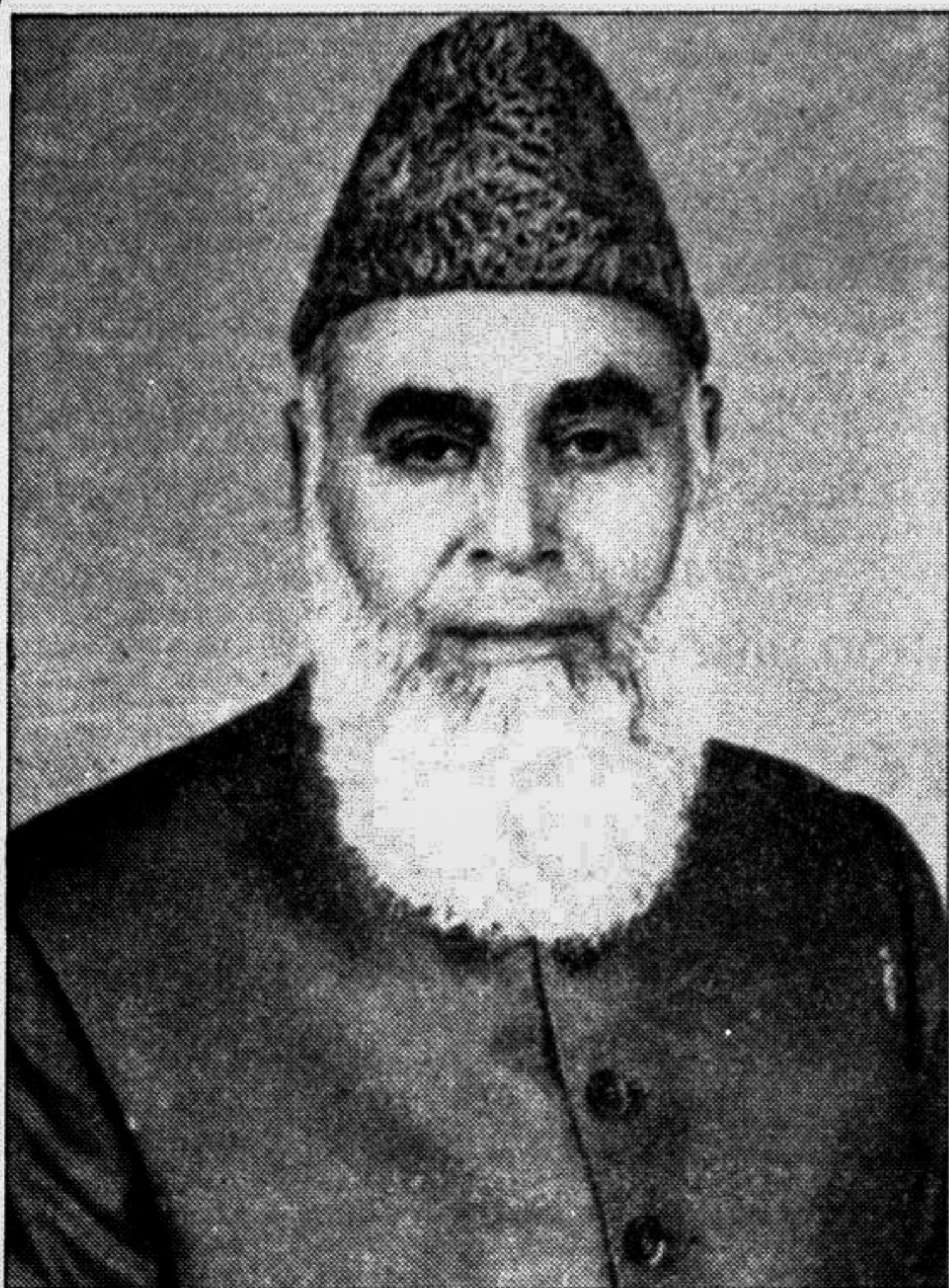


INDEPENDENCE DAY OF PAKISTAN

The Daily Star

Special Supplement

August 14, 1998



MESSAGE

"I congratulate all my countrymen on this 51st Anniversary of our Independent and pray to Almighty Allah to strengthen our resolve to build Pakistan into a strong and prosperous country and gain for it ever higher degrees of prestige

and influence in the comity of nations. This is a day not only for gratitude, but also for accountability to review how far we have been successful in achieving the objectives for which we had demanded a separate homeland and offered great

sacrifices. We must never forget that the prime objective for demanding Pakistan was to enable the Muslims of India to live individually and collectively according to the injunctions of Islam. The Objectives Resolution which now forms part of the constitution sets the parameters for exercising state authority in the promotion of these ideals.

Preservation of National independence and defending the country against aggression is the foremost duty of the Government. By the grace of God, we are now a Nuclear Power and our valiant armed forces are fully capable of defending the national frontiers. On the economic front the nation is currently facing new challenges.

These are the direct result of Pakistan's demonstrated nuclear capability and its resolve to rely on its own resources for its defence and development. Without internal unity, these challenges cannot be met. The Government, I am confident, will continue to take appropriate steps to ensure a greater level of consensus and cooperation between all segments of society and all shades of public opinion.

I firmly believe that by the grace of God Almighty Pakistan will continue to march towards a brighter and glorious future. The Government with its new agenda has embarked upon an ambitious programme of national reconstruction and uplift. It can be accomplished only with your active and wholehearted support and cooperation. All of us have a moral duty to give our best to make Pakistan a modern and prosperous Islamic State as envisioned by its founder Quaid-i-Azam Muhammad Ali Jinnah. PAKISTAN PAINDABAD".

Muhammad Rafiq Tarar
President of Pakistan

Pakistan's Road to Progress

by Mir Jamil-ur-Rahman

It was today 51 years ago that the Muslims of the Indian subcontinent acquired statehood and freedom after a long but peaceful struggle. The Muslims had fought on two fronts under the able leadership of Quaid-i-Azam Muhammad Ali Jinnah. Their object was not only to have freedom from the British colonial rule but also for the establishment of a separate independent country where the Muslims could live according to their beliefs. It was an uphill task to convince the British and the Hindu leadership that Muslims of India thought living in the subcontinent for centuries constituted a separate nation.

The areas that came to be known as Pakistan were economically and industrially backward. There was hardly any industry worth the name. Pakistan in a true sense was starting from a scratch. The roads were few and dilapidated. Only one seaport, Karachi, served the whole country with its antiquated equipment. Slowly the industry was built and attempts were made to achieve autarky in food and other essential goods. However, the going was very slow. Pakistan continued to depend on heavy imports of wheat and consumer goods. The policy makers gave little importance to wheat autarky. The growers were paid so little for their toil that they shifted to other crop that fetched better price. It was due to this negligence that many years after the World War II Pakistan continued to apply rationing for wheat and sugar.

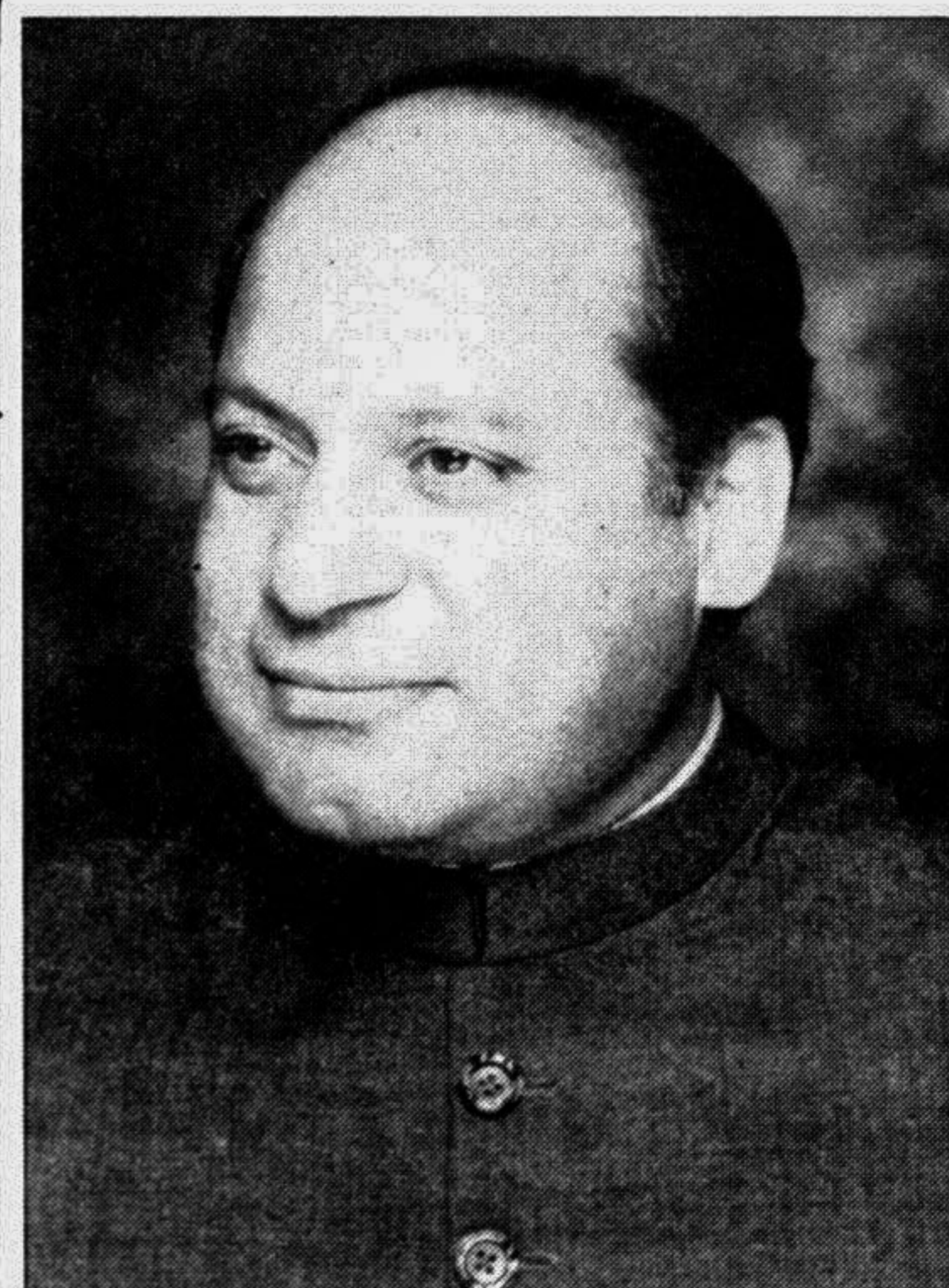
In the early nineties a silent revolution took place with the advent of Mr Muhammad Nawaz Sharif as Prime Minister.

Nawaz Sharif had a vision. He wanted to see a happy and prosperous Pakistan. Pakistan that could feed its people; that would be free of corruption and where social evils, religious sectarianism, ethnic divide and self-serving politicians are banished. He wanted a Pakistan where a sound system of social justice, equitable economic structure and equal opportunity for all is established. Nawaz Sharif vowed to change the system to create a better living standard for the people.

The revolutionary policies of Nawaz Sharif were too much to be stomachied by the vested classes that saw an end to their privileges if the people were awakened from their slumber. They conspired against him and did not allow him to complete his term. However, at the next opportunity people took their revenge.

Nawaz Sharif has started his second term as Prime Minister from where he had left prematurely in his first tenure. It has been his constant endeavour to provide a modern communication infrastructure to the country. It is of no use building an industrial complex if its products could not be moved easily to the markets and ports. The farmer must have road facilities to bring his produce to the markets. Similarly, the modern entrepreneur feels lost if he could not communicate instantly with the markets at home and abroad. Nawaz Sharif took care of both the problems because he knew that without a modern and efficient infrastructure, the farmer would continue to suffer and foreign capital would remain shy.

(Abridged)



MESSAGE

"On the auspicious occasion of the Independence Day of Pakistan, I feel immense pleasure in extending my warm felicitations to my compatriots. Luster has been added to our fifty first year's independence celebrations by emergence of Pakistan an atomic power.

The cause of peace is by removing the temptation from the path of those who think that we are weak, and therefore, they can bully or attack us. That temptation can only be removed if we make ourselves so strong that nobody dare to entertain any aggressive designs against us.

Pakistan has to assert its natural right of self-defence in the face of Indian nuclear adventurism. Indian nuclear tests posed a serious security threat to the whole South Asian region particularly to Pakistan which had longstanding dispute with India over Kashmir. In this situation we adopted the path shown by our founding Father Quaid-i-Azam Mohammad Ali Jinnah, who said, "the primary responsibility for the defence of our country will rest with us and Pakistan must be prepared for all eventualities and dangers. The weak and defenceless in this imperfect world invite aggression from others. The best way in which we can serve

Pakistan is a peace loving country. We assure goodwill and friendship to all nations particularly our neighbour. We have no dispute with our neighbours except India over Kashmir. Pakistan demands that Kashmir issue must be resolved according to UN resolutions and the people of Kashmir should be allowed to exercise their right of self-determination as promised by India under Nehru Government. Early solution of Kashmir dispute will relieve the people of this region and the world at large.

My compatriots, we are being asked to pay the price of our decision to stand as a self-respecting nation. Certain coun-

tries have imposed economic sanctions for testing our nuclear capability. Glory of nations hinges upon the response of its people. Pakistanis will not be overwhelmed by the enormity of the task. We are made of sterling material and are second to none. The history of Islam is replete with instances of valour, grit and determination. Inshallah, with courage and self-reliance, Pakistan shall emerge triumphant.

Our National Agenda is to make Pakistan a self-reliant economic power correspondent to its military strength. Our foremost priority is to enhance agricultural and industrial production not only to meet our domestic needs but also to produce enough surplus to cater for the needs of our exports. Every new factory or new Dam means a step forward on the road of economic stabilisation of our country and the prosperity of its people. In this connection, attractive incentives have been offered to local and foreign investors. Government has allocated billions of rupees to farmers. Self-employment scheme has been launched to provide an ample field for the outlet of youth's genius particularly in the realm of trade, commerce and cottage industry. Landless farmers are being allotted state lands to usher in an era of rural prosperity and to establish an egalitarian social system. The time for real solid work has now arrived and I am confident that the Pakistani genius will put its shoulder to the wheel and conquer all the obstacles in our way to glory.

Government is not unaware of law and order problem. Now our enemy cannot dare to attack our frontier as we have made our defences impregnable but foreign elements have indulged in fanning sectarianism, ethnic polarisation and sabotage activities. However, our nation will thwart all these designs by shunning the forces which are working to weaken the foundation of our national unity and solidarity.

In the end, I will repeat the words of Quaid-i-Azam, "Great responsibilities have come to us, and equally great should be our determination and endeavour to discharge them, and the fulfilment thereof will demand of us efforts and sacrifices in the cause no less for construction and building of our nation than what was required for the achievement of the cherished goal of Pakistan. Inshallah our nation will make Pakistan a land of prosperity and plenty. Pakistan Zindabad."

Muhammad Nawaz Sharif
Prime Minister of Pakistan

Pakistan's Economy: Outstanding Results

By Absar Alam

THE financial year 1997-98, which ended on June 30th, has been full of outstanding and challenging events for Pakistan's economy. A number of epoch-making events unfolded on the national and international scene, which left their impact on the overall

performance of the economy. Despite facing certain difficulties the government continued to pursue its structural reforms programme agreed with the International Monetary Fund (IMF), the World Bank, the Asian Development Bank (ADB) and other multi-lateral loan

agencies.

The biggest challenge that Pakistan accepted and went through successfully in FY 1997-98 was to keep afloat and survive the devastating consequences of East Asian crisis on

its economy. The financial and economic flu that caught the whole of East Asia last year has a direct impact on Pakistan's economy because of augmented bilateral trade relation between Pakistan and these countries.

It was quite an achievement that Pakistan not only managed to get through this difficult situation but also continued reforming its financial and economic sectors. The effects of the crises were felt on Pakistan's external sector in terms of loss in export earnings and constrained its access to international capital markets.

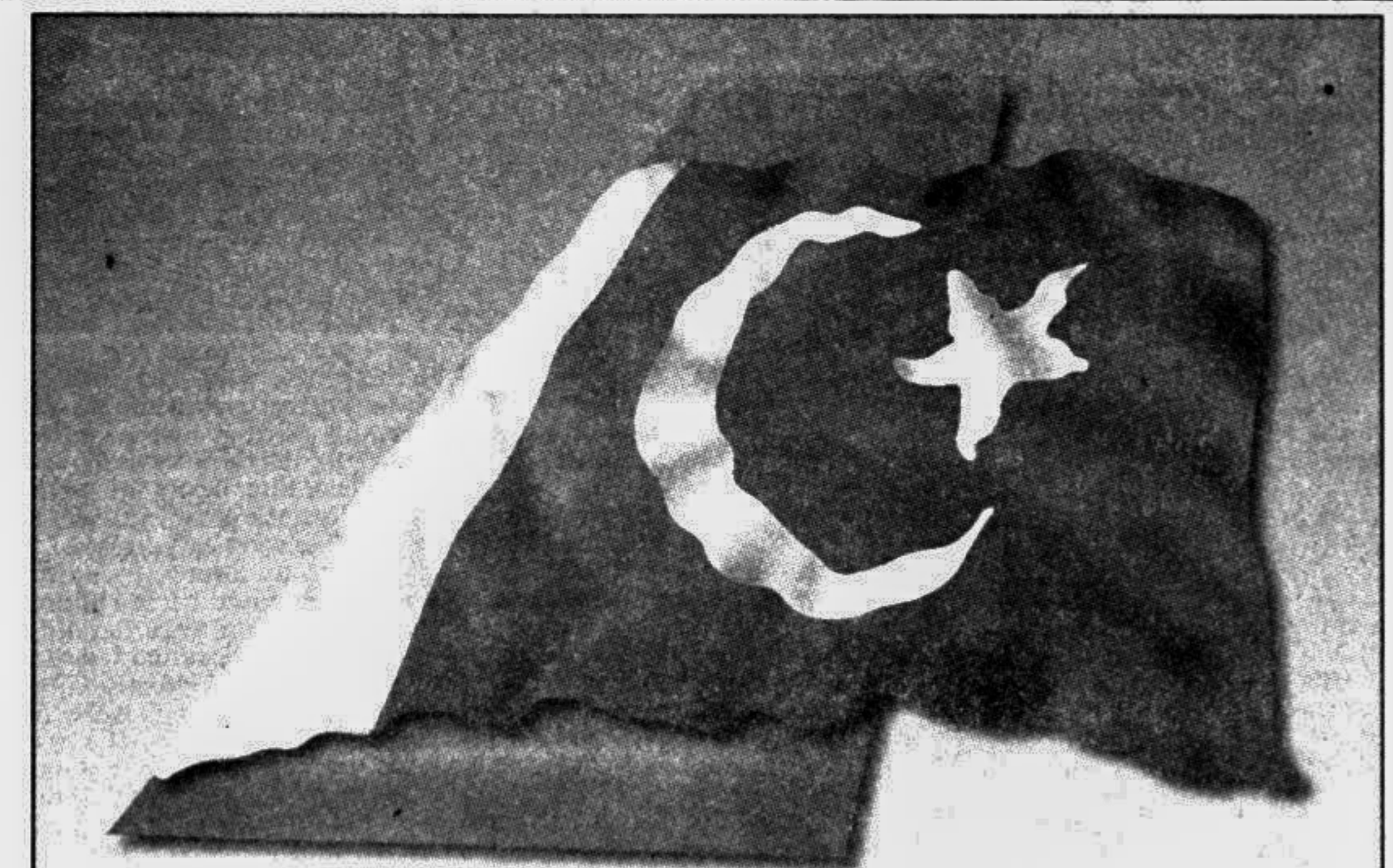
Another most important development on the external sector was the five nuclear tests conducted by India on May 11 and 13, 1998 that drastically changed the strategic and security balance in the region. The nuclear tests accompanied by threatening statements from arch-rival India forced Pakistan into a situation where Islamabad had to conduct nuclear tests to achieve strategic and security vis-a-vis India. This action of Islamabad, however,

prompted G-8 countries to impose economic sanctions on Pakistan.

To counter the adverse effects of the economic sanctions the government, however, announced an economic package that will not only meet the economic and financial requirements but will help undertake social development programme. Through this package a new foreign exchange regime was introduced besides the announcement of incentives for foreign currency accounts and lucrative opportunities for foreign investors.

To put things in order in the banking sector the government also launched a strict drive against the loan defaulters. To achieve quick results the government amended the law enabling the banks to seek administrative assistance to arrest the bank loan defaulters and confiscate their property to recover the stuck up amount. The move has been very successful and a large number of defaulters have coughed up the defaulted loans.

(Abridged)



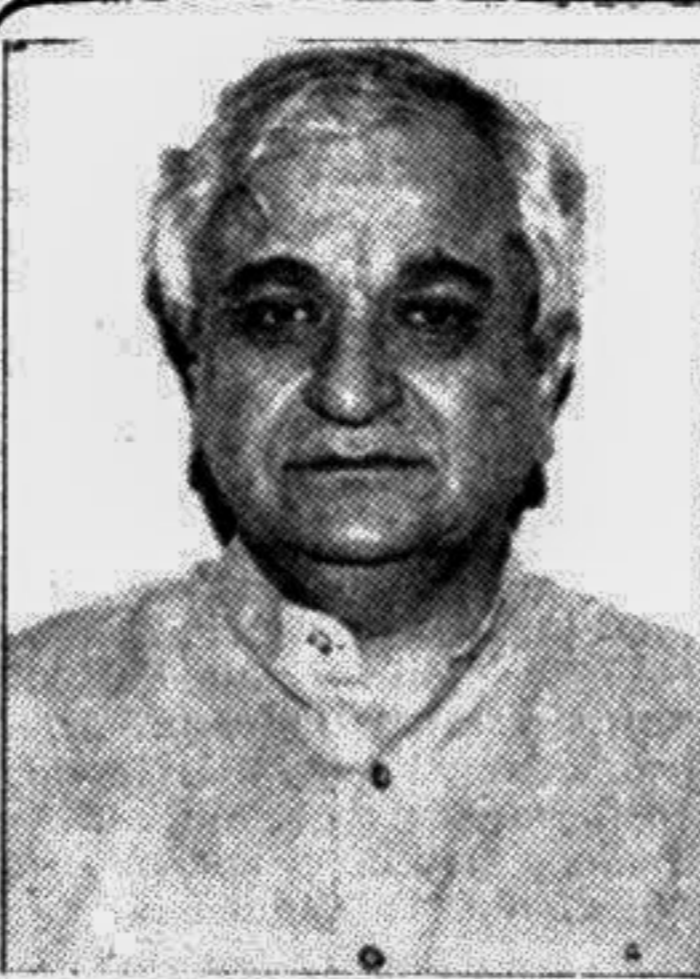
ONCE EVERY YEAR, WE FLY HIGHER THAN USUAL.

August 14, 1998. PIA joins all Pakistanis in celebrating Pakistan's 51st independence day with heads held high and hearts filled with joy. PIA and Pakistan - Together, committed to a better future.



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MESSAGE

Pakistan will celebrate the 51st Anniversary of its Independence on August 14, 1998. It was on this day that the Muslims of South Asia achieved a separate homeland for themselves after waging a long struggle under the inspiring leadership of Quaid-e-Azam Muhammad Ali Jinnah.

The Independence Day will dawn with feelings of pride over the scientific and technological achievements of the Nation as reflected in the atomic experiments of May. The nation has now embarked on the path of self-reliance through the Prime Minister's National Agenda, to combat the sanctions imposed on Pakistan following its reactive atomic tests.

Over the past five decades Pakistan's economy has grown at a satisfactory rate and its purely agricultural economy has developed into a semi industrialised one. Modernization of the communications infrastructure, increased agricultural yield, defence production, development of telecommuni-

cations and enormous increase in services sector are among our major achievements.

The people of Pakistan feel proud over their political maturity and commitment to human values. The country is now fully poised to enter into the 21st century as a progressive and prosperous member of the world community.

Pakistan, as a peace loving country, seeks to promote cooperation and good relations with all nations particularly the neighbouring countries. Pakistan has been in the forefront in fostering international peace. We have also played an active role in promoting Islamic solidarity.

In pursuance of its foreign policy objectives, the country has steadfastly adhered to the principals of the UN Charter including sovereign equality, territorial integrity non-interference, peaceful settlement of disputes and exercise of the right of self determination.

Bangladesh and Pakistan have maintained brotherly relations over the years. We share a common history, our cultural ties are close and our aspirations are similar. Our common membership of SAARC binds us even closer. Our fraternal relationship was further re-inforced by the visit to Pakistan in June by Her Excellency Sheikh Hasina and the visit to Bangladesh in January by Prime Minister Nawaz Sharif.

I am confident that Bangladesh-Pakistan cooperation will continue to strengthen with the objectives of prosperity and well being of the peoples of the two friendly countries.

Karam Elahi
High Commissioner for Pakistan in Bangladesh

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