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Africa looks to booming economies of Southeast Asia

UNITED NATIONS, Oct 5: African countries are looking to the booming economies of Southeast Asia as both a model and an inspiration for industrialisation on the world's least developed continent, reports AP.

African officials plan to meet Oct. 23 in the Ivory Coast capital Abidjan to launch the African Industrial Alliance to coordinate industrial development.

Their aim is to coordinate industrialisation programmes and encourage foreign investors and financial institutions to join building industries to process African Agricultural products for export.

"We need to have a long term programme of industrialisation in Africa as has been going on in Southeast Asia," Prime Minister Daniel Kablan Duncan of the Ivory Coast said. "African countries have to become export oriented" like Asian "Tiger" economies.

That will be a formidable task. The United Nations estimates that 54 per cent of Africa's people live in absolute poverty.

Despite enormous resources, all but two of the world's 25 least developed countries are in Africa, according to the UN Development Programme.

But the International Monetary Fund predicts Africa's overall Gross Domestic Product will grow by five per cent this year, an increase of 0.5 per cent from 1995.

"It's a beginning," Duncan said in an interview with the Associated Press. "What has been done in Asia could be an example for Africa because if you go back 30 years, see what Asia was like then and see where they are now."

To follow Asia's lead, Duncan said African countries must identify areas where they could become competitive and "become more export oriented." He said they also need to improve savings rates and establish sound financial institutions such as bond and stock markets.

Duncan said the African Industrial Alliance hopes to coordinate national industrial development programmes and encourage partnerships between governments and private investors.

"To have a long-term development and sustained development in Africa, we have to industrialize," Duncan said. "Agriculture is good for self sufficiency. But as everyone knows, there are fluctuations in prices of commodities on foreign markets."

He said the medium-term goal would be to use foreign investor capital to build factories to process locally grown agricultural products and export them to markets in Europe and elsewhere.

"The main objective is to try to tap the international market," he said. "Most African countries don't have enough people, so the domestic market is not sufficient. We have to reach the African market as a whole and also the global market."

"Many of the African countries produce the same products. So to minimize national rivalries, the United Nations Industrial Development Organization, which is providing expertise, hopes to encourage joint ventures so different nations can share in markets.

"That is why we will have this meeting, to see how we can share," he said. "We favour a common approach to see where each (country) is more competitive and find a solution. Maybe we can have joint ventures to have one plant working for more countries, rather than each having his own plant."

Duncan cited the example of a regional stock exchange which is to begin operating next year in Abidjan. Seven countries of the Economic Community of West African States plan to take part in the exchange.

"If everyone has his won policy, it will be difficult to develop," he said. "We want a common approach, to see where certain countries can be more competitive, and then find a common approach to development."

Hundred days of Sheikh Hasina's govt

Much more remains to be done for a robust economy: Experts

The new government's pro business stand, dispelling doubts about its ultimate economic agenda has been widely acclaimed, but some of its decisions soon after assuming power also sparked a wave of criticism.

Leading businessman and economists interviewed by UNB on the government's completion of hundred days in power noted that the administration of Sheikh Hasina achieved much in a short period, but much more remains to be done for a robust economy.

Presenting a budget within five weeks of assumption of power prioritising the neglected agriculture sector, facing the first aid group meeting in Paris successfully and taking measures to reactivate some key agencies towards attracting foreign private capital are the laudable steps.

Re establishing confidence of the general people is seen as the biggest success of the government and its reflection is the booming capital market where the key indictors have been creating records almost every day.

The government deserves legitimate credit for decisions like electing a neutral person as the country's next president, ensuring transparency in decision-making in allotments and major tenders, allowing private EPZs, supporting private sector for economic development and giving priority to infrastructural development and legal reforms.

"These decisions have given positive signals and started the process of improvement of the country's image," said Samson H Chowdhury, President of the Metropolitan Chamber of Commerce and Industry.

But some of the recent moves by the government, particularly about a central bank official, have created confusions and generally perceived by the business community and economists as not conducive to congenial economic environment.

The recent dismissal of Bangladesh Bank Deputy Governor Mahbubur Rahman Khan and placing him as OSD (officer on special duty) in the Banking Division was seen as a serious mistake on the part of the Finance Minister in handling banking affairs.

Shah AMS Kibria defended his action against Khan as a move to protect the interest of the country, but later news reports reveal that the allegations, which have been brought against the deputy governor, were not entirely correct.

"He (Kibria) has just made a blunder, he has embarrassed the entire government," said economist Dr Atiur Rahman. "The move has shaken to some extent the stability in the Banking circle — bankers have become shaky in going ahead with innovative ideas."

Noting that the action could cause "serious damage in banking circle," Prof Muzaffar Ahmed identified it as a "bureaucratic approach" towards resolving a problem "which seems that the finance minister acts on hearsay."

"The finance minister is yet to prove that he knows his job, although a hundred days is too early to reach a conclusion," said the professor of the Dhaka University's Institute of Business Administration.

The MCCI president said the general feeling is that "misuse of banking sector of corruption ought to be dealt with through the requisite legal process so that these do not appear to be politically motivated."

Credit goes to the finance minister for presenting the budget in a short period, but a clear-cut mechanism to achieve the targets and objectives of the budget is missing," said Prof Muzaffar Ahmed.

Dr Atiur Rahman viewed that the subsidy in the agriculture sector would not work if the fund was channeled to the individual level. He suggested that the subsidy should go to the organisational level to really benefit the farmers.

About the increased allocation of funds to the sector through the annual development plan (ADP), Dr Rahman questioned if the increased expenditure was reaching the target group.

He observed that a monitoring mechanism should be developed to see the performance of different sectors which use public resources, and said the government should be decentralised with the share of 50 per cent of the budgetary allocations.

Both the economists and the businessman see the prevailing law and order situation "a great threat" to business and increased investment as the government could achieve very little success in curbing terrorism and extortion.

"An all-round improvement in law and order situation is a fundamental issue which will determine economic performance," said Samson Chowdhury, noting that the situation was yet to improve up to the desired level.

Dr Atiur Rahman, however, observed that the government programme for improving law and order could not be a total success as what he said the opposition did not provide proper support to the government. "It was not expected from an opposition which was in power."

But Prof Muzaffar Ahmed questioned the sincerity of the government in tackling the problem. "Is there any blue print? Why they seek cooperation from the opposition? Why they can't go to community people?"

He said a policy to handle the issue is absent and "possibly the government approach is not well-thought, rather it is responding on an ad-hoc basis as done by the previous government."

Dr Atiur Rahman echoed the same sentiment, saying that instead of responding on ad-hoc basis, the government should have a well-thought plan — from an Independent National Development Commission — setting the priorities.

About foreign investment, he said the government has moved out to attract foreign private capital, but until and unless the local investors come forward, foreign investment will remain in bay.

"The barometre is that whether your own people are investing or not," Dr Atiur Rahman said, calling for creating an environment conducive to investment by the local investors first. "But I think the local investors are not still confident of the political stability."

He observed that the opposition was not playing its due role in stimulating investment in the country while the government has failed to develop a working relationship with the opposition parties.

But Prof Muzaffar Ahmed viewed that the opposition would not go for serious agitation unless they get proper signal from their mentors and also as both Awami League and BNP are dependent on "same foreign influence."

Devaluation is the subject that came up for discussion during last three months as the exporters, mainly of readymade garments, have been complaining that they were fast losing competitiveness due to massive downward adjustment of the taka.

The Awami League government devalued the local currency four times against the greenback in last three months following the trend set by the past BNP government in September last year. Since then taka was devalued 10 times.

Dr Atiur Rahman said it was imperative after the Indian authorities had devalued their currency, but noted that it would work much as the country's export is dependent on imports.

Prof Muzaffar Ahmed, however, felt that "our devaluation should have been bigger" than that of India.

He also noted that nothing positively happened from the recent round of trade negotiation with India. The important subject is to shift a large volume of trade from "non-legal channel" to legal channel.

The IBA professor also called for resolving the water sharing problem with India on the basis of "basis-wise solution."

Establishing good governance remains the main challenge before the government which already pledged to reform the administration and the judiciary, and decentralise the power-base to empower the grass-root level people."

Samson Chowdhury recognised the election of a neutral person as the next president and offering the chairs of parliamentary standing committees to opposition political parties a move to improve the political environment in the country.

He said: "It has been seen time and again all over the world that a conducive political climate is essential for economic development and in the ultimate analysis, helps the government in power."

But Prof Muzaffar Ahmed feared that the government has already fallen victim to the "process of being alienated from the people" as evident from different incidents.

On privatisation, the IBA professor suggested that the government's approach should be changed and said the profit-making state-own enterprises be sold out first to make the programme a success.

He also called for giving further attention to the agriculture sector. "I don't know of any economy which experienced a breakthrough without agriculture, it is more important for Bangladesh economy as still three-fourths of the people here are dependent on agriculture."

Emirates appoints manager for Malaysia

Emirates has appointed Alban Lee as the airline's Manager in Malaysia, in preparation for the launch of new services into the capital Kuala Lumpur in October, says a press release.

Lee, who has 23 years' experience in commercial aviation and the travel industry in Malaysia, was most recently the Assistant General Manager for Maple Travel, Emirates General Sales Agent in Malaysia.

Born, raised and educated in Taiping, Perak, in Peninsular Malaysia, Lee has been marketing Emirates in Malaysia since 1991, when Maple Travel secured the GSA contract for Emirates.

Lee's airline career began in 1973 with Malaysian Airline System, with which he worked for 10 years. He then switched over to the travel agency business, and has played an instrumental role in building the awareness and establishing a market base for Emirates in Malaysia.

Lee will be responsible for the airline's sales, marketing and operations in West and East Malaysia.

Emirates commences thrice weekly flights to Kuala Lumpur from October 27. The fights, routed via Dhaka, Bangladesh, will be operated with Airbus A300-600R every Tuesday, Thursday and Sunday.

BNP Chairperson and Leader of the Opposition in Parliament Begum Khaleda Zia at the concluding ceremony of BATEXPO '96 at Hotel Sonargaon yesterday. BGMEA President Redwan Ahmed (L), also seen in the picture among others. —Star photo

Course on BINA crops ends

MYMENSINGH, Oct 5: A four-day training course on the "high yielding variety crops and the technology" invented by the Bangladesh Institute of Nuclear Agriculture, BINA, concluded here on Monday, reports UNB.

Director General of BINA, Dr Maq Sheikh inaugurated the training course as chief guest with its Director (Research) Dr M Idris Ali in the chair.

The training programme organised jointly by BINA and the Department of Agriculture Extension was participated by more than 100 SMS and SMOs from different districts in four batches.

In his address terming the two departments as separate flower in the same stalk, Dr Sheikh underscored the need for exchanging views between the BINA and the DAE.

He lauded the role of field workers in research planning and called for extensive cultivation of the BINA invented high yielding variety crops, said a press release of BINA.

The Director-in-charge (Field Wing) of Dae, Nasir Uddin Bhuiyan, said for the people's participation and the use of local resources, from now, planning will be undertaken from the field.

He said the leading scientists and extension workers will have to coordinate increased fertility of land, seeds of high yielding variety and balanced application of fertilizers as well as the participation of women for achieving the target of producing 25 million tonnes of foodgrains in the country.

Islamic militants protest Friday trading at KSE

KARACHI, Oct 5: Militants from Pakistani religious parties protested in front of the Karachi Stock Exchange (KSE), demanding there be no Friday trading as the bourse switched its weekly holiday to Sunday, reports AFP.

It was the first Friday of trading at the KSE in 19 years.

Friday has been observed as a holiday in Muslim Pakistan since 1977 and congregational prayers for men are held in Mosques in the afternoons. Sunday is a regular working day.

A few hundred young men held a noisy protest outside the KSE, demanding the exchange revert to Friday holidays but left without causing any damage.

"They threatened to burn cars and create disturbances if we remain open next Friday, a KSE employee said.

The protest disrupted trading for about 20 minutes.

The country's premier Karachi Stock Exchange and smaller bourses in Lahore and Islamabad decided to open for trading on Fridays and remain closed Sundays in line with international markets.

The initiative came last month from the Federation of Pakistan Chambers of Commerce and Industry (FPCCI), the country's top trade body.

The country's stock exchanges were the first bodies to implement the move. Banks, multinational organisations and commercial markets did not make the switch this weekend.

Government offices and many companies observed a weekend on Fridays and Saturdays.

Many businessmen have complained that observing Friday as a holiday leads to three non-working days for Pakistan's business community as Sunday is a holiday in most parts of the world.

Shortfall in grain harvest

N Korea faces grim winter

BEIJING, Oct 5: A massive shortfall in this year's grain harvest will worsen North Korea's chronic food shortages, Red Cross officials said Saturday after returning from the stricken communist state, reports AP.

The shortfall was estimated at 1.5 million tons this year, the latest blow a country devastated the past few years by crop destroying weather, including raging floods this year and last.

"Nutritionally, the country hovers on a knife-edge, with clear indications of a significant health threat, particularly among young children, continuing to emerge," said Jerry Talbot of the International Federation of Red Cross and Red Crescent Societies.

Talbot, the federation's Asia Pacific director, and other officials visited North Korea this week to gauge the scale of the problems and assess relief work.

India plans steps to stimulate exports

DELHI, Oct 5 : An Indian government minister said yesterday that the central bank would soon unveil a plan to stimulate exports which have recently stalled, raising fears of an economic slowdown, reports Reuter.

India's exports grew 2.38 per cent in August compared to the same month in 1995. That was far below the 20.66 per cent growth rate in August 1995 over the same month in 1994.

Exports in August were valued at 2.60 billion dollars, up marginally from 2.54 billion dollars a year earlier.

Imports fail to 2.9 billion dollars in August, 0.7 per cent lower than in the same month a year earlier.

V. Raghuraman, secretary general of the Associated Chambers of Commerce (as ocham), said on Thursday that the slowdown in export growth was "worrisome and strengthens fears of an overall economic slowdown."

Indian Commerce Minister Bolla Bulli Ramaiha said the government was discussing with the Reserve Bank of India (RBI) exporters complaints over a perceived a shortage of liquidity to promote overseas sales.

"They (RBI) will come out with a proposal that will enable to help further the export-oriented industry," Ramaiha told Reuters during a business conference in the Indian capital.

Many Indian firms and exporters have complained that a shortage of liquidity and high interest rates have dampened industrial production and trade.

A H M Nurul Islam Choudhuri, Director General, BIBM speaking at the inaugural session of two-month long Advanced Course on Bank Management yesterday.

BIBM course on bank management begins

A specially designed "Advanced Course on Bank Management" for senior level executives of banks and financial institutions began at the Bangladesh Institute of Bank Management on Saturday, says a press release.

The two-month long course will help familiarise the bank executives with the rapid changing financial environment and create greater awareness of the potentials of modern global financial market.

AHM Nurul Islam Choudhuri, Director General of BIBM inaugurated the course.

Speaking on the occasion he stressed the need for special type of skills on the part of senior bank executives for managing the banks in a market oriented environment.

About thirty senior bank executives are participating in the course.

Dr Toufic A Choudhury, Jalil Choudhury and Dr Ananya Raihan, BIBM Faculty members, are jointly coordinating the course.

'Labour standards most controversial issue in WTO'

SINGAPORE, Oct 5: A Western initiative to discuss labour standards has become the most controversial issue in the run-up to the World Trade Organisation (WTO) meeting here in December, a WTO official said yesterday, reports AFP.

BKB Officers Assoc Ctg Regional Body formed

The Regional Committee of Chittagong Zone of Bangladesh Krishi Bank Officers' Welfare Association was formed at a special general meeting, held at Chittagong recently, says a press release.

The meeting was presided over by Mahfuzur Rahman, Manager Jamal Khan Road Branch while Mr Fariduddin, CRM attended it as chief guest.

Ali Hossain AGM, Chittagong BKB Branch was elected President, Sk Sanaullah, Manager of Korbaniganj Branch Executive President and A. Baten Choudhury of Agrabad Branch General Secretary on the 21-member Executive Committee formed to run the BKB Officers Welfare Association.

Shrimp export earns Tk 853cr. in Khulna Div

KHULNA, OCT 5: About Tk 853 crore was earned by exporting frozen shrimp during the fiscal 1995-96 from Khulna Division, reports UNB.

According to official sources, it was the highest amount of shrimp export earnings from the division since independence of our country.

During the period, about 1.82 crore kg frozen shrimp had been exported, the sources said.

Shrimp exported in the month of June, this year, only amounted to Tk 90 crore.

Standard Chartered Bank carried out a "Focus Group discussion" at a city hotel yesterday. The discussion conducted by the Regional Quality Manager was participated by inter bank as well as corporate treasury customers. As part of enhancing the service quality of treasury business and other business areas, Standard Chartered has taken up a major initiative under "Customer Centered Quality" programme globally.

Great grandson of coke founder wants to sell real recipe

ATLANTA, Oct 5: Over the years, many people have claimed to have the original recipe for Coca-Cola, only to be met with skepticism, says AP.

Now, the great-grandson of the company's co-founder says he needs cash and wants to sell the real thing.

Unfortunately for Frank M Robinson, the document is in the hands of his estranged wife.

"I'm not in good financial shape. I'd sell it, if the price was right," Robinson said Friday. "If it's got value, what use is it to me to hold onto it?"

Patti Robinson, who contends her husband gave her one of the most closely held corporate secrets as a pre-marriage "trinket" in 1981, refuses to part with it. She rejected an offer by Robinson to split the proceeds with her.

"I want my son to have it," she said.

The Coca-Cola Co., meanwhile, said Friday it doubts the authenticity of the Robinson recipe.

Robinson, insists his Coke is it.

Robinson's great-grandfather was Frank Robinson, who has a crucial place in Coke's early history. A business associate of John S Pemberton, the 19th-century Atlanta pharmacist who invented the drink, the elder Robinson named the product Coca-Cola and designed the script logo that still is used today.

According to some histories of the company, the two had a falling out when Pemberton sold the rights behind Robinson's back.

The younger Robinson says the recipe was among a batch of his great-grandfather's old Coca-Cola papers that he received from his father shortly before his death in 1970. Robinson said he didn't realise until several years later the significance of the documents.

Robinson, 57, denied he gave his wife the recipe, describing it as "marital property" that somehow ended up in her safe deposit box instead of his. "It just so happens we're in a fight," he said.

Robinson's family amassed a fortune, much of it in Coca-Cola stock. But he was cut out of an inheritance during a family feud in the 1980s, and now, stricken with cancer gets by on about 21,000 dollars a year as a real estate broker 40 miles (60 kms) south of Atlanta.

To him, the formula means much-needed cash. He is unconcerned about possibly shattering the enduring wall of secrecy at Coke.

"It's their secret," he said. "I'm not a troublemaker, but I have preserved it."

The recipe is but a side item in a dispute over support payments that brought Robinson and his wife to Fulton County Superior Court on Friday. The couple sat apart in a courthouse waiting area and did not speak to each other while their lawyers met privately in a continuing effort to reach a settlement.

The value of the recipe, handwritten on four of five small pieces of tablet paper, is mainly historical.

One might manage to use the formula which Robinson said includes such ingredients as "gingerene," coca leaves and a mix of oils known as "7X" to duplicate a Coke. But it is doubtful that anyone, even armed with the formula, could hope to challenge the 18 billion dollars company's worldwide marketing and distribution system.

Anyway, Atlanta-based Coca-Cola has periodically made minor changes in the formula over the years. One radical change, resulting in New Coke in 1985, is less than fondly remembered.

Mrs Robinson said she had a brewer this year use the recipe to mix up a batch of ersatz Coke. The result, she said, tasted good but not like Coca-Cola.