



Nasim tells seminar Govt committed to alleviate poverty from society

Post and Telecommunications Minister Mohammad Nasim has said the government is committed to alleviate poverty from society and to create job opportunities for the unemployed by implementing self-employment projects, reports BSS.

The minister was addressing a seminar on "Create job, alleviate poverty" at the Dhaka Chamber of Commerce and Industry auditorium Thursday organised by Lions Clubs International District 315 A.

Chairman of Economics Department of Dhaka University Prof. Dr. Zuhur Hogue presented the key note paper at the seminar while Lions Mahbub Ahmad Shahid, Syed Nasir Hossain, Laila Matin, Khan-dakar Abdus Salam, Sheikh Mujibur Rahman and Lions District Governor M A Jallil took part in the discussion.

The minister said, "we have to educate our people for eradicating poverty".

He said, though Malaysia, Singapore and India have no natural resources like ours, nevertheless they have become the model of development in the world.

He called upon the business community and non-government organisation to come forward with concrete programme to remove poverty from the society.

WB chief announces accord on closing US payment gap

WASHINGTON, Oct 4: The United States has agreed to a formula for eliminating America's arrears to the World Bank agency that lends money to the poorest nations, the bank's president said Thursday, reports AP.

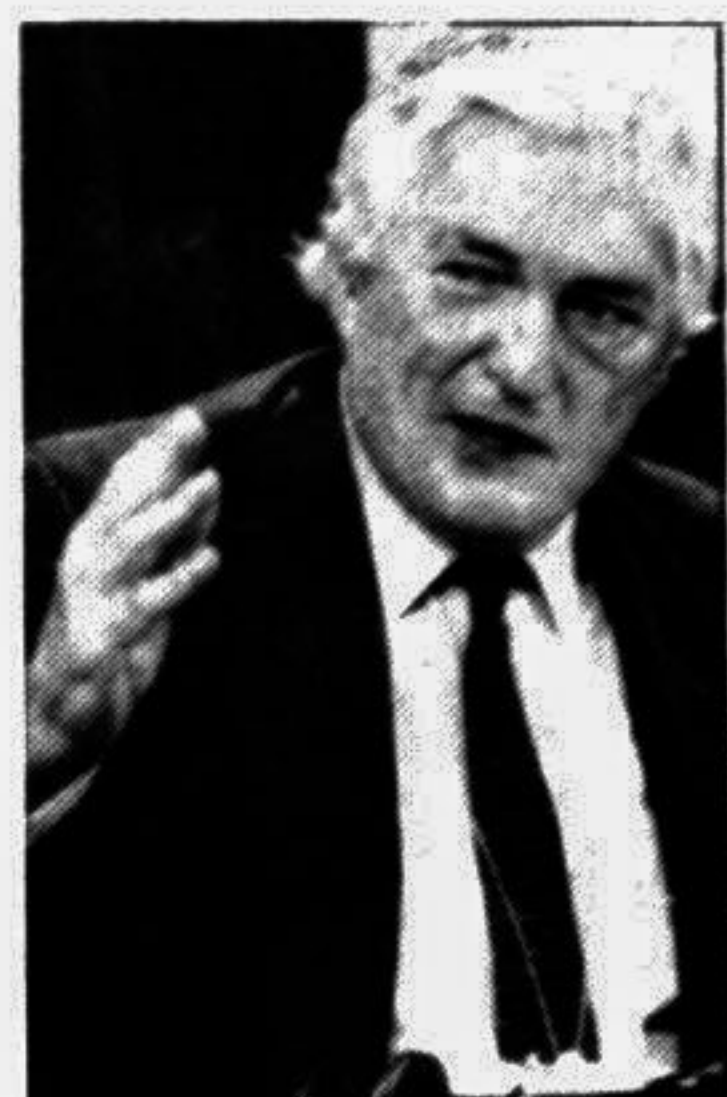
US companies are banned from participating in aid projects for countries that the International Development Association finances until the United States brings its payment schedule up to date. It owes \$35 million dollars.

Congress which has sharply cut US contributions to international lending institutions such as the World Bank, has demanded that Treasury Secretary Robert Rubin report regularly on his efforts to get the ban lifted.

James D. Wolfensohn, the World Bank president, told a news conference on the last day of the bank's annual meeting that a US decision to pay 700 million dollars of the \$35 million dollar it owes the International Development Association means its accounts will soon be current.

The United States and other donor countries reached agreement on how this

(shortfall of 235 million dollars) was to be made up," he said. "So the United States is virtually current or will be by next March."



James D. Wolfensohn

Countries must have average annual incomes of no more than \$905 dollar a year to receive IDA loans, which are low-inter-

est with easy repayment conditions. The average annual incomes of recipient countries is 400 dollars.

Wolfensohn said contributions to the IDA's goal of raising 22 billion dollar over the next three years to replenish its funds are voluntary and some European nations have made only token contributions.

Additionally, he said, European donors are saying the fund's future will be in doubt unless Washington pays what it owes and puts in new money.

The United States is the largest single contributor to the IDA with 22 billion dollars in contributions since the agency was established in 1960.

Emerging Markets, a daily newspaper of the bank meeting, reported that bank official Eveline Herfkens expressed irritation over US requests "special understanding" of its budgetary situation.

"The American Congress should understand that the elected representatives of the Netherlands, Britain and other countries don't understand why they should foot the bill for America, which is a far richer country," she told the newspaper.

SEC body to remove problems of odd-lot shares

A four-member committee, headed by Dr A K M Shahab Alam, member of the Securities and Exchange Commission (SEC) has been formed to remove the problems of odd-lot shares to trade on the stock exchanges floors, reports BSS.

The other members of the committee are: Chairman of the Dhaka Stock Exchange (DSE) Imtiaz Hossain, former DSE chairman and councillor Khwaja Abdul Quddus and executive director of SEC Nowsher Ali, official sources said in Dhaka.

The committee will also look into the split problems of big lot of shares of different companies by the investors.

The SEC sources said hundreds of investors are facing problems on trading of odd-lot shares, issued by different securities following the proportionate allotment during the initial primary offerings (IPO).

The number of odd lot has been increasing rapidly in the recent days.

The SEC source said "Share is share whether it is market lot or odd lot."

\$ 1.2 b investment planned to build undersea cable highway

SINGAPORE, Oct 4: Telecoms administrators from Southeast Asia, the Middle East and western Europe will invest 1.2 billion US dollars to build an undersea cable highway, Singapore Telecommunications Ltd. said yesterday, reports AFP.

The investment was finalised at a meeting of 78 leading telecoms administrators here last week, the company said.

The main supply contracts are expected to be awarded within the next three months and the construction and maintenance agreement will be signed in early January 1997, a Singapore telecom statement said.

It added that the 30,000-kilometre (18,750-mile) long submarine cable system — called Sea-Me-We3 — is expected to carry commercial traffic by December 1998.

The cable network, linking the Pacific rim, Southwest Asia, the Middle East and the western Europe, will adopt the latest digital technology to launch innovative, high-speed broadband services including high-definition television.

It will connect Britain, France, Portugal, Morocco, Italy, Greece, Turkey, Cyprus, Egypt, Saudi Arabia, Djibouti, Oman, the United Arab Emirates, Pakistan, India, Sri Lanka, Thailand, Indonesia, Singapore, Malaysia, Burma, Brunei, Vietnam, the Philippines, Macau, Hong Kong, Korea, Japan, and parts of China.

'Transforming East Germany into a market economy will take years'

BONN, Oct 4: On the sixth anniversary of German Unification, Chancellor Helmut Kohl said it will take years before the job of transforming the formerly communist east into a healthy market economy is completed, reports AP.

In a televised address broadcast Wednesday night, Kohl said much had been achieved since Oct 3, 1990, when the two Germanys officially became one.

"Our common achievement in building up the new (eastern) states are recognised and admired around the world," he said. Yet everybody knows, he added, that much work remains to be done in unified Germany.

After a couple boom years following unification, the east German economy has been dragging of late. Bankruptcies have soared and unemployment in some areas is nearly 20 per cent — twice the national rate.

Kohl said the rebuilding of eastern Germany will take years and demand great efforts.

'Pakistan needs to take decisive steps to stabilise economy'

WASHINGTON, Oct 4: Pakistan needs to take decisive measures to stabilise its economy, a senior International Monetary Fund official said on Thursday.

"There is a need for a decisive set of measures to be implemented by the government," IMF First Deputy Managing Director Stanley Fischer told Reuters. "That is what we're looking for."

Fischer was to meet in New York on Thursday with Pakistani Prime Minister Benazir Bhutto to discuss what needed to be done and the possibility of the IMF sending a mission to

Pakistan to work out an economic plan with her government.

The IMF withheld an 80 million dollar tranche due to June, and part of a 600 million dollar standby loan, pending a review of Pakistan's 1996-97 budget. Last year, it stopped a 1.5 billion dollar enhanced structural adjustment facility because the government had missed agreed targets.

"We'll see whether the government can implement the policies needed to stabilise the situation," Fischer said.

On Wednesday, Bhutto's financial adviser, V A Jafarey,

told the annual IMF/World Bank meeting that Pakistan was determined to restore its relationship with the two institutions and pledged to press on with economic reforms.

Bhutto is also slated to meet World Bank President James Wolfensohn on Thursday. Wolfensohn who is flying to New York for the meeting, termed the get-together a "courtesy call."

The World Bank has in the past criticised Pakistan for not reducing its debt fast enough and voiced concern over the size of its military spending.

Kuwait okays '96-97 \$4b deficit budget

KUWAIT CITY, Oct 4: The Kuwaiti parliament unanimously approved the 1996-97 state budget on Tuesday showing a net deficit of more than four billion dollars as many MPs prepared to face voters in less than a week, reports AFP.

The budget forecasts spending for the 12 months that started on July 1 this year of 4.21 billion dinars (14 billion dollars), while revenues were set at three billion dinars (10 billion dollars).

The net deficit was 1.21 billion dinars (four billion dollars), 25 per cent lower than a year earlier. This does not include an allocation of 300 million dinars (one billion dollars) to the reserve fund for future generations (RFFG).

Members of the 50-seat national assembly voted unanimously to pass the budget, but in the last working session before many faced voters they criticised the government for not doing enough to balance the books.

"We have eaten our future reserves, there is only a little left, and it is being eroded," said veteran leftist MP Ahmad Al-Khatib in his last address to parliament before the polls on October 7.

"I do not see on the horizon a serious policy to deal with this catastrophe," said Khateeb, adding that he hoped the next parliament, which he will not be joining, would work to correct the imbalance.

Rothman said the deficit is structural, and that it was being tackled. "The government was successful in stopping the increase in the budget deficit," he said.

The government has been running a deficit of more than one billion dinars (3.3 billion dollars) since 1991 after the Iraqi occupation, and finances it with income from investments held abroad, such as the RFFG and the general reserve fund.

Forecast revenues for 1996-97 of three billion dinars, mostly come from oil earnings of 2.56 billion dinars (nine billion dollars), which are based on a very conservative estimated crude price of 13 dollars a barrel.

Fire damages power plant in Havana

MEXICO CITY, Oct 4: A large fire damaged a power plant in the Cuban capital of Havana, cutting off power to much of the city Thursday, a Cuban government news agency reported. There were no reports of injuries, reports AP.

The fire broke out at about 11 am in the Tallapiedra plant in the port area of Havana, sending black clouds of smoke over the capital.

The Prensa Latina news agency said it was controlled three hours later, but early Thursday evening, power was still out in many parts of the city.

Prensa Latina initially quoted officials as saying the fire began with the explosion of a generator. But later accounts said it started in an area where lubricants were stored.

The blaze could set back efforts to reduce power outages that have plagued Cuba since the collapse of Cuba's socialist trading partners sent the economy into a tailspin.

The fire was serious enough that several senior officials came to the scene, including Interior Minister Abelardo Colome Ibarra and Health Minister Carlos Dotoreas, as well as Havana Mayor Conrado Martinez, according to Prensa Latina.

Police evacuated the heavily populated area around the plant and power was cut to wide swaths of the city of more than 2 million people.

The rise of oil prices this year had led to fears that the government might have to increase periods of electrical blackouts. Such outages were common two years ago, but had been reduced by improved oil supplies and efforts to improve efficiency of electricity use.

US minimum wage rises to \$ 4.75

WASHINGTON, Oct 4: Nearly 4 million American workers are getting a pay raise Tuesday, reports AP.

The minimum wage rises 50 cents to 4.75 dollars an hour, the first of two increases enacted by a sharply divided Congress that will boost it to 5.15 dollar an hour next Sept. 1.

The 90-cent raise means an additional 1,800 dollars annually for a full-time worker. The last increase, 45 cents, was in April 1991.

"The minimum wage is not going to cure poverty in one fell swoop," Labour Secretary Robert Reich said in an interview. "But clearly this is a major step forward for hard-working people at the bottom rung of our economy."

The Bureau of Labour Statistics said 3.66 million hourly workers earn at or below the current minimum.

Congress enacted the increase on Aug. 2 — a rare Democratic legislative victory during 20 months of Republican control that came only with the help of Republican moderates.

Conservative Republicans argued vehemently that raising the minimum wage would price many entry-level jobs out of market.

Democrats said if the wage was not increased, its inflation-adjusted value would fall to a 40-year low by January. They said passage would lift 300,000 people out of poverty.

In the end, the legislation included a 2.1 billion dollars package of tax cuts over 10 years, mollifying conservatives and their small-business backers, who are getting more generous equipment write-offs and a new type of pension plan for companies employing 100 or fewer workers.



Mohammed Yunus, Vice Chairman of the Board of Directors of Islami Bank Bangladesh Limited, distributing certificates as chief guest at the closing session of 15-day long training course for the asst. officer grade-III of the bank organised by Islami Bank Training and Research Academy on Monday.

BEIJING, Oct 4: The vice chairwoman of China's parliament has asked the nation's farmers think about flowers.

Chen Muhua, of the National People's Congress, told a conference Thursday in Beijing that mass production and sale of flowers was "an efficient way to increase farmers income," the China Daily said Friday.

Citing the Netherlands and Columbia, the world's top two flower exporters, as examples, Chen called for the introduction of advanced technology and management expertise from abroad, the newspaper said.

According to a development plan discussed at the meeting, China will increase the amount of land cultivated with flowers and plants to 100,000 hectares (247,000 acres) by 2000, up from last year's 75,000 hectares (185,250 acres), the newspaper said.

But China only exported 67 million dollars worth of flowers and plants last year, compared to US 4 billion in exports by the Netherlands, which cultivated just 7,000 hectares (17,290 acres), the newspaper said.

to-8.5 per cent range the government is seeking.

The Philippine central bank said Friday it still sees average inflation this year coming in toward the higher end of government's target range.

The central bank's director for research, Diwa Guinigundo, termed September's inflation performance "very welcome."

TOKYO: Nissho Iwai Corp. and Itochu Corp. two leading Japanese trading houses, will join hands with Hong Kong's Ever Gain Corp. to build a 43 billion-yen (386 million dollars) storage facility on Hong Kong's Kowloon Peninsula, officials from the Japanese companies said Friday.

Construction of the 29-story building is scheduled to be completed by March 1998, the company officials said.

Bangladesh: Foreign Policy, Challenges & Opportunities



Abul Hasan Chowdhury, State Minister for Foreign Affairs, speaking at a national seminar on 'Bangladesh Foreign Policy, Challenges & Opportunities' organised by the Bangladesh Institute of International and Strategic Studies (BIISS) in the city on Thursday.

Flower business blossoms in Bangladesh

The capital city may not have many gardens, but flowers are in plenty. Flowers are splashing colour and spraying fragrance to the dull urban life. They bring money too. Flower growing is becoming commercialised and its use is no more confined to special occasions.

"Flowers are no more an affair of love and romance. It's a business too," said Ataur Rahman, a flower trader.

The growing business has provided employment to thousands of people, while it rescued many poor women and children from ruin.

Consider the change in the life of Halima, a poor woman in her thirties who now sells flowers at street corners and traffic light points.

Not long ago, Halima, mother of three children, was a happy housewife. One day her husband disappeared deserting her with the children. Misguided by some neighbours in her slum she landed herself into prostitution. Disgusted with her own life, Halima only a few months ago decided to live with a decent profession. One afternoon she met with a good neighbour who presented her a bunch of rajanigandha flowers and said, "go and sell them."

"Since then I've been selling flowers," said Halima who mainly approaches the car-driving commuters who stops at traffic light or at petrol pump stations.

"I now feel better," said a smiling Halima, who also brought her children in the part-time job besides sending them to school. Others feel better too. Those who grow flowers commercially, those who sell them at street corner shops and those who want to say it with flowers.

The business is growing so

fast that small traders compete with each other for a space along the pavements. Hundreds of flower shops have now sprung up across the city. One does not have to worry about flowers to celebrate birth day and wedding ceremonies or other functions. Previously, flowers were available only in a few pockets of the city, mainly the High Court gate.

"It's now a billion taka business. It's really amazing," said a businessman who estimates that Dhaka city has now more than 200 flower shops in addition to many small vendors.

The daily turnover of these flower emporium, mostly established in early 90s, is about Taka 10,00,000. Besides, a number of street corner shops, some in well-equipped air-conditioned rooms and some on the pavements, were set up to meet the increasing demand.

But the growth is not enough. The business is still small. The production is far shy of even the local demand. As a result flowers are still being smuggled into the country from India, a country which has started exporting flowers. Bangladesh's potentials for export can not be explored because production is low.

Bangladesh's climate and soil is ideal for flower growing. But growers feel discouraged because they hardly get any support from the government.

At present, flowers are mostly grown in Jessore, Faridpur, Kushtia and Savar. The flowers which are now available in the city markets are tuberoses, various species of roses and curling.

"I took flowering just as a good hobby. We have now discovered its economic potentials," said florist Mohammad Malek, owner of two shops, calling for support from the government in expansion of the

flower farming and trade. Flower is now a 25 billion US dollars a year business in the world. Unfortunately, Bangladesh with all US dollars its farming potential is yet to have a share in the trade.

Although Bangladeshi flowers, specially tuberoses and red roses, could have created demands in the international market. Sincere initiatives are yet to be there.

"The neighbouring India earns 2500 crore rupees a year from flower exports. Bangladesh having similar climatic conditions has a great opportunity to earn huge amount of foreign exchange from this sector," said Ataur Rahman, Executive Director of Gano Unnayan Prochesta (GUP).

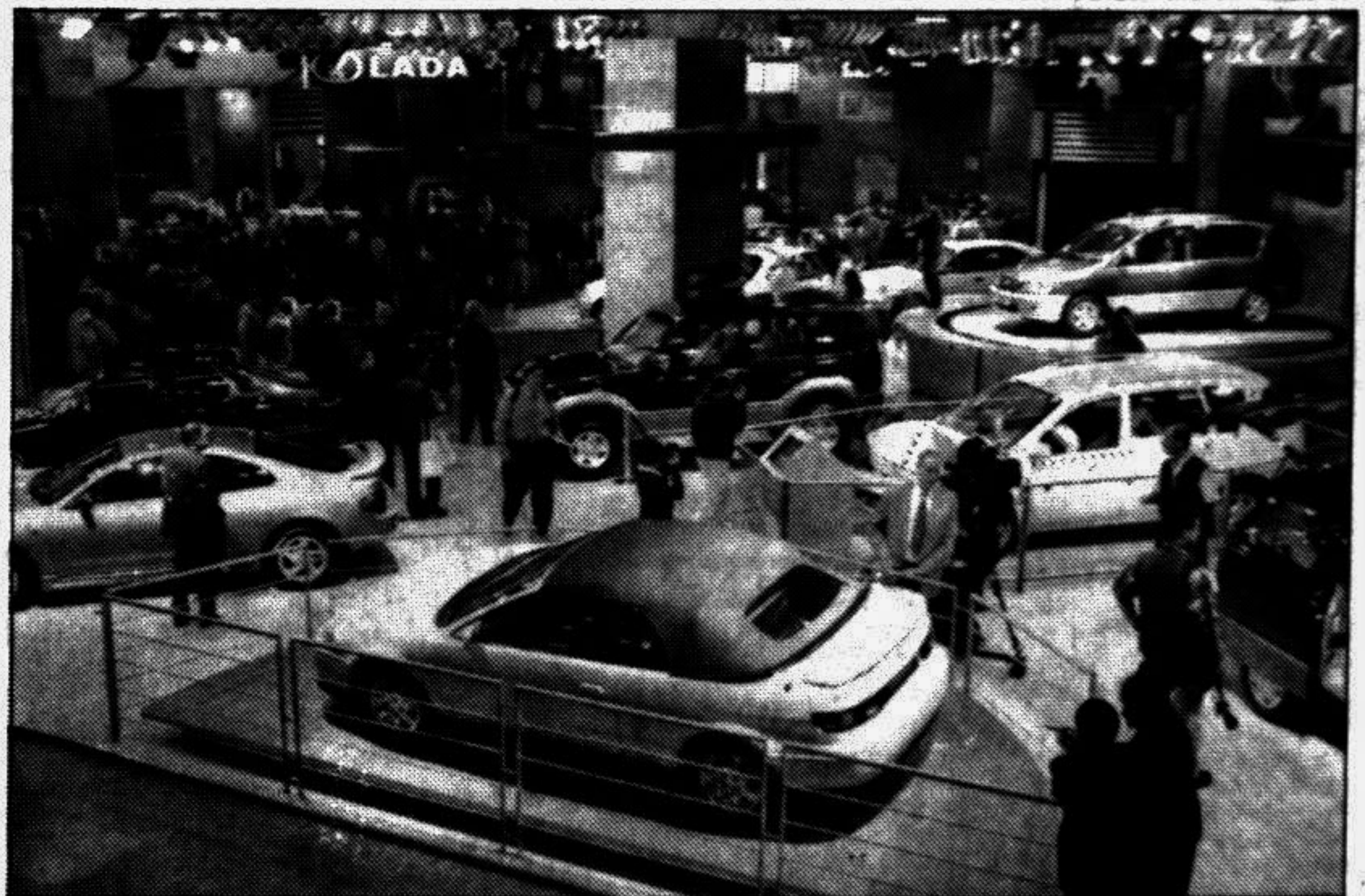
GUP is the first organisation which took initiative to cultivate flowers commercially in 1973-74. It started marketing flowers, produced in its garden "Peace Centre," situated at Khatia, Rajoir in Madaripur, from 1979-80.

Rahman, citing his experience, said a farmer can easily earn seven thousand taka by cultivating flowers on one bigha of land.

GUP trained a good number of florists and created a fund of Taka 10 lakh from business of flower growth in its own farm. The fund is used for a scholarship programme for poor but meritorious students.

"I saw young people selling Bangladeshi tuberoses in Nepal. Our flower can easily penetrate the international market. What we need is an initiative from both the government and the private sector," said Ataur Rahman.

May be it will not be long before that initiative starts flowering.



View over the Toyota section of the Paris Motor Show on Wednesday, which started Thursday. A main attraction of the show is the 'concept car', the prototypes used to test customer reactions in designing the car of the future.

BANGKOK: Despite international criticism of Burma's human rights violations, advertising agencies are bullish on long-term prospects there and some multinationals have already moved in. The Nation said Friday.

Among those already in the market are McCann Erickson, Bates Myanmar, the leading Thai agency Spa and three Singapore agencies, the Bangkok newspaper said.

"The market is changing rapidly and if anybody is adopting a wait-and-see attitude and is reluctant to come, he will lose an opportunity," the managing director of Myanmar Spa Today Advertising Ltd. Aung Tun, was quoted as saying.

The sole, state-run television channel and newspapers are the most popular media outlets for advertisers, he said.

HANOI: More than two billion dollars may soon be available for urban development and planning in the Vietnamese capital through a series of foreign investment projects, a newspaper reported Friday.

'Iraqi oil sale likely by end of year'

GENEVA, Oct 4: The United Nations hopes to approve Iraqi oil-for-food sales "in a matter of weeks," after the setback caused by Iraqi military deployment, a senior official said Monday, reports AP.

Yasushi Akashi, undersecretary-general for humanitarian affairs, said Secretary-General Boutros Boutros-Ghali was "almost ready" to approve the sale when the Iraqi military intervened in Kurdish fighting in northern Iraq a month ago.

The United Nations has been considering whether to allow Iraq to sell 2 billion dollars worth of oil for six months to buy food and medicine for Iraqis suffering under sanctions imposed after Iraq invaded Kuwait in 1990.