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### WB, IMF milk poor nations, say protesters

WASHINGTON, July 30: More than 100 people protested outside the headquarters of the World Bank and International Monetary Fund Wednesday, saying the two organizations harmed poor countries they were supposed to help, reports

The demonstration was organized by the Women's International League for Peace and Freedom. Organizers said participants, who arrived in three buses from a convention in Baltimore, came from 40 coun-

"Every window pane in that (bank) building was put there through the pain of taxpayers in rich countries and the suffering of poor people in developing countries," said Marilyn Clement of Philadelphia, execu-tive director of the league's US section.

Aisha Dafan of Sierra-Leone in West Africa said the conditions the bank and the monetary fund impose for loans to developing countries mean scarce government funds are used to service debt agreements instead of going to health and education projects.

Carrying signs that said "IMF stop socializing losses and privatizing profits," the demonstrators paraded from in front of the bank across a street to the neighboring IMF.

The World Bank and the IMF were founded 53 years ago to promote global development and preserve economic stabil-

### BR introduces two inter-city trains from Aug 5

Bangladesh Railway (BR) will introduce a pair of new inter-city trains 'Udayan' on Sylhet-Chittagong route from Auast 5, a press release said in

haka yesterday, reports BSS. The first night inter-city train on Sylhet-Chittagong route will leave Chittagong at 9 pm and reach Sylhet at 6 am the next day. On the other hand, the same will leave Sylhet at 9:20 pm and reach Chittagong at 6:05 anı everyday except Fri-

Udayan Express will have 1st, Shovan chair, Shovan

(ordinary) and Shulov classes. On the same day, Paharika inter-city train, running between Chittagong and Sylhet, will be introduced with additional facilities. Shovan chair and Shovan seats will be added to Paharika Express.

Paharika will have four classes — first class, Shovan chair, Shovan (ordinary) and Shulov - from August 5.

Sylhet-bound Paharika will leave Chittagong at 10:30 am and reach Sylhet at 7:20 pm everyday except Saturdays while Chittagong bound Paharika will leave Sylhet at 7 am and reach Chittagong at 3:35 pm everyday except Fridays.

### JS body discusses textile policy

A meeting of the Parliamen-tary Standing Committee on Textiles Ministry was held today discussing various aspects of the already passed Textile Policy, reports UNB.

Manpower and activities of the ministry, including its departments and directorates, also came up at the meeting for discussion.

Committee Chairman Shamsur Rahman presided over the meeting which was attended, among others, by committee members State Minister for Textiles AKM Zahangir Hossain, Begum Munnujan Sufian and Ali Raza Razu.

Textiles Secretary Shamsuzzaman Chowdhury and con-cerned senior officials were also present.

### Nigeria okays addl \$300m for its oil industry

LAGOS, July 30: The Nigerian government has approved an additional 300 million US dollars cash call budget for its oil industry in 1998, bringing the total investment in the oil sector by government to 2.8 bil-

on dollars, says Xinhua. . A report by This Day newspaper said the approval came after a series of negotiations between the Nigerian government and major oil operators in the

country. Oil production in Nigeria, a major world oil producer with a daily production of over two million barrels, is done through joint ventures between the Nigerian National Petroleum Corporation (NNPC) and foreign oil firms including Shell, Mobil Chevron, Elf, Agip and Texaco.

In the last few years, these joint ventures have been forced to scale down their exploration and production plans due to the inability of the Nigerian government to fund its 60 per cent

ownership. From 1995 to 1997, the government's annual budget for the oil industry had been kept at 2.05 billion dollars. This caused harsh criticism from both the oil and public sectors, accusing the government of neglecting the oil sector.

# Garment garners 74 per cent in 1997-98: Traditional sectors fail

DHAKA FRIDAY, JULY 31, 1998

# Exports exceed target, grow by 16.81 pc

By Govinda Shil

Bangladesh's merchandise exports grew by 16.81 per cent in dollar terms, fetching US\$ 5,161 million from some 32 items during 1997-98 financial year, the Export Promotion Bureau said.

In taka terms, the growth was much higher -- 24.47 per cent, with export receipts to the tune of Tk 23,416 crore. The difference was explained by depreciation of the taka.

The government-set target was US\$ 5,020 million or Tk 22,590 crore while the exporters of the country earned Tk 826 crore more than the real projection. The target was exceeded by 2.81 per cent.

Last year, the export revenue stood at US\$ 4,418 million or

MOU to set up

cement factory

at Mongla

Star Business Report

standing (MOU) has been signed

between Islami Bank

Bangladesh Limited (IBBL) and

Dubai-Bangladesh Cement

Mills Ltd, a joint venture Hong

Kong-Bangladesh project, to

establish a clinker-based ce-

ment industry at Mongla, with

a view to meet the increasing

demand of cement in the coun-

try, says a press release of the

project is around Tk 42.50

crore, of which IBBL will invest

upto Tk 21.25 crore and the rest

will be provided by the sponsors

of the company. The annual

production capacity of this ce-

ment industry will be 5 lakh

maluddin Chowdhury signed

the MOU on behalf of IBBL

while Md Anowar Hossain,

Managing Director of Dubai-

Bangladesh Cement Mills Ltd.

The signing ceremony was

attended, among others, by

Commodore Mohammad Ataur

Rahman (retd), Chairman, Mo-

hammad Younus, Vice Chair-

man of the Board of Directors

and other senior executives of

the bank and Mostofa Kamal

Pasha, Chairman and Mo-

hammad Ali Pasha, Director of

Shun Shing Trading Ltd, Hong

partner of the project.

Kong, the foreign joint venture

One of many,

Mannan fights

a losing battle

By M Shamsur Rahman

The on-rush of hill water

continued to inflate the Sita-

lakshya, flooding new areas of

the city's southeastern part

where lives of thousands had

on the outskirts of the capital, with 11 cows, 12 calves and 10

Mannan's dairy at Manda,

already become miserable.

represented his side

Executive President M Ka-

metric tons.

The estimated cost of the

A Memorandum of Under-

Tk 18,813 crore.

However, major traditional items - raw jute, jute goods. frozen shrimp, and leather -could not attain their goals. Earnings from these sectors lagged behind their targets by about Tk 589 crore.

The breakdown of poor performing sectors is as follows: leather US\$ 15 million, jute goods US\$ 26 million, hosiery and knitwear US\$ 43 million, raw jute US\$ 18 million and frozen foods US\$ 28 million.

The deficit stood at Tk 683 crore at the end of March, declined to Tk 516 during May but shot up to Tk 589 at the end of June, EPB statistics revealed.

The primary goods could not achieve its target of US\$ 550

in the city on Tuesday.

SINGAPORE, July 30: Singa-

pore's first Islamic banking

service will be launched Friday

by one of the island republic's

largest financial institutions,

the bank said Thursday, reports

Oversea-Chinese Banking

Corp, otherwise known as OCBC

Bank, will initially introduce

two types of accounts in its

newly formed Islami Banking

Unit, which conforms to Mus-

usury, the practice of charging

million, bringing in US\$ 501.93

million during 1997-98 period. Ready-made garment has surpassed its target by Tk 1,558 crore, fetching Tk 12900 crore against a target of Tk 11,342 crore.

Countrywise, the United States tops the list with imports of Bangladeshi products worth US\$ 1929 million (Tk 8751 crore). Six EU countries have pur-

chased Bangladeshi products worth US\$ 2,035 million (Tk 9.232 crore). Talking to The Daily Star,

acting BGMEA president Nurul Huq Sikder said knitwear and hosiery products could not fulfill their targets due to a crisis generated from GSP problem in

- Islami Bank photo

or earning interest on money

About 15 per cent of multi-eth-

nic Singapore's 3.1 million

In practice, Islami banks

provide for profits or dividends

instead of interest, though re-

turns are not guaranteed and

any losses must be shared by

vest only in certain products.

companies or financial in-

struments that conform with

spokeswoman for the bank.

Such accounts must also in-

the bank and depositor.

people are Muslim.

The signing ceremony of a MOU between Islami Bank

Bangladesh Ltd and Dubai-Bangladesh Cement Mills Ltd

Islamic banking in

S'pore from today

The Islamic code prohibits Islamic law, said

the EU market last year.

He, however, said that without diversifying products and improving quality of readymade garments, Bangladesh would not be able to maintain the current growth rate of 25 per cent a year.

The RMG sector, comprising of woven products, knitwear and terry towels constituted 74 per cent of the total export earning, according to EPB statistics.

A leading frozen food exporter said the sector performed poorly because of low production of shrimp due to scarcity of baby shrimp in the country. He also spoke of the widespread prevalence of deadly white virus that kills shrimp within

HONG KONG, July 30:

Bankruptcies in Hong Kong in

this year's first six months in-

creased 14.9 per cent from Jan-

uary-June last year, the gov-

ernment said Wednesday, re-

Asian crisis hits

European

airlines hard

by Air France pilots and the

worsening impact of the Asian

economic crisis hit European

airlines hard in June, figures

published recently showed, re-

Airlines (AEA) said that overall

passenger traffic for the month

had risen by 4.2 per cent from

the figure for June of last year.

This was less than half the rate

of increase registered in the

major contributory factor in

the slowdown," AEA spokes-

man David Henderson said, "It

seems other European com-

panies only managed to pick up

and the Far East and Australia.

the June passenger numbers fell

by 2.2 per cent from the figure a

On routes between Europe

a part of the lost traffic.

The Air France strike was a

first five months of the year.

The Association of European

BRUSSELS, July 30: A strike

ports AP.

ports AFP.

year earlier.

A leading leather exporter AKM Rahmat Ullah MP. said Bangladesh lost 40 per cent of its entire leather market due to financial crisis in the Far East and Southeast Asian countries.

He said the market could not be revived unless leather technology was modernised and the government came up to help exporters regain the market by introducing 10 per cent cash subsidy on exports.

He said consumers were leaning towards snickers which was one of the major reasons for Bangladesh to lose leather markets worldwide. But he is hopeful to penetrate the international market. "EU has levied 35 per cent duty on Chi-

In a report on liquidations

ordered by the courts in Jan-

uary-June, Robin Hearder said

the regional economic crisis

played a part in the increase.

but courts also have given more

time to hearing bankruptcy

cases, effectively increasing the

charge of overseeing company

liquidations, said the 691

bankruptcies handled by the

courts in this year's first half

included 326 compulsory com-

pany liquidations and 365 per-

sonal bankruptcies, compared

to 280 compulsory liquidations

and 321 personal bankruptcies

and bankruptcy orders made by

the court in June alone was 161.

as compared to the average

monthly figure of 106 for Jan-

million Hong Kong dollars (4.7

million US dollars) were paid to

shareholders of 129 companies

declared insolvent, down from

79.1 million Hong Kong dollar

(10.1 million US dollar) in 113

panies declared bankrupt must

pay off shareholders with a cer-

tain percentage of what is left

after the court's insolvency

Under Hong Kong law. com-

insolvencies last year.

judgement.

In the first half, he said, 36,7

uary to May," Hearder said.

"The number of winding-up

Hearder, the official in

Bankruptcies increase

in Hong Kong

turnover.

a year earlier.

nese shoes and 6 per cent on Indian footwear," he claimed and said Bangladesh could enter the EU market by improving its quality of leather goods.

He said Bangladesh could follow the Indian example by providing 12 per cent cash incentives on exports of footwear to become competitive in the international market.

For the current 1998-99 financial year, the government has set a target of USS 5790 million in export earnings, according to an Export Development Council document.

Bangladesh's exports grew by 13.80 per cent during 1996-97 fiscal when it had fetched Tk 18.813 or US\$ 4,418 million.



## re-elected BEA president

A S M Quasem, Chairman of Newage Garments Limited and the former president of the Dhaka Chamber of Commerce and Industry, were also made new vice-president for the same

members are: Iftekharul Alam Chairman and Managing Director of Omnichem Limited, M Shamsul Alam, Managing Director of Reliance Insurance Ltd., M A Awal, Managing Director of Prime Composite Mills Ltd., Khurshid Azam, Managing Director of Mohsen Jute Mills Limited, S A Azim. Chairman of Azim and Son (Pvt) Ltd., Waliur Rahman Bhuiyan, Managing Director of BOC Bangladesh Ltd, S Fazlul Haque, Managing Director of Glaxo Wellcome Bangladesh Limited, Mashi Ul Karim, Managing Director of Berger Paints Bangladesh Ltd., Nicholas J S Miller, Managing Director of Nestle Bangladesh Limited, Feroz Rahim, Managing Direc-tor of Rahimafrooz Batteries Limited.

### Unemployment in Germany up

COLOGNE, Germany, July 30: The number of people registered as unemployed in the whole of Germany rose to 4.1 million in July from 4.075 million in June, the local newspaper Koelner Stadt Anzeiger said, reports AFP.

In a report to be published on Thursday, the newspaper said it had obtained data from the federal Labour Office which showed that number of people out of work in Western Germany rose to 2.8 million in July, following a decline of 59,000 to 2.77 million in June.

In eastern Germany, the jobless total stood at around 1.3



Rokia A Rahman

# Rokia A Rahman

Star Business Report The 47th annual general meeting (AGM) of Bangladesh Employers' Association (BEA) yesterday re-elected Rokia A Rahman its president for 1998-

period, says a press release. Rokia Rahman is a leading business figure having involvements in cold storage and insurance businesses.

The other elected committee

million in July, the paper said.

### lambs, can hardly make it now. His firm has gone under seven feet flood waters. Mannan had to build a platform of bricks for his cattle. Every day, he is raising the height of the platform with new layers of bricks to keep them just above the water level. "The water level rose by three inches during the last 24 hours. And if it continues to rise at this rate, then I will have to shift the cattle to a safer place soon," a frustrated Mannan said. His main cattle feed -- dry hay -- has already been engulfed by water. Now he has to depend on water-hyacinth as a substitute, now found in abundance in the area. He employed four persons to look after his firm. His financial constraints have forced - Star photo by Sk Enamul Huq him to get rid of three of them.

## Neglected workers keep the wheels turning Samuel Sarpong writes from Accra

It is hot and humid in the ramshackle galvanised iron sheet enclosures, and the ears, eyes and nose are assaulted by the smoke, the cacophonous hammering and the carbon monox-

Welcome to Suame Magazine, a suburb of the Ghanaian city of Kumasi, where a community of about 5,000 workmen make their living from collecting, sorting, ref-fashioning, repairing and assembling vehicles and parts.

At first glance it looks chaotic, but there is an order here as mountains of scrap are recycled and given a new lease of life. Few of the workmen have any formal educa-

tion or qualifications, but they play a crucial role in helping keep Ghana's wheels turning. Toiling in small workshops, using primitive and sometimes improvised tools, they attract customers desperate to keep their vehicles on the

Kwame Aguda and his family were sad when they had to abandon their 15-year-old Ford car for lack of spares. But thanks to the skill of the Suami artisans, Aguda is back behind the wheel - and the renovated engine purrs as softly as a

The high purchase price of a new car — beyond the reach of all but a few Ghanaians - and the cost of spare parts has boosted their business. Economists have estimated that up to 80 per cent of Ghana's ageing vehicle fleet is serviced and rebuilt through "informal sector" garages like those found in Suame.

The initial boost for these self-taught mechanics came from the nation's economic crisis in the late 1970s and early 1980s. Foreign currency reserves dwindled as the price of Ghana's export commodities fell and imports became more expensive. That is when vehicle parts became searce, and people learned to improvise.

And that is why it is no longer a surprise to find a Renault 20 GTL fitted with a Datsun 200

For much of the post-independence period, the informal sector has provided jobs and inexpensive manufactures. Yet successive regimes have ignored their contribution and have failed to of-

fer support. "In the past we were a despised lot," says mechanic Osei Kwadwo, who has worked in Suame for more than 20 years. "But that is changing He believes that the artisans have finally won

recognition from the government. When President Jerry John Rawlings visited Suame a couple of years ago, he said he was struck by the quality of their work. He even urged quali-

fied engineers to seek advice from them. Since then, the administration has helped "indigenous engineers" through technology services, training and credit.

The innovative Ghana Regional Appropriate

Technology Industrial Service (GRATIS), for example, now provides on-site training in product development. The government has also helped establish a

pilot programme to provide credit to small-scale operators. Loans, which average the equivalent of \$3,000, are provided by a state bank and are

guaranteed by the National Garage Owners Association. Recipients include a mechanics' co-operative established to enable members to buy and share bask in theories." equipment such as lathes and crank-shaft

grinders. Assistance also comes from the Intermediate

Technology Training Unit set up in Suame by the Technology Consultancy Centre of the University of Science and Technology. The aim is to upgrade the mechanics' skills and teach them basic accounting and management methods.

Impressed by the success of the Suame workers, the government is trying to get artisans all over the country to form groups through which they can obtain help and benefits.

In Suame itself, the administration has acquired a plot of land to enable expansions to take

Atta Poku, an artisan who has benefitted from the government's expanded appropriate technology training programme, says he is convinced about the government's commitment to indus-

trial artisans. 'The government has cause to believe so much in our competence," he argues, "because most Ghanaian engineers, specifically those who went through formal education and have chains of degrees, lack inventiveness and seem content to

 Gemini News (The author is a Ghanaian journalist working \ as a senior reporter with Daily Graphic in Accra.)

### **Business Briefs** Japan car sales in

### SE Asia down 80pc

KUALA LUMPUR: With an estimated plunge of 80 per cent in car sales in Southeast Asia, Japanese car makers plan to boost the export of auto parts outside Asia.

Japanese automobile executives also said they would depend less on imported parts from the United States and instead spur industrial activity within Asia by purchasing car components made by countries within the region.

Senior automobile officials from Japan and the Association of Southeast Asian Nations met Thursday to discuss the region's auto industry.

"Automobile production in Asia has reached a critical situation," said Masao Omichi, director of the automobile division in Japan's Ministry of In-

ternational Trade and Industry. "Private Japanese companies operating in Southeast Asia are striving ... to urgently expand export performance and to maintain employment," he said, but did not specify which countries Japan would be targeting for exports.

Big Japanese car companies such as Toyota, Nissan and Mazda have 900 factories overseas, 60 per cent of these in Southeast Asia.

Car sales in the region have dropped precipitously since the prolonged economic crisis sweeping through Asia has caused stock markets and currencies in various countries to tumble by more than 50 per

### Moody's downgrades Sumitomo Bank TOKYO: Moody's Investors

Service said Thursday it has lowered its rating outlook for Sumitomo Bank Ltd, one day after the bank announced a tieup with Daiwa Securities Co. in investment banking. The US credit rating agency

said it lowered its outlook for Sumitomo's credit rating to "negative" from "stable." It said the tie-up was risky for Sumitomo because of "Daiwa's very weak financial condition."

Moody's also said it would continue to review Daiwa's "Baa3" rating for a possible downgrade. A cut would drop Daiwa's debt into the ranks of "speculative" or "junk" invest-

Moody's did not change its "A2" rating on Sumitomo's deposits, but the "negative" outlook means there is a greater chance the agency will lower it sometime soon. A lower rating is associated with higher risk and could force Sumitomo to pay higher interest rates to attract depositors.

The decision followed the banks' announcement Wednesday that it will put up 150 bil-lion yen (1.05 billion dollars) to form joint venture companies with Daiwa.

Sumitomo and Daiwa said they will establish three joint venture companies that will start operations next April.

### Cheap deals for tourists in Jakarta JAKARTA: Cheap deals for

tourists are plentiful in Indonesia these days. On Thursday, some were free, all part of a bid to lure visitors back to the trouble nation. In a government campaign

dubbed "Let's Go Indonesia!,"

foreigners arriving in the

country were treated to vouchers for free hotel rooms and meals as well as free or discounted air tickets. Asia's currency crisis and recent riots over price increases in Indonesia have bettered the one-robust tourism industry in the nation of 200 million peo-

ple. Political turmoil forced

former President Suharto to

quit in May after 32 years in Some foreigners have stayed away, fearing more violence. Many tourists from economically struggling Thailand and South Korea no longer have the cash to vacation abroad.

"What we faced was a crisis of confidence," said Alestair Speirs, manager of the 10 million dollars promotional cam-

### Top S'pore bank may see drop in profit SINGAPORE: One of Singa-

pore's big four banks is expected to announce a huge drop in profits for the first half of 1998 because of the regional economic crisis, analysts said Thursday.

United Overseas Bank Ltd. will likely post a 60 to 70 per cent fall in net profit when it announces it half-year results later Friday, the first Singapore bank to unveil interim results this season.

The plunge in profits is primarily due to large provisions for bad loans and investments in the region, as economic and financial conditions deteriorate in Asia, market observers told Dow Jones Newswires.

The bank will probably write off about 200 million Singapore dollars (116 million dollars) for the first half of this year, dragging down it total earnings, said DIR Singapore analyst Tony Raza.

- AP reports