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DThe Baily Star DUSINESS

CARS THAT MAKE SENSE

HYUNDAI

Australia tightens visas for business executives

CANBERRA, Oct 31: Visas for business executives will be tightened after some people who received them were later found working as factory hands, butchers or prostitutes, says

Immigration Minister Phillip Ruddock said effective Saturday, applicants will have to apply for a business visa in their own countries before

coming to Australia. Until now, business executives who came to Australia on tourist or other visas have been able to apply for special per-mits that would allow them to stay on to pursue business op-

portunities. But they had to convince local immigration authorities that their business activities would benefit Australia's econ-

These rules have been very flexible in the past.

Last year, 13,754 people obtained temporary resident visa grants as skilled business executives or specialists.

Shoe exporters blast frequent changes of MDs in DFIs

Bangladesh Shoe Manufacturers and Exporters Association (BSMEA) have criticised the frequent changes of Managing Directors (MDs) in the development financing institutions (DFIs) including BSB and BSRS, according to a press re-

lease. The BSMEA leaders said, "For last 21 years the DFIs are being run by the bureaucrat MDs who can not take appropriate measures for the projects · financed by the DFIs. As a result, most of the shoe industries

become sick." Due to lack of banking experience, most of the DFI MDs can not disburse loans and working capital in time, the BSMEA said at a meeting.

The association have opined that the DFIs should be headed by professional bankers as they have knowledge of funding working capital to the projects and can decide how much to invest and when to call back the

They attributed the failure of DFIs in Bangladesh to the frequent changes of MDs. Normally it takes at least three to six months time to know the clients of the bank by an MD, but by this time he changed, added the association.

Human Welfare Tech' soon

A unique project to generate self-employment opportunities for the educated unemployed youths will be launched by a senior faculty member of Dhaka University, reports UNB. The project, "Human Welfare

Technology," aimed at setting- | AP. up of mini-industries with small investment by providing technology among the unemployed youths free of cost.

Dr SSMA Khorasani, a senior Professor of Applied Chemistry and Chemical Technology Department of the university, is the director of the

"I have developed about 200 formulas to set up small industries which would be provided to the intending youths aftergiving them proper training," Dr Khorasani told UNB yester-

Former Director of BCSIR, Dr Khorasani said it will involved minimum investment to implement such a technology at small industries.

He said interested unemployed youths and students can apply to the Project Director by November 10, collecting the prescribed forms from the department.

Japan's jobless rate remains at 3 pc in Sept

TOKYO, Oct 31: Japan's unemployment rate remained at if you leave out all the poor people in China - and there are a 3.4 per cent in September for lot — the people's republic repthe third straight month, the resents a tremendous market. government said Friday, re-No wonder American business leaders are romancing Chinese

The number of unemployed in September rose to 2.36 million, up from 2.31 million in August, said an official with the statistics bureau of the Management and Coordination Agency, which compiled the

Unemployment among men rose 0.1 percentage point to 3.5 per cent, while unemployment for women fell 0.1 point to 3.3 per cent.

The overall rate was at a record high of 3.5 per cent in May and June. It also reached that level during both of those months last year.

As for those holding jobs, the number of employed in September grew 0.4 per cent to 65.96 million from the same

month last year. Japan's jobless rate would be significantly higher if calculated by US or European methBid to enhance investment

Govt planning to set up savings bank

Finance Minister Shah AMS Kibria yesterday said the government is contemplating establishing a savings bank with skilled and efficient manpower for enhancing savings and investment in the country, reports BSS.

The bank will be free from the vices like corruption, unionism and loan default culture, he said while addressing a function at the Planning and Development Academy here on the occasion of the World Thrift

Organised by National Savings Department, the function was presided over by the Secretary of Internal Resources Division (IRD) Shah Abdul Hannan, the Governor of Bangladesh Bank Lutfar Rahman Sarkar and Finance Secretary Dr Akbar Ali Khan were present as special guests.

The Finance Minister said this new concept of banking will be developed with the consultation and cooperation of the private sector, which will be a model of successful banking.

He said the government has taken up different steps for eradicating poverty from the country and the government needs extensive cooperation from all concerned quarters for facing the challenges of the

Kibria said, "we have to reduce dependability on foreign grants or loans through increasing internal resources and

savings. "We have to transform our vast population into skilled human resources for consolidating the base of economy," he

The minister regretted that we have poor number of savings' depositors which are very low

even in comparison to our neighbouring countries. We observe the World Thrift Day in the country every year but we are lacking optimum volume of savings." the minis-

ter said. He urged the people to make them saving depositors through changing attitudes of extravagant spending.

Finance Minister said only enough savings can ensure a developed nation side by side with the development of its citizens and we have to create congenial atmosphere for maximum savings and investment in the country.

The minister said capital formation depends on taxes, savings and foreign grants or aids but the real component of capital formation in savings by utilising internal resources. Governor of Bangladesh Bank Lutfar Rahman Sarkar said prosperity lies not in earning more, but in spending less. He said development is a process and the savings is the

base for it. Sarkar said establishment of a savings bank is essential for encouraging and influenc-

ing the savings depositors. He said the present banking system should be modernised by recruiting skilled and efficient hands and removing the

default culture. Finance Secretary Dr Akbar Ali Khan said savings is very important in the national life side by side with the personal

"We can transform the hands of beggers into skilled human resources through proper investment of our savings," he

The secretary said not only the present generation but also the future generation will be benefited by savings.

IRD Secretary Shah Abdul Hannan said, "We shall have to launch a united campaign for savings against extravagant spending.

Director of National Savings Department Mohammad Shafiullah Patwari and Deputy Secretary, IRD, Kazi Abu Sharif also spoke on the occasion.

Unemployment rate in France steady at 12 pc

PARIS, Oct 31: The French unemployment rate held steady in September at 12.5 per cent while the number of job-seekers fell 0.2 per cent, the government said Friday, reports AP.

3,127,900 in September from 3,132,600 in August, on a seasonally-adjusted basis, the Labour Ministry said. The jobs figure is in line

with economists' expectations. The hardcore unemployed those signed up for benefits for more than a year - fell by 0.3 per cent, while the number of new job-seekers rose 5.2 per cent from August to 373,500, the Labour Ministry said.

Job-seekers in France fell to

the latter's office recently. Jakarta places its troubled economy in IMF hand

Indian High Commissioner in Dhaka Dev Mukharji called

on State Minister for Jute and Textiles AK Faezul Huq at

JAKARTA, Oct 31: Indonesia placed its troubled economy firmly in the hands of the International Monetary Fund Friday after the two sides agreed on a sweeping rescue package for the world's fourth most populous nation, reports

Indonesian Finance Minister Ma'rie Muhammad announced the breakthrough Friday, but said it would be up to the IMF, other international agencies and donor nations to release details of the worth and nature of the bailout.

IMF intervention comes amid a crisis of confidence across Southeast Asia that triggered big falls on global stock

markets earlier this week. Indonesia called for IMF help a few weeks ago after months of speculative attacks against its currency. The sharp

drop-off in the value of the rupiah evaporated investor confidence and sent Indonesian stocks plummeting. Ma'rie said 'firm and timely'

action was needed. "The currency turmoil has spread throughout East Asia, and this week, we witnessed a drastic drop in stock market indexes in the United States, Europe, Latin America, East

Asia and Australia," he said. This is an indication that the volatility in financial markets and capital markers has become a global phenomenon." Ma'rie said the IMF pro- 5.

WASHINGTON, Oct 31: Even

President Jiang Zemin, reports

- people with the wherewithal

to buy Coca-Colas and Jeep

and the United Kingdom com-

bined, or of the buying public in

the United States, US

The difference is that Amer-

ican and French homes already

are stuffed with stuff. Chinese

middle-classers are eager to fill

empty shelves. It is a virgin

market, yearning to be tapped.

Imagine a country where a

billion people wake up each

morning craving what you sell.

American moguls are imagin-

who are doing very well, and

can afford to build expensive

houses, take expensive vaca-

"There are a lot of Chinese

economists estimate.

ing just that.

China's middle-class alone

gramme would have a "very broad scope" and was meant to stabilize Indonesia's besieged financial sector and to strengthen economic competitiveness through structural re-

The government firmly believes that these policies and programmes will be effective in restoring the health of the Indonesian economy so as to im-

Oil prices rise for tension between UN, Baghdad

LONDON Oct 31: Brent North Sea crude prices rose on renewed tension between Baghdad and the United Nations (UN). says AFP.

The price of Brent crude rose to 19.86 dollars per barrel which was 21 cents higher than at the close of official trading on Wednesday, before dropping back slightly.

Yesterday, prices closed 10 cents higher.

Baghdad on Wednesday ordered US weapons inspectors to leave the country. Iraq imposed a ban on US nationals in the UN Special Commission (UNSCOM) in charge of disarming Iraq and ordered them to leave the country by November

prove the welfare of the people and alleviate poverty," he said. Aside from IMF loans, the package will be supported by aid pledges from the World Bank, Asian Development Bank and

several donor nations. The scheme is to be "tightly monitored" by all three international agencies, Ma'rie said. said the total aid package is

Earlier unconfirmed report likely to reach at least 20 billion, dollars based on pledges already announced.

If so, it would surpass the 17.2 billion dollars IMF-led rescue package agreed in August for Thailand. The rupiah rose sharply

from 3,650 rupiah against the US dollar to 3,575 rupiah within minutes of Ma'rie's an-

nouncement. Malaysia said Monday it was willing to provide one billion dollars to help its neigh-

Suharto revealed Tuesday that Singapore would be prepared to contribute between five billion dollars and 10 billion

Japan and Australia said Wednesday they also stood ready to bail out Indonesia, but did not say how much they

In his statement Ma'rie outline a series of reforms including the gradual reduction of tariffs for many imports and trade deregulation on basic food commodities.

Farmers consider jute stick more valuable than fibres

MADARIPUR, Oct 31: Once they used to abandon the jutestick as a by-product; now the farmers consider it more valuable than the jute fibres, says

UNB. Considering the low market price of jute, once known as golden fibre, the growers are now taking more care of jutesticks which has a very well-todo price in the local markets.

Showing a contrary trend. the jute growers said, during the last few years the price of jute-sticks marked a gradual increase while the price of jute fibres fell abnormally.

In the past, the farmers used to keep aside the jute-sticks while separating those from the fibres. But now they are more attentive to collecting the jute-sticks rather than the fi-

Those days are gone when the jute-stick was used as just only fuel; now it has a better market than any time before for its demand for various household purposes apart from

its industrial use. The increasing trend to use it in various household purposes like erecting stand in betal-leaf field, fence for pardah or demarcation of boundaries has given the market of jute-sticks

a real boost. Local farmers are now in a upbeat mood. They are selling the jute-sticks in the local markets with a good demand

alognside the jute fibre. According to a Block Supervisor of the Agriculture Extension Department (AED), one can fetch up Tk 1,000 by selling only a bundle of 500 jute-sticks.

On the other hand, 10 maunds of jute-fibre are grown on one care of jute field which present market price is about Tk 2,000 to 2,200 only.

BRDB achieves 100 pc loan recovery

Star Business Report

Bangladesh Rural Development Board has achieved a hundred per cent loan recovery in poverty alleviation programme.

The debtors are regularly repaying their loans on weekly installment, says a press re-

Since the inception of the rural poverty alleviation programme, the board has disbursed a total of Taka 61.31 crore among 1.07 lakh assetless families as credit. The assetless members of the

project accumulated Tk 5.30 crore as thrift savings during the period.

The project is being implemented in 145 thanas of 23 dis-

The project, solely financed by Bangladesh government, is a comprehensive programme aiming at socio-economic development of its clientele ensuring self-development, socialdevelopment and engaging the assetless men and women in various IGA's.

Meanwhile, the board has disbursed Tk 10.17 crore as credit among the group members during the last nine months of this year. Moreover, Tk 8.33 crore was also distributed from realised loan money during the same period. The credit money is being revolved among group members

in a cyclic order. Over thirty thousand members were imparted skill development training in various IGAs. 11602 members were provided training on management development and leadership building and 58071 members were given awareness raising training in family planning, tree plantation and primary health care, installation of tubewell for pure and safe drinking water as well as use of sanitary latrine.

Besides 20,000 members will be covered under Mass Education Programme during the project period ending on June 1998.

Stock markets show signs of stability

LONDON, Oct 31: Global stock markets showed signs of stability Friday after Asia's two biggest exchanges. Tokyo and Hong Kong, shook off early losses and finished higher, reports AP

London and Paris prices turned lower in the afternoon, but the drops were nothing like those seen earlier in the wild trading week. After the beating that most markets have taken over the past few days, experts warned it was too soon to predict an end to the big price

London's blue-chip Financial Times-Stock Exchange 100-share index was down by 24.6 points, or 0.5 per cent, at 4.777.3 in the early afternoon.

Volume was light. In Paris, the CAC 40 index was also off by about a half a percentage point after giving up

early gains. Frankfurt's DAX was up by half a percentage point in the afternoon, though the DAX had been dipping from its morning

Shares were mostly lower throughout Asia early Friday. following Thursday's 125-point drop by the Dow, but most markets rebounded in later deal-

The Tokyo stock market. Asia's biggest exchange, closed 0.57 per cent higher, with confidence boosted by a rise in Hong Kong share prices and what many investors saw as an opportunity to buy shares cheap.

Tokyo's Nikkei average of 225 selected issues closed at 16,458.94, up 94 points as it rebounded after hitting its lowest level since July 1995. The Nikkei was off by 5.2 per cent for the week, however.

In Hong Kong, where the recent market turmoil began with a speculative assault on the territory's currency, the blue-chip Hang Seng index rose 2.5 per cent, or 260.92 points, to close at 10,623.78 points. The Hang Seng lost 4.3 per cent for the

South Korean shares plunged to a 5-year low. Thailand's currency, the

baht, closed a record low -41.10 baht to the dollar holding back Bangkok share prices as Thai corporations dumped their local currency in favour of the greenback. Activity around the Asia-Pacific region:

BANGKOK: The Stock Exchange of Thailand index closed with a tiny gain, up 2.12 points at 447.21, reversing

sponded to improved trade fig-JAKARTA: The Jakarta Stock Exchange index closed down 2.453 points, or 0.5 per cent, at 500.418 as investors sold telecommunications and

early losses as investors re-

banking shares. KUALA LUMPUR: The Composite Index rebounded to close at 664.69, up 2.21 points after

overcoming early losses. MANILA: Philippine shares closed slightly higher, shrugging off an early decline with the help of last-minute bargainhunting. The PSE index closed at 1,818.09, up 4.93.

SEOUL: Shares lost 2.9 per cent on continued sell-offs by foreign investors. The Korea Stock Price Index ended down 14.29 points at 470.79 points, its lowest level since Aug 21 1992, when it closed at 459.07.

SINGAPORE: Shares opened slightly lower but recovered to finish 54.68 points, or 3.4 per cent higher at 1,586.07.

SYDNEY: The All Ordinaries index of share prices closed at 2,464.8 points, up 28.7 points. or 1.2 per cent

WELLINGTON: New Zealand's capital index finished 0.8 per cent higher, with brokers saying strong late buying pulled it out of a slump. The index closed at 2,355.83, up 18.45 points.

Currency trading Chile supports call for new guidelines.

KUALA LUMPUR, Oct 31 Chile on Friday supported Malaysia's call for new guidelines to monitor currency trading more closely, says AP.

"I think the more transparency there is, the better. There's very little information about sources of capital and that's why I think greater regulation is needed," said Alvaro Garcia, Chile's economics minister.

Southeast Asian currencies, including the Malaysian ringgit, have fallen by more than 30 per cent against the US dollars in the past four months.

Baht plunges to new low

SINGAPORE, Oct 31: The Thai baht plunged to new lows yesterday after breaking past the crucial 40 to the dollar level, pulling regional currencies down as markets awaited word on an international economic rescue for Indonesia, re-

ports AFP. Political and economic uncertainty in Thailand including fears of new cabinet reshuffle, as well as strong demand for US dollars the month's end, pushed the baht to a new offshore low of 10.50 to the dollar, dealers

The baht first broke the 40 to the dollar barrier in domestic trade Thursday when the currency market was closed in Singapore for holiday, it was hovering around 10.45 in off-

It has broken the magical figure of 40 and so far we see no recovery," said a foreign ex-

It looks like nothing has changed. Wrangling is still going on and the Prime Minister is not taking any concrete action on the finance companies. he said referring to 58 lending firms whose woes had triggered

change dealer with a European

the Thai crisis. Other Southeast Asian currencies were also weaker Friday, with the Singapore dollar trading around 1.5885 to the US dollar in mid-afternoon trade compared to its close of 1.5815 on Wednesday.

The Malaysian ringgit was at 3.4250 to the dollar from 3.3975, and fell to as low as 3.4450.



The Ambassador of Sweden Anders Johnson, his wife, Chief Representative of Ericsson Radio Systems AB, Hans Helgstrand, his wife and their friends visited the factory of Bengal Fine Ceramics Ltd at Savar recently and praised the quality of the products.

Lure of China's giant market behind US business romance with Jiang

tions and buy Gucci handbags," said Eliot Clauss, president of the US-China Chamber of Cherdkees — is roughly equal to Commerce, just back from a the populations of Italy, France business trip to China.

"The coastal provinces and the major cities account for market of 200 million, a market the size of the United States. A real consumer market is developing." Business is so central to

Jiang's American visit that

business considerations all but overshadowed his 90 minutes of diplomacy with President Bill During the rest of this week, Jiang goes on the business path. He rings the bell to open trading on the New York Stock Exchange, let the ghost of old revo-

lutionary Mao Tse-tung think

what it will.

might put up.

He meets with US business leaders at IBM headquarters. He has lunch at the John Hancock Insurance Co. He tours Boeing. which signed a deal to sell three billion dollars worth of airplanes to China.

But China offers businesses all sorts of impediments to making money there. China has barriers to American exports - duties, quotas, import licence, and insistence that US companies deal through Chinese state enterprises. Partly as a result, China

sells six dollars worth of products or services in the Unites States for every one dollar worth of American products or services sold in China. Moreover, American com-

panies find that doing business with China has worrisome long-term consequences.

The Chinese do not want to buy Cherokees made in Detroit. They want Cherokees to be made in China — in Chinese factories, by Chinese labour with some of the profit staying in China. That sort of thing can cause

troubles for US firms. Chrysler has a 42 per cent stake in China's Beijing Jeep Corp, which does make Cherokees. But three years ago when the Chrysler was eager to build minivans in China, the Chinese demanded the right to licence Chrysler technology, which Chrysler figured could wind up in the hands of competitors. It said no deal. "Sometimes China asks for

too much and someone like Chrysler says, "See you later, said Richard Brecher, vice president of the US China Business Council

"Investment in China has come at a real price," adds Greg Mastel, China expert at the Economic Strategy Institute. "China has demanded the transfer of production technology. Against their will, companies are being forced to help build up their Chinese competi-

Nor, reports Mastel, are US companies above a few fast moves of their own - such as hiring the son or daughter of a major party figure as their Chinese business partner, sort of the equivalent to marrying, the boss' daughter to get ahead.

American political considerations get in the way, too. Because the United States suspects China sells the stuff of nuclear weaponry to countries such as Iran, Washington has prevented the US nuclear power industry - starved for customers now that nuclear power has gone out of fashion in this country from selling to China, a potential 60 billion dollar market. That was one topic of this week's summitry.

Before Boeing merged with its rival, McDonnell Douglas, the two companies and Europe's Airbus Industries swallowed hard and agreed to transfer technology and knowhow to China - even though they knew China eventually wanted to build its own airliners.

"Part of the price Boeing in paying is teaching China how to build planes, which someday almost inevitably will result in a Chinese company competing with its American counterpart, says Mastel.

"Maybe that's the ultimate example of biting the hand that feeds you.

Saudi chambers to boycott economic

confce in Doha RIYADH, Oct 31: Chambers of commerce in Saudi Arabia are to boycott the economic conference which Israel is due to attend in Doha in November.

an official told AFP yesterday. "The Association of Saudi Chambers of Commerce has decided not to take part in the Doha economic conference in order to express Saudi businessmen's rejection of Israel's policy against the peace process," said Abdel Rahman Al-Jarissi, President of the Riyadh Chamber of Commerce and In-

dustry. None of the Gulf countries, of which Saudi Arabia is the most influential, has yet announced whether it will take part in the

regional meeting. The Bahrain Chamber of Commerce and Industry, as well as the United Arab Emirates Association of Chambers of Trade and Industry, have said they will boycott the November 16-18 meeting because of Is-

rael's presence.

Vanik obtains licence from BB

Star Business Report Bangladesh Bank Thursday issued a Non-Banking Finan-

cial Institution Licence to Va-

nik Bangladesh Limited (VBL), a

joint venture undertaking be-

tween Bangladesh and Sri Lanka. The company has an initial paid-up capital of Tk 50 million, says a press release.

Meanwhile, the joint ven-

ture company obtained a Letter

of Intent from the Securities and Exchange Commission. ICB makes profit

The 21st Annual General Meeting of Investment Corporation of Bangladesh (ICB) was held here Thursday, reports

A large number of shareholders attended the meeting held at Hotel Purbani with Hedayat Ahmed, Chairman of the Board of Directors of the Corporation, in the chair. The shareholders approved

dividend at the rate of 11 per

cent for the 1996-97 fiscal

against 10 per cent of the last ICB made a net profit of Tk 8.02 crore during 1996-97 fiscal which is 68.84 per cent higher than that of the previous year. In spite of unfavourable situation that prevailed in the share market this growth was re-

markable, according to an ICB press release. The Corporation had earlier declared dividend at the rate of 70 percent, 45 per cent, 38 per cent, 43 per cent, 35 per cent, 24 per cent, 21 per cent and 18 per cent against first, second third, fourth, fifth, sixth, seventh and eighth ICB Mutual Fund respectively and Tk 17.50 per unit for

ICB Unit Fund for the 1996-97 fiscal. During the 1996-97 financial year, the Corporation sanctioned financial assistance of Tk 34.12 crore to nine projects. Since its inception, ICB provided financial assistance amounting to Tk 208.69 crore to 338 projects of which 77 companies are listed in the Stock Exchange.

G-15 ministers urged to unite on econ issues

KUALA LUMPUR, Oct 31: Malaysia's trade minister urged economic ministers from 15 developing nations Friday to unite on economic issues to get a better deal in international forums, says AP.

the G15 summit November 3-5. International Trade and Industry Minister Rafidah Aziz said the group can make an impact in multilateral forums if it works together. It is very important that the G15 countries, together with the other developing and lesser de-

veloped nations, seriously ap-

praise their role in the various

international forums," Rafidah

Speaking at a gathering of

economic ministers ahead of

The G15 was formed in 1989. Its members are Algeria, Argentina. Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe. Kenya will be admitted as the 16th member during the summit.

director-general Renator Ruggiero will meet the ministers for talks later, and Malaysian Foreign Ministry officials said the Southeast Asian regional currency crisis would be taken Malaysian Prime Minister Mahathir Mohamad, who will

World Trade Organisation

day efforts by the WTO toward free trade, globalisation and deregulation will fail unless new rules are introduced. One such new rule should deal with international cur-

chair the summit, said Thurs-

rency trading, he said. He did not give details.

ports AP.