

Revenue collection
exceeds target

From Our Correspondent

MAGURA, Aug 2: Revenue collection in 10 southern districts by Customs authorities exceeded the target in the last fiscal. According to official sources, collected reached Tk 149.22 crore in 96-97 against the target of Tk 143 crore.

Of the collection revenue, Tk 41.32 crore was excise duty, Tk 47.59 crore Value Added Tax (VAT), Tk 60.72 crore supplementary tax and Tk 28.76 lakh turnover tax.

The districts are: Magura, Jhenidah, Narail, Jessore, Kushtia, Meherpur, Chuadanga, Gopalganj, Faridpur, and Rajbari.

Cheap, quality gum
with local expertise

By Staff Correspondent

A local company is expected to go for commercial production of a 'transparent gum' sometime next year based on a process developed by a BCSIR scientist.

The gum, developed by Amir Hossain, a senior scientific officer at Bangladesh Council of Scientific and Industrial Research (BCSIR), will be produced by Revive Chemical Company, said a press release.

An agreement between the company and the BCSIR was signed in Dhaka on July 30.

Hossain said the gum was low cost but its quality was superior to other products available in the market.

Oil price rises
in Philippines

MANILA, Aug 2: Oil companies on Friday raised the price of gasoline and other petroleum products by about 3.5 per cent to cover the higher cost of imported crude following the devaluation of the Philippine peso, says AP.

The move was immediately denounced by the left-wing New Patriotic Alliance, whose leaders said the three oil companies in the country were operating as a monopoly against the goal of the deregulation of the oil industry.

The group plans a nationwide protest.

Uscar Reyes, president of Pilipinas Shell Petroleum Corp., said the new prices of his company's products are lower than they were in February, when the oil industry was deregulated.

Pilipinas Shell is a subsidiary of the Royal Dutch/Shell Group of Companies of the Netherlands and Britain. The two other oil companies are Petron Corp. and affiliate of the Saudi Arabian Oil Co. and Caltex Philippines Inc. local subsidiary of Caltex of the United States.

The peso has been depreciating since July 11, when the central bank announced it would allow a wider peso-dollar exchange rate by limiting its intervention.

The peso has depreciated by about 9 per cent against the dollar since the dollar's average of 26-40 pesos on July 10, the day before the central bank announced its new currency policy.

US to allow
trans-Iranian
pipeline

WASHINGTON, Aug 2: A pipeline that would carry natural gas from the former Soviet republic of Turkmenistan, across Iran to Turkey has received reluctant support from President Bill Clinton's administration, according to a published report, says AP.

Although the 2,000-mile (3,220-kilometre) pipeline cross Iran, the administration has concluded it would not violate the 1996 Iran-Libya Sanctions Act, unidentified sources told The Washington Post.

The act forbids US and foreign investments of more than 40 million US dollars into energy projects in Iran, which it accuses of sponsoring terrorism.

The 1.6 billion dollars project is to begin in Turkmenistan, wind through Iran, deposit gas to Turkey and eventually continue on to Europe. The pipeline will transport 3 billion cubic metres of gas a year initially, but the volume could eventually grow to as much as 30 million cubic metres annually.

The report was not clear whether any Iranian gas would be transported in the pipeline, although Iran is expected to collect transit fees.

The project marks the first time since the 1979 Islamic revolution that Iran has been permitted to participate in a major international energy project.

Administration officials said they were hesitant to allow the pipeline to go through Iran, but felt the 1996 law didn't give them enough leeway to oppose the project, according to the Post.

"We don't have the tools to do anything about it, an administration source told the newspaper."

Officials talk of tough laws but lack money and the machine to enforce them in garments industry

Frustration creeps in as factory inspectors face an enormous task

By Govinda Shil

There are 7,000 factories. And there are only people 14 people to do a job that involves that enormous number of garments producing units.

Believe it or not, that is the situation that explains why there have been so many accidents -- if you want to call them accidents, of course.

"We are 14 in number for inspecting more than 7,000 factories and industrial establishments in the country," was how a senior factory inspector at the Department of Inspection for Factories and Establishments (DIFE) gave vent to his frustration.

The top executive at the ministry, the Ministry of Labour and Manpower in this case, has no dearth of commitment to correct the situation. But he is helpless.

Ahsan Ali Sarker, the Secretary at the Ministry, admitted that his hands were tied and that his ministry would not be able to do much in terms of in-

creasing the number of inspectors. There are no funds. And there is no scope to get money nor are there any plans so far to change the situation. The plan therefore is to burden them with more work -- much more than they may practically be able to do.

"We will send frequent inspection teams to the garment factories shortly and ensure sufficient fire extinguisher and operators of those equipment," Sarker said, speaking to The Daily Star.

The ministry officials are considering other options. They are talking of tough laws and enforcing those with immediate effect to curb fire and other accidents in different factories and establishments in the country.

Sarker said last week that the government was already working towards formulating new laws and reforming the existing ones to contain 'accidents'.

At least 75 poor garment workers died because of incidents -- fire or stampede caused by panic -- since 1990, according to fire officials. Wake up calls served after every incident could not really wake up those calling the shots.

Now again, after two incidents in two weeks last month which together killed at least 34 people, the reaction has been similar.

Senior officials at the ministry said they were just planning to increase inspection to the factories where fire and other accidents have occurred. They would also take factory owners to court, charging them of neglect.

Sarker however said laws were not enough to lower accidents. "Awareness among the labourers and factory owners were essential."

But enforcement remains a key issue. The officials said recurrence of accidents in the garment manufacturing units

cannot be stopped unless industrial laws are strictly enforced and awareness is created among both owners and workers.

While they spoke of new laws, they also said there were "adequate" laws in Bangladesh. "Enforcement is the main problem," said one official.

There are other problems even if the scant manpower try to do their job. In most cases, owners dare not to allow the inspectors to visit their factories, the official claimed. He pointed out that compensation for violating a law is quite nominal.

According to Labour Director SA Talukdar, about 98 per cent of the 2,500 garment factories do not meet safety standards.

"Raising consciousness among the owners and the workers could be one way of doing it given the limitations we have," Talukdar said.

The International Labour Organisation Convention is quite clear about it. The Con-

vention 81 says: "The system of labour inspection in industrial workplaces shall apply to all workplaces in respect of which legal provisions relating to conditions of work and the protection of workers while engaged in their work are enforceable by labour inspectors." Bangladesh, being a signatory to this Convention, is obligated to execute different articles of 'Labour inspection in industry'.

At present, according to DIFE officials, more than 2,000 law violation cases were pending against apparel and other industrial establishments.

A senior ILO official in Dhaka told The Daily Star that he tried to bring the issue to the notice of the government officials many times so that ILO's labour and industrial regulations rules were followed.

He also said that he had given the Bangladesh Garment Manufacturers and Exporters Association a 'Workplace Fire Protection Checklist', imple-

mentation of which is obligatory to the factory owners.

The checklist says it is important to "identify fire risks and necessary measures to minimise such risks within the enterprise by organising an enterprise-level task group on fire protection including the most senior managerial staff, representatives of different sections and workers representatives".

It also calls for having procedures to check at regular intervals, whether all necessary precautions against the risk of fire are effectively taken at each section within the enterprise.

The checklist also deals with the overall layout of the premises including buildings, storage facilities, passageways and other facilities.

But surely, if one person is in charge of 500 factories, and the owners can get away with what is happening, the checklist is just another piece of paper.

When animal feed is dear,
duckweed may be the answer

By Cameron Kennedy

Scientists say duckweed is the fodder of the future, but farmers aren't buying it despite acute shortages of livestock feed.

"Green grass and quality feed are scarce," says Md Azizul Karim, joint chief at the Ministry of Fisheries and Livestock and director of the Duckweed Research Project. "But duckweed multiplies so fast that one kilogram becomes two in just one night."

The floating water plant grows like thick mats on calm, nutrient rich pools. One of the fastest growing plants in the world, it can double its mass within days and doesn't require much manpower or resources.

In a 1995 study, researchers at the Centre for Duckweed Research and Development at the University of New England in Australia estimated that a farmer could produce between 10 to 20 tonne/ha/year of dry animal fodder cultivating the

plant under proper conditions. Duckweed is also about 40 per cent crude protein -- the building block for muscle -- and could have a profound effect on fish and livestock production.

The Ministry launched the Duckweed Research Project in January 1996, after three years of planning, to address the chronic shortage of protein-rich animal fodder in the country.

The project operates in conjunction with the Bangladesh Livestock Research Institute in Savar, the Fisheries Research Institute in Mymensingh, and on NGO called PRISM, and compares the effects of chemical fertilisers and waste-water on duckweed growth, and the plant's food value for fish and livestock. Preliminary results are very encouraging, Karim says.

Professor M Khondker, a Dhaka University botanist and consultant to the project, says a

duckweed supplement added to feed at demonstration farms increased carp and tilapia production from a few kg/ha/year to about 10 tonne/ha/year. Though ponds located in villages didn't perform as well, production still jumped to 6 tonne/ha/year.

The plant can also increase chicken and cow production. When Australian researchers added 25 per cent duckweed to the fodder, the weight of chickens tripled without affecting the quality or quantity of eggs.

However, duckweed's effect on cows was inconclusive. While a two to one mixture of duckweed and maize increased growth of Holstein heifers, researchers believed bacteria in the cow's stomach destroyed the plant's protein before it could reach the intestine for absorption.

It's a claim Karim dismisses. He says farmers can mix the

duckweed with waste molasses and a little urea to get a very good feed for cattle.

Despite over 20 years of world-wide research and good results at home, duckweed cultivation still hasn't taken off in Bangladesh. Karim says farmers aren't motivated to invest or publicise duckweed, because there isn't a market for animal fodder in Bangladesh. With land in short supply, farmers prefer to grow cash crops rather than green grass they can't sell, he says.

Karim says the ministry hopes to encourage more farmers to grow duckweed and other types of fodder, by starting small plots on department grounds and then extend the programme to district and thana levels. Eventually, the ministry will set up agricultural markets where villagers can come and sell products like fodder.

Clinton hails economic
performance

WASHINGTON, Aug 2: President Bill Clinton yesterday hailed the performance of the US economy, which he said would be further strengthened by a balanced budget deal he is about to sign, reports AP.

"Today, Congress will send to me for my signature the first balanced budget in a generation," Clinton told journalists he had summoned to the White House Rose Garden.

"This budget will help millions of families to raise their children, educate them and provide health care for them. It is an investment in the hopes and dreams of the American middle class, and I look forward to signing it."

The budget package, approved this week by large bipartisan majorities in the House and Senate, aims to balance the federal books by 2002, primarily through tax cuts and spending cuts.

But it also increases government investment in certain social sectors, notably education, and helps more Americans reap the rewards of US growth,



Bill Clinton, according to Clinton, brought an end to the economic downturn, welcomed Friday's employment figures, which showed an increase of 3,16,000 jobs in July.

Auto policy dispute with Japan, EU

Jakarta finds its friends to
fight case at WTO

JAKARTA, Aug 2: The Indonesian government has approved the appointment of Norway, New Zealand and Egypt to a World Trade Organisation (WTO) panel to discuss Indonesia's disputed auto policy, the Antara news agency reported yesterday, says Xinhua.

"We hope that the appointment of these countries would enable the WTO panel to discuss Indonesia's national car policy from an economic point-of-view, instead of the legal point-of-view, as well as its impact on the economic development of developing nations like Indonesia," Antara quoted a reliable government source as saying.

The source said that the panel will start making guidelines 10 days after it is formed. Afterwards, it will spend three weeks to meet with the countries that have brought the Indonesian national car issue to the WTO, the source said, adding that the panel will also spend two weeks getting input from Indonesia.

Japan, the European Union (EU) and the United States have brought the issue to the WTO claiming that Indonesia's national car policy breaks international trade regulations.

In February last year, the Indonesian government decided to develop its national car and granted Pt Timor Putra na-

tional exclusive rights to manufacture the so-called "national car".

The national car receives import duty and luxury tax exemptions, making it 60 per cent cheaper than other cars of similar type on the domestic market.

Japan, the EU and the US have complained to the WTO about Indonesia's national car policy. The three have held several rounds of negotiations with Indonesia since October last year, but achieved no result till now.

If the WTO panel fails to take a decision in six months, discussions will be extended for another three months.

Sino-Japanese joint
venture in
Jilin province

CHANGCHUN, Aug 2: A Sino-Japanese farm produce processing joint venture opened in Dehui, northeast China's Jilin province, on July 28, reports Xinhua.

The new venture, jointly funded by two Japanese companies, Mitsui and Sachi, and the Dehui Cereals and Edible Oils Purchasing and Marketing Corp. will process high quality rice.

The new venture will join Deda Co. funded by the Chia Tai group of Thailand, as the city's second farm produce processing venture.

First-phase construction and installation of advanced equipment imported from Japan commenced in July 1996 and was completed at a cost of 10 million US dollars. The existing facility has a designed annual processing capacity of 60,000 tons of rice, with current annual capacity set at 42,000 tons.

Wellington aims to woo
Asian business migrants

WELLINGTON, Aug 2: Wellington City Council is starting a programme to woo Asian business migrants to invest in Wellington rather than concentrating on the Auckland region, reports AP.

The council is concerned that Wellington is missing out on business migrants, mostly Asian, who are settling in the suburbs of Auckland.

In the past five years "business investor" migrants have invested about 325 million US dollars (500 million NZ dollars) in New Zealand and "general" migrants about 215 million US dollars (330 million NZ), according to research done for the council.

The council is starting a campaign to promote Wellington as the most migrant-friendly city in New Zealand and to provide useful information and liaison services to migrants.

A key part of the strategy is

to help Asian investors form business contacts in Wellington.

Consultants KPMG will administer the year-long business migrant support programme and install its infrastructure.

The programme is based on research done by KPMG for the council looking at key migration trends and migrant aims and perceptions in settling in New Zealand.

The two main sources of new business migrant for Wellington would be those with specialised skills and investment interests.

Decisions on where to settle in New Zealand were made primarily on the basis of links with family and friends.

The main difficulty migrants experienced in establishing businesses in New Zealand was the unfamiliarity of language and New Zealand business culture.

The poet who turned books and beer into big business

Fons Tuinstra writes from Shanghai

Thousands of workers are losing their jobs as China shifts from state-ownership to private enterprise. But some entrepreneurs see opportunity rather than decline. Gemini News Service meets one of them -- a woman who says she and her husband have already made more money than they need.



The race for jobs

In 1988 Shanghai had 462 state-owned textile factories employing 560,000 people. Today, there are 180 plants with 320,000 workers.

The number of textile workers is expected to fall to 200,000 by the year 2000.

Local communist party chief Huang Qifang says 200,000 new jobs are created every year.

Total unemployment in Shanghai is at least 1m.

Recent figures suggest that the national unemployment total may be 157m.

Wei Yunjian is the very model of a Chinese entrepreneur. She is so successful, she says, "I don't need to make any money any more."

She claims her Shanghai bar is the biggest in Asia, covering 3,000 square metres.

It is situated in a former textile factory. The decline of the city's textile industry, from 560,000 jobs in 1988 to an estimated 200,000 by the end of the century, is a symbol of the economic changes taking place in China. And the emergence of Wei's Holly Bar is symbol of the new spirit of entrepreneurship that will have to blossom if all the former workers in state-owned establishments are to find jobs in the private sector.

Every day at 8 pm dozens of staff, mostly women, flock through the main entrance of the bar.

A spacious lift, originally used for factory products, takes guests to the third floor. As the doors open on a huge hall with hundreds of tables and chairs, two heavyweight bouncers jump to their feet.

Several smaller halls and 30 private rooms cater for particular parties.

"You will have to leave yourself plenty of time if you want to get to the toilets in time," laughs a newcomer.

Only few tables are occupied this evening. Some men are read newspapers and drinking tea. The staff of 70 is waiting for business to build up. Only the music, sugary Chinese love songs, hits the roof in full strength.

The mastermind of this lat-

est example of the restructuring of a derelict state-owned textile factory into a modern money-making machine, 34-year-old Wei Yunjian, waits in one of the private rooms. She moves carefully and frequently holds her head in her hands -- the after-effects of a car accident earlier this year.

This mishap occurred when she was returning home late at night after a busy evening, using the new but already notoriously dangerous highway between Nanjing and Shanghai. Her husband, who she met at the East China Normal University in Shanghai, took care of the family business for the two months she was in hospital.

"Thanks to him this development was done very inexpensively," says Wei. "He did the whole design and made sure there were no unnecessary costs."

To the accompaniment of an advertising campaign in Shanghai taxis, the bar opened at the end of March. It cost between five and six million yuan, Wei says the rent is fairly low because few people were willing to take over such a large plant. She paid for everything without taking a bank loan.

Ten of the staff are former textile workers, a concession Wei had to make to the original owners. "But I could pick the people I wanted myself," she adds.

Business was slower than she had hoped, "but after one month we at least started to make a profit."

"Because of the low invest-

ment, we think we will have a return on investment after one year."

That is a much faster rate of

return than most foreign businessmen would expect to make. Wei is not impressed by their complaints.

"Of course it is harder for foreigners to make a profit in China," she says. "For Chinese it is harder to make a profit abroad. That's how it works."

She is confident that she and her husband will make a success of the bar, because it is not their first enterprise.

She studied Chinese at university, and was the leader of a group of student poets. She and her husband then proved there are exceptions to the belief that intellectuals are incapable of making money.

They developed a publishing enterprise, buying manuscripts and organising the printing and selling of a wide range of books. Last year she published books on Chinese civilisation, famous writers, computers and several autobiographies.

"I have to like a book before I put an effort into it," she says. Friends whisper that she makes a 10 million yuan (\$1-8.3 yuan) profit last year, but she refuses to discuss money.

"Everybody likes to be independent," she says, "and when you have some money it's easier to be independent. I'm now at a stage where I don't have to worry if I make money or not."

A good distribution system is vital, because a book typically needs to sell at least 30,000 before it starts to make a profit. Many books fail to get the audience they deserve only because of logistical difficulties. Wei has a nationwide network of agents.

She and her husband also have another bar, in Nanjing and have established bath houses for men.

"A big success," is Wei's verdict. "Women know it is for men only, so they are not worried if their husbands go there."

The bars, however, cater for men who do want to meet women. Many bars have a bad reputation and are linked in the public's mind with organised prostitution.

Holly Bar, however, "is going to be a relaxed Chinese place," says Wei. "We not only serve alcohol, but also tea, just like in my home town Chengdu, in Sichuan province. Of course men and women will come here to meet each other, this will be the biggest meeting place of Shanghai. But no organised prostitution."

With her eye on another opportunity, she also wants to start bathing houses in Shanghai. She is sure the market is big enough, although she says she finds Shanghai's harder to handle than people from other areas: "Money, money, money," she complains. "The only thing Shanghai can think of is money."

Fortunately for her, they also think about spending it. The Holly Bar is coming to lie. From several private rooms, karaoke installations produce an increasing volume of out-of-tune singing voices. Dancing has started in the bar's disco section. Most tables are still empty, but Wei is confident: "They will come. Just a few more months and it will be packed." -- Gemini News

Fons Tuinstra is a Dutch journalist who lives and works in Shanghai.

India's trade
deficit widens

NEW DELHI, Aug 2: India's trade deficit widened 50 per cent year-on-year to 1.4 billion dollars in the three months to June, the commerce ministry said Friday, reports AP.

The ministry said in a statement that the deficit shot up from a 900 million dollar deficit in imports to 9.4 billion dollars while exports declined by about one per cent to 8.2 billion dollars.

Non-oil imports also shot up 8.4 per cent to 7.4 billion dollars during the first quarter, the statement said.

Indonesia, Namibia
set up commission
to boost trade

JAKARTA, Aug 2: Namibia and Indonesia set up a commission to boost trade and economic ties on Friday when their presidents discussed a range of co-operation possibilities in business and agriculture, reports AP.

Officials signed the agreement establishing the body following talks between Namibia's President Sam Nujoma and Indonesia's Suharto.

Indonesia's Minister of State Mardiono said Namibia wants Indonesia investment and technical know-how to help boost its underdeveloped economy.

Speaking after the talks, Mardiono said Indonesian business could take advantage of facilities and incentives offered by Namibia's membership of the 12-member Southern Africa Development Community.

These included special access to markets in the European Union and Latin America, he told reporters.

Nujoma later made his pitch to Indonesian business executives at a lunch.

Mardiono said Nujoma also suggested that Indonesia train Namibian farmers in rice cultivation techniques.

Indonesia achieved self-sufficiency in rice production in 1984 when it transformed itself from being the world's biggest importer of rice.

Nujoma arrived in Jakarta Thursday for a five-day state visit.

He is to visit an oil palm plantation and the mountain resort city of Parapat in North Sumatra on Saturday.

He will stopover at the tourist island of Bali before departing Monday.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 31/7/97:

Buying			
Name of Currency	TT Clean	OD Sight Export Bills	OD Transf
US Dir	43.9700	43.8008	43.6860
GB Pound	71.6482	71.5828	71.1688
D Mark	23.8020	23.7049	23.6428
F Franc	7.0622	7.0333	7.0149
JP Yen	0.3699	0.3684	0.3674
C.Dlr	31.7124	31.5830	31.5003
S Franc	28.8902	28.7723	28.6965