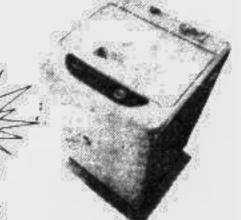
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Low price turns hide traders' bane in N'dists

LALMONIRHAT, July 31: A sudden fall in the price of animal hides has caused a huge stockpile of raw hides in north-ern districts of the country, reports UNB.

Local traders said hides of various animals were rotting in different districts of the region, including Lalmonirhat, due to the price slump and lack of proper preservation facili-

They said, the buyers are not keen to buy raw hides for lack of running capital as they have already invested their money in other markets due to low demand for hides the last two months. This was dealing the local market a terrible blow.

Market sources said that one cow hide was now being sold at Tk 200 or below it against the

funds declared

Star Business Report

Bangladesh (ICB) has declared

dividends on its eight mutual

and on the Unit Funds, says a

per cent for First, 30 per cent for

Second, 35 per cent for Third,

32 per cent for Fourth, 22 per

cent for Fifth, 18 per cent for

Sixth, 14 per cent for Seventh

and 12 per cent for Eighth Mu-

tual Fund and Tk 14 per Unit

for the year ended on June 30,

in a meeting of the Board of Di-

rectors of the Corporation held

in the city yesterday under the

chairmanship of Hedayat

Ahmed, Chairman of the Board,

tributable net profit of the First

Mutual Fund is Tk 13 million

Second Mutual Fund Tk 2.1

million, Third Mutual Fund Tk

13.5 million, Fourth Mutual

Fund Tk 6.8 million, Fifth Mu-

tual Fund Tk 5.2 million, Sixth

Mutual Fund Tk 17.5 million,

Seventh Mutual Fund Tk 5.8

million, Eighth Mutual Fund

Tk 8.3 million and ICB Unit

Fund Tk 861 million respec-

with appreciation that in spite

of the depressed conditions pre-

vailing in the stock market, ICB

funds had been managed satis-

factorily and that the dividends

Azizur Rahman

Azizur Rahman

new DG of

BRDB

Rahman has joined Bangladesh

Rural Development Board

(BRDB) as the Director General

a press release of the board said

of Additional Secretary re-

cently while working as Joint

Secretary of Rural Development

and Cooperative Division in the

Ministry of LGRD and Coopera-

the then Central Secretariat Service, belonging to 1967

Rahman is a senior officer of

Defecting his position in the

Ministry of Defence of the then

Government of Pakistan, he ac-

tively participated in the Liber-

ation War of Bangladesh in

of Defence, Industry, Foreign

Affairs and the President's Sec-

nomic counsellor in

Bangladesh Embassy in Stock-

holm and made remarkable of

contribution to increasing ex-

port to the Scandinavian coun-

Swedish Cultural Award, 1996

for his book entitled "Shuvo

Sandha, Hay Sundargavirata"

containing selected poems of

the great Swedish poet Tomas

Transtromer, which was pub-

lished from Stockholm Univer-

Rahman was awarded the

retariat in various capacities.

He served in the ministries

He also worked as the eco-

He was promoted to the post

yesterday, reports BSS.

Additional secretary Azizur

declared were attractive.

The Board of Directors noted

During 1997-98, the dis-

the press release added.

The dividends were approved

press release issued yesterday.

Investment Corporation of

The rates of dividends are 70

removal of barriers to foreign previous rate of Tk 1,200. and local investment, reforms The sources said, the slump of laws and regulations to spur has thrown nearly 5,000 foreign direct investment (FDI). labourers, involved in the busiprotection and support to doness at various levels, out of mestic industries, tariff rationalisation, incentives to small Thousands of raw hides are and cottage industries, develbeing smuggled out of the counopment of human resources and try due to poor demand in the formation of a national council

local market, they added. are the key elements in the new draft policy. "A vibrant and dynamic pri-Dividends for ICB vate sector will be the principal actor in Bangladesh's industrial arena," the policy draft Mutual, Unit

> "The manufacturing sector will employ at least 20 per cent of work force and compete in

A new Industrial Policy en-

visages that share of the coun-

economy in 10 years, from to-

day's 10 per cent. There are also

hopes that industrial sector

will employ a fifth of the na-

icy 1998 is now awaiting Cabi-

The proposed Industrial Pol-

Private sector development,

tional workforce.

net approval.

the liberalised internal market and external market as well," it try's manufacturing sector will go up to a fourth of the national

There is also a special emphasis on export-oriented industries, with a target to give an export bias to the industrial sector in general.

The policy suggested establishment of an integrated and comprehensive management information system (MIS) in the ministry of industries for providing infromation services

to the entrepreneurs. "To ensure productivity growth, emphasis will be given on human resources development through providing better access to education, skill, specific training and market information," according to the proposed policy

It also speaks of encouraging "progressive infusion of new technology leading to increasingly efficient corporate structure".

A national council headed by the prime minister will oversee implementation of the new policy. Styled National Council for Industrial Development (NCID), it will be cochaired by the minister for inand mechanised extraction dustries. within the bounds of reserved

Ministers of finance, commerce, planning, energy, jute, textile and labour and manpower will be part of the proposed council.

Proposed Industrial Policy targets

high growth of manufacturing

By Rafiq Hasan

Chairman of the privatisation board. Governor of the Bangladesh Bank, chairman of NBR, tariff commission and heads of other related agencies will attend the meeting of the council, proposed to be held once in three months.

Underscoring the need for an investment-friendly environment the new policy said that all regulatory barriers would be removed within the quickest possible time to facilitate easy and rapid flow of domestic private and foreign direct invest-

According to the policy, private entrepreneurs will be able to set up industries in all areas except four reserved sectors.

The four reserved sectors are arms and ammunition and other defence equipment and machinery, production of nu-

In 10 years, it should be 25 per cent of GDP, employing 20 per cent of workforce clear energy, security printing and minting, forest plantation

> The new policy proposes to free the industrialists from taking prior permission for setting up new industries. "No prior permission will be necessary to start a new industry outside those on the reserved list," it

The proposed policy also gives clear cut definition to manufacturing industry, service industry, large, medium small and cottage industries. It also outlines the role of various promotional bodies of the government including Board of Investment (BOI), Bangladesh Export Processing Zone Authority (BEPZA) Bangladesh Small and Cottage Industries Corporation (BSCIC).

*BOI, BEPZA and BSCIC will provide 'One Stop Service' in different areas including power. gas, water, drainage, telecommunication and environmental clearance in their respective jurisdiction," it says.



A meeting of the Board of Directors of ICB was held on Thursday with Hedayat Ahmed, Chairman of the Corporation presiding. S A Chowdhury, Managing Director of ICB, is also

Thai DPM seeks top WTO post

BANGKOK, July 31: Deputy Prime Minister Supachai Panitchpakdi, a key member of the government's economic recovery team, would rather take the helm of the World Trade Organisation than stay in Thai politics, the Bangkok Post said Friday, reports AP.

Supachai, who also serves as commerce minister, is to be Asia's sole nominee for the WTO directorship, which would become vacant next year.

"I want the WTO job, but don't yet know whether I'll get it. With the WTO, the country's profile would be higher," he was quoted as saying by the English-language daily.

The nomination is to be made in September.

BJMB brightens prospect of setting up EPZs in N dist

From Our Correspondent

RANGPUR, July 31: The opening of Bangabandhu Jamuna Multipurpose Bridge (BJMB) has brightened the prospect of setting up Export Processing Zones (EPZs) in the

northern region of the country. The road communication problem which was a main hindrance to industrialisation in the region is now over. Gas supply will be available in a few months. Direct train link between the northern region and other parts of the country in-cluding the capital Dhaka is expected to be completed in phases by the end of 2001, sources said.

All these developments have created a favourable atmosphere for setting up EPZs, the experienced quarters here opined.

Under a government programme to establish EPZs in six northern districts, a survey team was sent to conduct feasibility study last year. The team after extensive spot visits and discussions with officials, industrialists and elites selected some fifteen sites and submitted their report to the Bangladesh Export Processing Zones Authority (BEPZA).

In conducting the survey, the team had followed BEPZA guidelines that the proposed sites for EPZs should be near highways, railway line, airport and sea port.

The team selected 600 acres land near the Rangpur-Badargonj highway, 759 acres near the Pabna-Ishwardy rail line, 1,400 acres near the approach road of BJMB in Serajgonj district and 1,200 acres of land in Bogra for setting up of

Two sites in Nilphamari and Ishwardi were also selected. Setting up of the proposed EPZs in these northern districts would help change the cropping pattern bringing economic solvency to the povertystricken farmers and self-reliance in food production in the country, experienced quarters

Meanwhile, the farmers amidst great enthusiasm have speed up the cultivation of various crops particularly rice. wheat, maize, vegetables, etc. since they are now getting fair prices of their produces.

A section of middlemen, 'dalals' and 'farias', who were so far dominating the prices of goods on a monopoly basis due to dearth of purchasers, have now been disappeared with the opening of the BJMB, farmers

The leading members of Rangpur Chamber of Commerce and Industry, business community and agriculturists urged the government to immediately establish the proposed EPZs in the northern region.

Handloom industry facing problems in Magura

From Our Correspondent

MAGURA, July 31: Weavers of four thanas in the district who are associated with hand loom industries are facing a lot of problems in running their

Indifference of the government, lack of modern technical know-how, dearth of capital, high prices of basic raw-materials and lack of proper marketing facilities are some of the problems.

High prices of cotton yarn, dyes and chemicals, and taxes on raw materials and finished products, have brought instability in the market.

loom industries are not preferred by the consumers due to comparatively high price with low quality. They like foreign goods for their low price and high qual-

The products of the hand-

ity, according to the market ob-Due to these problem, most

of the handlooms have been facing threat to elosure. A large number of people are

likely to be jobless. Several thousand families are connected with this trade in the district. On an average, five workers including children and women are engaged in each handloom.

A large number of weavers - 1995. have already changed their traditional job while others are looking for alternatives.

Business Briefs

Hyundai Motors sacks 1,569 workers

SEOUL: Hyundai Motor Co. fired 1,569 workers Friday despite labour warnings that mass layoffs will lead to a prolonged strike at the nation's leading automaker.

Some 3,000 unionised Hyundai workers, rallying in the company grounds, vowed to continue their work stoppage that has crippled company op-erations for 12 days.

Hyundai management says it has no alternative but to eliminate redundant manpower to save the country's No. 1 automaker from its deep financial problems, caused by sharp

drops in domestic sales. It has already shed 5,000 workers through early retirements this year. Then this month, Hyundai told an additional 2,687 workers to take early retirement with extra bonuses, or face outright dis-

By the midnight Friday deadline, only 1,118 had taken early retirement, Hyundai said.

Hyundai's 26,000 unionised workers went on strike July 20, protesting the planned layoffs.

Japanese housing starts down 11.7 pc

TOKYO: Japan's housing starts in June slumped 11.7 per cent from the same month last year - the eighteenth straight month of decline, the Construction Ministry said Friday. Weak consumer confidence

hurt by rising unemployment and slack demand for labour, was the main cause of the stubborn sluggishness in housing starts, the ministry said. There were 106,715 housing

starts in June. The figure fell 17.0 per cent in May, 16.1 per cent in April and 11.9 per cent

The ministry also said consumers are waiting to buy houses because they expect the current super-low interest rates to be maintained for now, and that rates are more likely to be cut further than raised.

Japan's official discount rate has stood at the record-low 0.5 per cent since September

NEC to invest in **Packard Bell**

TOKYO: Japanese electronics giant NEC Corp. will invest 225 million dollars in Packard Bell NEC Inc. to take a controlling 52.81 per cent stake in the USbased computer company. NEC said Friday.

NEC, which currently owns 49 per cent of Packard Bell NEC, also said that Groupe Bull of France will invest an additional 25 million dollars in the company, bringing its total new investment to 250 million dol-

That will give Group Bull an 11.68 per cent interest in the company while Packard Bell Electronics will have 35.51 per cent. NEC said that by making Packard Bell NEC a subsidiary. NEC's consolidated sales in the current fiscal year through March will increase by 300 billion yen (2.09 billion dollars).

The new investment from NEC and Groupe Bull will be used to boost Packard Bell NEC's sales and promote its restructuring efforts, said NEC Vice President Seijiro

Yokoyama. NEC aims to publicly offer Packard Bell NEC shares in about two years, he said.

Lehman Bros takes over Thai Peregrine BANGKOK: The Asian arm of

US-based global investment bank Lehman Brothers Holdings Inc. said Thursday it has acquired Thailand's Peregrine Finance and Securities.

The Thai unit of Hong Kong's Peregrine Group was bought from the group's liquidators. Lehman Brothers Asia said in a

statement. No purchase price was announced.

The former Peregrine subsidiary will operate independently from Lehman Brothers Thailand Ltd. which has been principally engaged in advisory

services, the statement said. Peregrine collapsed last year when Indonesia's currency, the rupiah, plunged in value. The company had invested nearly one-third of its capital in a taxi company associated with relatives of former President

Suharto. When the rupiah weakened, the company could not repay its loans and went into bankruptcy, dragging Peregrine with it.

Kittivalai Charoensombutamorn of Lehman Brothers Thailand has been appointed country manager of Peregrine. responsible for all of Lehman Brothers' activities in Thailand, it said.

Peregrine's Thai finance and securities office has remained open since the collapse of the group, but securities trading has ceased for the past several months.

- AP reports

Japan's jobless rate hits record high in June

TOKYO, July 31: Corporate retrenching and rising bankruptcies sent Japan's unemployment rate to a record high of 4.3 per cent in June, the government announced Friday, says AP.

The jump followed two consecutive months at the previous high of 4.1 per cent, the Management and Coordination Agency said. Layoffs were the main cause

of the surge in the jobless rate as companies step up restructuring efforts to remain competitive during Japan's recession and corporate bankruptcies soar, the agency said. The number of people forced

out of their jobs increased to 900,000 in June, up by 340,000 from last year, the agency said. The June unemployment figure is the highest recorded since the government began its current system of compiling

unemployment data in 1953. The Dai-Ichi Mutual Life Insurance Research Institute, a Tokyo think tank, predicted Thursday that Japan's unemployment rate will rise to 5.3 per cent by 1999 and could hit 10 per cent in the future.

Takafusa Shioya, administrative vice minister of the Economic Planning Agency, said he was worried that rising unemployment may further weaken domestic consumption. Slumping consumer confidence is seen as one of the main causes of Japan's recession.

Demand for labour in June also fell, with 51 jobs being offered in for every 100 seekers. compared to 53 in May. The ratio of job offers to seekers was

the lowest in Japan since Jan-

The total number of people out of work actually fell due to seasonal factors to 2.84 million from the record high of 2.93 million set in May, the agency said. But the number of jobless grew by 550,000 from last year.

Rice prices rise sharply in Rajshahi

From Our Correspondent

RAJSHAHI, July 31: Rice prices have increased sharply in the northern region, one of the main rice-producing areas of the country.

The price of rice per 84-kg bag rose by Tk 120 to Tk 200 last week. The lowest-quality rice sold for Tk 14.00 per kg in the local markets on Wednes-

Price of paijam rice per bag has risen to Tk 1450 from Tk 1300, IRRI-20 to Tk 1240 from Tk 1090, BR-10 to Tk 1230 from Tk 1030, IR-50 to Tk 1300 from Tk 1140, Parijat to Tk 1230 from Tk 1070, Dadkhani to Tk 1950 from Tk 1830, Jhingashail to Tk1550 from Tk 1400 last

Local traders said, price of rice had marked a sharp rise in India causing price hike in rice imported from that country. Local office of the Controller of Food attributed the price hike to the opening of the Jamuna Bridge and heavy rains and

Jute cultivation in 10 SW dists falls short of target

From Our Correspondent

MAGURA, July 31: The jute cultivation target could not be achieved in 10 southwestern districts of the country during the current season.

The 10 districts are: Magura. Jhenidah, Narail, Jessore, Khulna, Bagerhat, Satkhira, Kushtia, Chuadarga and Meh-

The Agriculture Extension Department (AED) fixed a target for cultivating jute on about 1.13.714 hectares of land in the districts. But only 52 thousand hectares of land were brought under jute cultivation during the current season.

A group of farmers told this correspondent that the target of jute cultivation could not be reached in the districts due to a number of reasons. The farmers are no longer interested in jute cultivation owing to the low price of raw jute during the harvesting season. Besides, nonavailability of high yielding variety (HYV) of jute seeds during the sowing period made it difficult for them to get into

On the other hand, a section of farmers in Shalikha thana and its adjoining areas went for substitutes like vegetables and cotton in their lands.

But, jute was cultivated only on 10,865 hectares of four thanas of the district. In Jhenidah, target of the district was fixed at 15,320 hectares whereas 5,000 hectares of land were brought under jute cultivation. Narail targeted 13,325 hectares and finally came up with only 4138 hectares of land.

What powerball lottery winnings can buy

NEW YORK, July 31: You're a millionaire! Now what? Powerball lottery will each be \$12.4 million richer until taxes kick in. That's plenty of money to pay off the mortgage, get the kids through college and invest

in some nice, safe mutual funds. Or, they could catch the Concorde to London and back every week for the next 25 years. They could ride a submarine to the bottom of the sea to view the wreckage of the Titanic. Landlubbers could easily plunk down \$260,000 in cash for a shiny new Silver Seraph made by Rolls-Royce.

No matter where they went, they could make sure they arrived on time with a glance at one of 606 Rolex watches the winnings would buy.

For every instant millionaire created by lottery jackpots or gambling windfalls, there's a cautionary tale of squandered fortunes, gold-digging acquain-tances and unwise investments. So when someone hits it as big as "the Lucky 13," lawyers and accountants line up to offer ad-

Some basics from New York financial planner Stan Chadsey: Get rid of debts, pay college tuition, and start planning for retirement, even if you intend to keep on working.

Want to take a trip? You could fly to the moon and back 310 times once a fledgling effort to start lunar tourism kicks off. A Washington state aerospace company believes it can soon offer a seat on its "space tourist vehicle" for about \$40,000.



Sean Allen talks to reporters before delivering a congratulatory cake Thursday to a Westerville, Ohio, business where a lawyer says a group of 13 machine shop employees purchased the winning \$295 million Powerball ticket. "They're in a state of shock," attorney Larry Sturtz - AP/UNB photo

Tough challenge ahead for ASEAN

SINGAPORE, July 31: The new chairman of the Association of Southeast Asian Nations (ASEAN) said he is optimistic, but admitted the challenge of lifting the region out of its economic malaise is a difficult one, says AP.

"We must bite the bullet by addressing weaknesses, implementing sound policies and staying the course on globalisation," Singapore's Foreign Minister Shanmugam "Jayakumar said in a speech Thursday night, summing up a just-concluded week of ASEAN meetings in Manila with Western and other Asian powers.

"If we can do so, the pain, while acute, will pass and we will be the stronger for it," said Jayakumar, who was chosen

year. He said that despite vast dif-

ASEAN chairman for the next

ferences in race, religion, political style and nation size, "past experience has shown ASEAN has a remarkable capacity to work together to achieve common aspirations, especially when the going gets tough."

Ministers at the Manila meetings had expressed optimism that as the East Asian economies implement reforms. confidence will return and they will "eventually regain their position as among the faster growing in the world," he said.

Jayakumar went out of his way to challenge observers who have suggested ASEAN may be developing fissures, particularly on the issue of human

rights oppression by newest member Myanmar, and the desire by the group's two democracies — Thailand and the Philippines — to speak more publicly about problems. Jayakumar was one of the

chief opponents of any change in ASEAN's policies of quiet, closed-door diplomacy, decision by consensus, and ignoring member states' internal poli-In his speech to a Southeast

Asian research group after returning to Singapore, Jayakumar said, "If I may paraphrase Mark Twain, rumors of ASEAN's death are greatly exaggerated." "During these trying times, ASEAN must stay focused on

basic principles: sovereign

equality, consensus decisionmaking, domestic noninterference and open economies." Jayakumar said.

Rejecting comparisons with the European Union, which takes an interest in human rights as well as economic policies of member states, Jayakumar said: "Unlike the EU. ASEAN is an organisation for regional cooperation, not a supranational body at the expense of individual sovereignty. "It was designed to manage

political and security relations within the region and with major powers," and has kept the peace for 30 years, he said. "We need not be distracted by 'expert' opinions proposing that we adopt new or different ways to handle our affairs.

Russia, Bosnia agree to boost economic ties SARAJEVO, July 31: Russia taxation treaty, agreements on

and Bosnia agreed yesterday to revive trade and boost diplomatic and economic ties, including the release of Russian reconstruction credits for Bosnia, reports Reuters. A Russian delegation, in-

cluding Deputy Economy Minister Andrai Shapovalyants. met government officials from Bosnia's. Muslim-Croat Federation in Sarajevo on the first day of a two-day visit to Bosnia. The visit was aimed at defrosting relations between the

cool since Bosnia's 1992-1995 The two delegations agreed to sign four bilateral agreements in September, a double

protection of investments and trade and economic relations, and a scientific cooperation accord. Shapovalyants said the visit was aimed at establishing a le-

gal basis for future economic cooperation. The two sides had discussed the release of a 100 million dollar credit to Bosnia, already ap-

proved by the Russian government. Nikola Grabovac, Deputy Economy Minister of the Mustwo countries, which have been lim-Croat Federation, said Bosnia hoped to revive trade in commodities between the two countries, which he estimated at about 900 million dollars per

year before the war.