by openly undermining its value

system will continue to make Bangladesh an uncompetitive economy. A new and pronounced round of civil disorder is bound to take over.

Domestic and foreign investors will continue to keep their linkage with the economy to a minimum. There may exist political and international reasons and interested parties for launching attacks on Bangladesh's tradition, but there are no justifiable economic reasons for doing so. Undermining the traditional values that uphold social stability amidst poverty, corruption and abject failure of major governmental institutions is a wrong struggle to choose in our bid for economic emancipation. Moral reformers beware! "The path to hell is paved with good intentions."

Regional tourism body okays training plan

Plans to train over 4,000 trainers in the tourism industry of South Asia were approved by the Regional Tourism Human Resource Development Committee (RTHRDC) at its third regional workshop and meeting held in Kathmandu recently, says a press release.

Following the Regional Committee's decision, 190 trainer development courses for over 4,000 potential trainers in eight specialisations in hotel, catering services, travel and tour operations will be run in all seven SAARC countries.

These courses are organised within the framework of the South Asia Integrated

Tourism Human Resource Development Programme.

The SAITHRDP is a joint South Asia initiative supported by the European Commission. It aims to upgrade the quality of human resources in the region's tourism sector by developing the industry's capability to train its own workforce effectively and systematically.

Over the next two years, Trainer Development Programmes for the tourism sector will be offered to experienced personnel in the industry to upgrade their skills as trainers.

Some 600 candidates will be trained throughout Bangladesh in Dhaka, Chittagong, Rajshahi, and Sylhet commencing on the 21st July 1996.

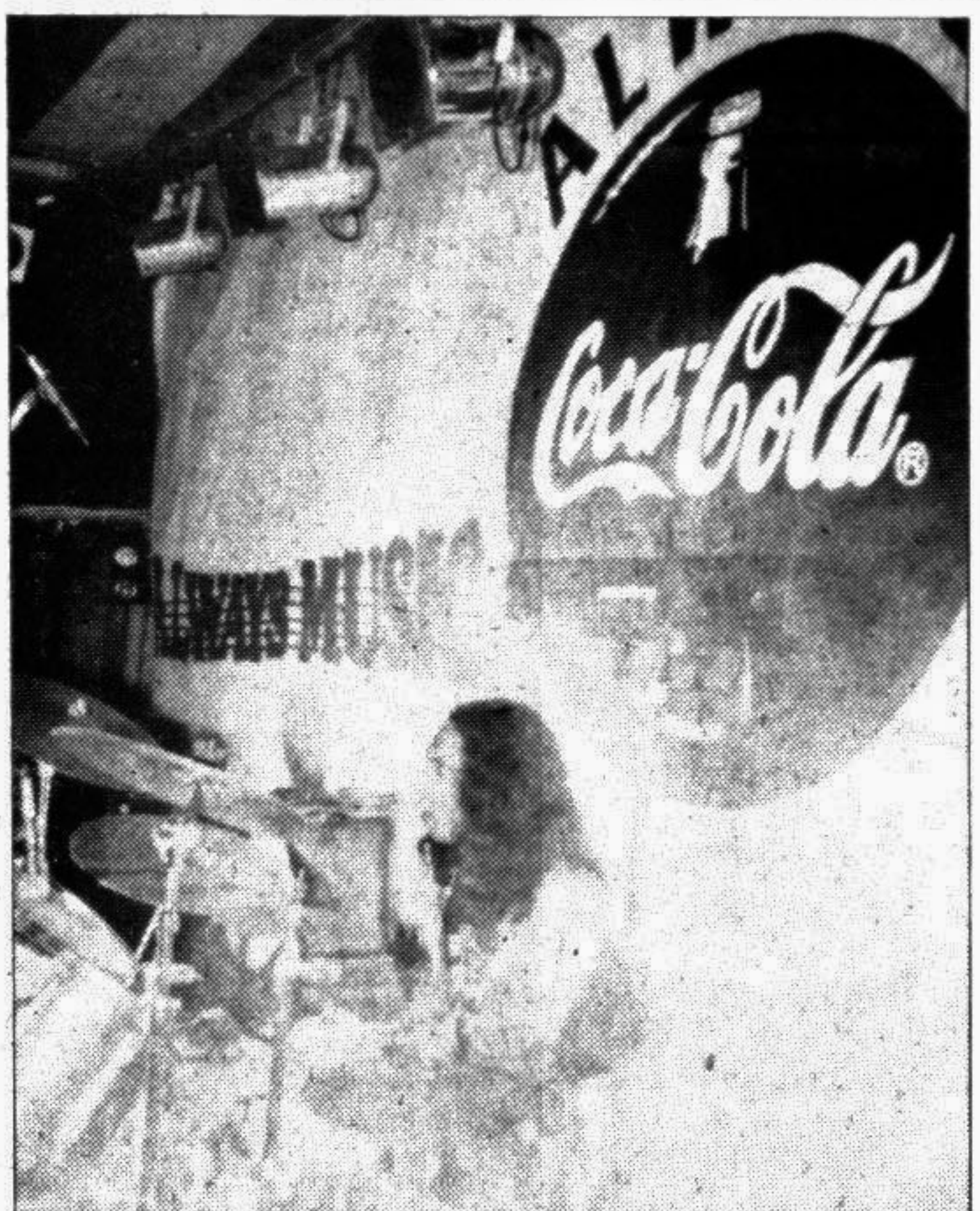
The Third Regional Workshop was inaugurated by Chakra Prasad Banstola, Minister of Tourism and Civil Aviation of Nepal.

The Bangladesh delegation was headed by Dr A K Abdul Mubin, Chairman, of Bangladesh Parjatan Corporation and National Chairman of the Bangladesh Tourism Human Resource Development Committee. Other representatives from the industry and the national project team attended the workshop.

Parbatipur Paura budget announced

DINAJPUR, July 5: Parbatipur Pourashava has announced a Taka 9.03 crore budget with a surplus of Taka 1.41 lakh for the 1996-97 fiscal, reports UNB.

Pourashava Chairman Abdul Wahab Sarker announced the budget at its office on Thursday.



A Coca-Cola sponsored band-show was performed by Souls in the Dhaka Medical College Hospital premises recently on the occasion of the prize-giving ceremony of the inter-Medical & Dental College cultural competition.

UN urged to finish vetting Iraq's food distribution plan

UNITED NATIONS, July 5: Despite US opposition, Iraq urged the United Nations on Tuesday to finish vetting Baghdad's plan for distributing food and medicine purchased with oil-for-food profits so it can resume oil exports, reports AP.

But UN officials, echoing the American position, said they have to make sure goods are distributed equitably among the people of Iraq, who are suffering from the effects of six years of international sanctions.

The United Nations must approve the distribution plan before Iraq can resume exporting oil under an agreement signed May 20. Iraq has been barred from selling oil under UN sanctions imposed following its 1990 invasion of Kuwait.

Under the UN deal, Iraq will be allowed to sell two billion US dollars worth of oil to buy food and medicine, subject to UN monitoring.

On Monday, the United States objected to Iraq's distribution plan saying Baghdad wanted to spend the oil profits on repairing infrastructure damaged in the Gulf War and to control the flow of food and medicine to opposition Kurds. Iraq denies it intends to use proceeds of the agreement for the military and accused the United States of trying to "poison the atmosphere" be-

tween the United Nations and Baghdad.

Iraq's deputy prime minister, Tariq Aziz, telephoned Secretary-General Boutros Boutros-Ghali in Geneva on Tuesday to explain his government's position on the dispute.

Boutros-Ghali asked the chairman of the UN committee that must approve the Iraqi plan, Chinmayan Gharekhan, to make every effort to find a solution. UN spokeswoman Therese Gastaut said in Geneva.

In New York, Qazi Fareed, a senior official at the UN Department of Humanitarian Affairs, discussed the UN's concerns with Iraqi envoy Abdul Amir al-Anbari on Tuesday. The Iraqis were anxious for the United Nations to give them the go-ahead for export because of Iraq's deterioration economic situation, Fareed said.

But the United Nations wants to ensure that goods purchased with oil revenues were distributed "in the name of humanitarian assistance" to the Iraqi people, he said.

UN diplomats said the Iraqi list of imports included computers, oil-drilling equipment, telecommunications equipment, spare parts and other supplies not authorised by the oil-for-food agreement.

Unemployed Serbians turn to smuggling

NIS, YUGOSLAVIA, July 5: This southern city is Serbia's main industrial center, but workers send their days standing around in huge factory halls, idly chatting with beer in hand. Inside the mills, machines are silent, rusty and old, reports AP.

It was not always so in Nis, which is pronounced "Neesh." In old Yugoslavia's communist federation, it was the pride of Serbian industry. Dozens of factories employed most of the adults among the city's 500,000 people.

Production has ground down from years of bad management and international sanctions imposed to pressure Serbia over the wars that followed the breakup of former Yugoslavia. Not only in Nis, but in most of Serbia, about half of Serbia's workers do not have jobs or are paid a minimum for doing nothing.

Even after the trade embargo was lifted last year, President Slobodan Milosevic and his government have done little to revive the economy. Whatever they do, they have little chance of reopening factories soon and calming workers whose rising anger could threaten Milosevic's rule.

"We are hungry, and our children are hungry," said Zorica Zeferovic, a worker in an electronics factory and mother of two daughters. She did not get her December salary of 104 dinars 200 dollars until May. Her husband,

an employee of another factory, got even less. "Something has to be done," she said.

The Zeferovics and other workers in Nis survive because many have relatives in nearby farm villages who supply them with food. And like everywhere in Serbia, the people in Nis turned to smuggling to obtain some essentials.

But smuggling also has added to the unrest. It has created a new class of wealthy those most adept at obtaining gasoline, arms and other strategic goods — creating widespread resentment among the vast majority who struggle to get by.

In May, the Zeferovics joined a week-long strike by 10,000 people demanding work, money and the ouster of factory managers. Similar protests occurred in Belgrade, Serbia's capital, and other cities. Teachers and medical workers joined in.

"We cannot go on like this anymore," Zeferovic said. "We waited for the sanctions to be lifted, and now we have nothing. We want changes."

The growing disenchantment could pose a threat to Milosevic, who has managed so far to deflect attention from the economy by paying off Serbians' solidarity with embattled ethnic Serbs in Croatia and Bosnia.

The government is trying to arrange badly needed loans for development. But the first round of talks with international lenders failed because of

Belgrade's insistence that the new, smaller Yugoslav federation it leads should inherit the former Yugoslavia's seat in world bodies plus all its money and other assets abroad.

The government is trying to arrange badly needed loans for development. But the first round of talks with international lenders failed because of Belgrade's insistence that the new, smaller Yugoslav federation it leads should inherit the former Yugoslavia's seat in world bodies plus all its money and other assets abroad.

Even with outside help, Serbia would face years of further economic pain while it restructured its industry as other former communist states in eastern Europe have.

Meanwhile, international officials trying to bring peace to Bosnia are increasingly frustrated that Radovan Karadzic, the Bosnian Serb leader who has been indicted by a UN tribunal for war crimes, remains free. There is talk of reimposing sanctions on Serbia to pressure Milosevic to use his influence to unseat his former ally.

That would be a further blow to Nis, which located close to Bulgaria, Greece and Turkey is ideally sited for producing goods for international trade.

When UN sanctions were imposed previously, that location made it easy for Nis to shift from being a center of industry to a center of smuggling.

The town's shops are jammed with food, cosmetics, clothes and stereos, and an underground shopping mall in the city center provides a 500-yard (meter) stretch of fancy boutiques and colourful stores.

But few people can afford any of that.

"They build boutiques instead of investing in factories," said one resident, Nevenka Kostic, angrily pointing at the shops. "Who is buying that?"

The answer is Nis' new rich, the successful smugglers who own business, villas and Western luxury cars — and maintain close ties to Milosevic's Socialist Party, the former Communists.

This, too, mirrors the situation in Serbia as a whole. For years, Nis was considered a Milosevic stronghold, and it was even nicknamed "Red Town" because of its support of the Communist Party.

But strikes and demonstrations signal that poverty and disparities in wealth may be cracking Milosevic's hold.

"The situation is catastrophic," said Risto Bukvic, an editor at independent television TV 5 in Nis. "Nothing is being produced, and people don't know what to do."

Zoran Kratic, employed by a machine tool plant, said his only wish is to work. "We belong in our factories, not on the black market," he said.

Japan to continue low interest rate regime

TOKYO, July 5: Bank of Japan Governor Yasuo Matsushita said yesterday the bank would focus monetary policy on enhancing conditions for a sustained recovery, indicating the low interest rate regime would continue, reports AFP.

The focus of our monetary policy is to enhance the environment for the economic recovery, and to assess (the emergence of) a self-generating recovery," Matsushita told a regular news conference.

Matsushita said he would "watch developments in the economy under the current stance," with policy aimed at enabling the economy to move to self-generating recovery.

He said the recovery is about to spread into broader sectors on the back of progress in structural adjustment and he saw "increasingly bright factors for a self-generated recovery, although the tempo has been modest."

Matsushita said the economy needed "further broadening (of the recovery) to enter into a self-generating recovery cycle."

He said reports by central bank branch managers at this week's quarterly branch managers meeting "endorse the assessment that the economy is recovering modestly."

The Bank of Japan cut its key discount rate to a record low 0.50 per cent in September,

with foreign exchange market players engaging in speculation that the bank would soon move away from its easy monetary stance as the Japanese economic recovery took hold referring to the latest rise in the dollar, which broke above 110 yen in trading here late Tuesday for the first time in 29 months, Matsushita said the dollar-yen rate is moving "in the trend expected by the G-7 (Group of Seven)."

Latin American ministers meet to discuss hunger, malnutrition

ASUNCION, July 5: A meeting of Latin American agriculture ministers opened here Thursday with a call for "an all out war on hunger and malnutrition," reports AFP.

Food and Agriculture Organisation (FAO) Director Jacques Diouf told participants "imagination, valor, patience, and tenacity" as well as a mobilisation "in the history of humanity will be needed to end the problem of hunger."

He said that while there was enough food for everybody in the world, its distribution was "terribly unequal."



Nasir A. Choudhuri, Managing Director of Green Delta Insurance Company Ltd, replying to the questions of the shareholders at the company's 10th annual general meeting held at a city hotel on Thursday. Shafat Ahmed Chaudhuri, Chairman of the company, seen on his right.