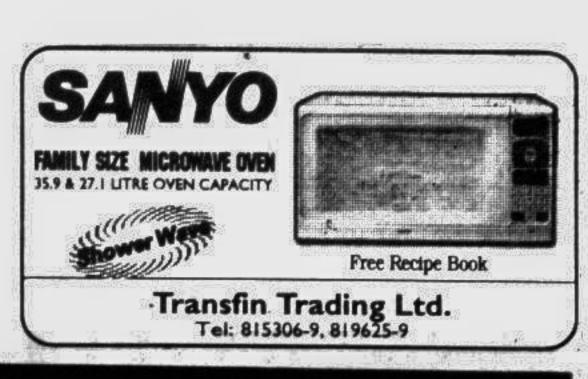


DThe Daily Star DUSINESS

DHAKA SUNDAY, AUGUST 30, 1998



Malaysia grants illegal aliens 2-month amnesty

KUALA LUMPUR, Aug 29: Illegal immigrants, estimated to number about 300,000 nationwide, will be allowed to go home voluntarily over the next two months, Malaysian media re-

ported Saturday, says AP.
Until the end of October, no action will be taken against anyone found without valid travel documents or work permits, the New Straits Times

After October, police will continue cracking down on foreign workers and other illegal immigrants who remain in the country, said Deputy Home Minister Tajol Rosli Ghazali. During Asia's boom years,

Malaysia imported millions of foreign workers to build its modern cityscape. Now, with rising unemployment and a plunging economy, they're no longer welcome.

A majority of the illegal aliens in the country are Indonesians, while others come from Bangladesh, India, Pakistan, China, Myanmar and several African nations.

"Their embassies have appealed to us for a reprieve, Tajol told reporters." So as a gesture of goodwill, we are allowing them home.

If caught, illegal aliens are usually fined 3,000 ringgit (drls 715) before they are deported.

Seminar on preparing managers

tomorrow A day-long seminar on "Prepuing managers for 21st century for Bangladesh" will be held here on Monday, reports

President Justice Sha habuddin Ahmed is expected to inaugurate the seminar at 8.30 am at Hotel Sonargaon on the

Finance Minister Shah AMS Kibria will be the special guest in the inaugural session. Pierre Landel Mills, Chief of World Bank Mission in Bangladesh

will also address the function. Jointly organised by Bangladesh Chamber of Industries (BCI) and Rapport Bangladesh Ltd. the seminar will have five sessions, including three business sessions and a certificate awarding cere-

Commerce and Industries Minister Tofail Ahmed will be the chief guest and FBCCI President Youssuf Abdullah Harun will be the special guest in the first business session with key note speaker Prof Khawaja

Saeed from Pakistan. Home Minister Rafigul Islam will be the chief guest in the 2nd business session and Chairman of Privatisation Board Kazi Zafarullah, Prof Ali Ashraf MP will be special

guests.

Noted management trainer Sharu S Ranganekar from India will be key-note speaker in the session. Post and Telecommunica-

tions Minister Mohammad Nasim will be chief guest and Dr Moyeen Khan, MP, will be the special guest in the 3rd session where Upali Mahanama, an international marketing expert, will be the key-note speaker.

Certificate awarding ceremony will be held at Hotel Purbani where State Minister for Planning, Science and Technology Dr Mohiuddin Khan Alamgir will be the chief guest and Chairman of Bangladesh Association of Banks Abdul Awal Mintoo will be special guest.

About one hundred top and senior executives from government, public and private sectors and NGOs will participate in the seminar.

Acer slashes '98 profit forecast

TAIPEI. Aug 29: Taiwan's computer giant Acer Inc. has slashed its net profit forecast for 1998 by 36 per cent to 3.5 billion Taiwan dollars (about \$100 million), citing slumping chip and personal computer prices, reports AP.

Acer, however, raised its 1998 sales target slightly to 90 billion Taiwan dollars (\$2.58 billion), it said in a statement Saturday.

A global slump in dynamic random access memory chip prices has bottomed out, and the group expects its earning's outlook to improve later this year, Senior Vice President Philip Peng said.

Acer Semiconductor Corp., formerly a joint venture with Texas Instruments, has been racking up losses over the past few years because of falling prices in DRAM chips. The US firm sold its shares in the venture to Acer last March.

Acer's profit cuts are the latest in a series of similar moves by other large Taiwanese technology companies.

Global selloff rattles investors Another cell phone operator

By Dirk Beveridge

Friday, Tokyo stocks plunged

again, and by the end of the day

they had fallen to their lowest

level in 12 years. Even the dol-

lar-normally sought as a safety

net in times of crisis tumbled

ended across Asia on Friday

and begun once again in Europe,

it was clear that the global free

fall that began Thursday was

Index closed down 93.23 points,

or 1.2 per cent lower, at

all-time record high of Hong

Kong 79 billion dollars (US

10.13 billion dollars), and

traders estimated that govern-

ment buying accounted for

more than 80 per cent of the

Kong government has been

propping up the local stock and

stock futures markets in an ef-

fort to punish speculators.

whom officials say have been

selling the Hong Kong dollar to

drive up interest rates and

government may have used

more than 10 per cent of its re-

ing orders and no one's buying

except the government," said

"There are tremendous sell-

Market participants said the

weaken the stock market.

serves in the battle.

For two weeks, the Hong

In Hong Kong, the Hang Seng

Trading volume reached an

By the time trading had

against the Japanese yen.

not yet complete.

trading volume.

7,829.74.

LONDON, Aug 29: Stock prices plunged around the world on Friday, as the turmoil in Russia sparked more wild selloffs and left jittery traders wondering when the carnage might end.

Tokyo blue chips dove to a 12-year low, Hong Kong's key index fell 1.2 per cent despite heavy buying by the govern-ment and red ink spread wildly through European exchanges early in the day.

"The drops are so large. It's not just fundamentals driving this, people are scared," said Robert Allen Feldman, chief economist at Morgan Stanley (Japan) Ltd.

Thursday's weakness on Wall Street fueled the negative sentiment and had traders nervously waiting for the New York Stock Exchange to open again on Friday.

The Dow Jones industrial average tumbled 357.36 points Thursday — or 4.2 per cent — as the deepening crisis in Russia and doubts about Japan's handling of its recession jolted markets.

Prices were sharply lower by early afternoon on the London Stock Exchange, Europe's biggest market, although analysts pointed out that shares showed a big recovery from their lowest points in the morn-

London's Financial Times-Stock Exchange 100-share index was off by 108.1 points, or two per cent, at 5,260.4 by noon, tumbling share prices proved more persuasive.

more than halving its early losses of 4.8 per cent. Frankfurt's Xetra DAX index fell five per cent in early dealings but had recovered by early afternoon to show a loss of 1.4 per cent on the day at 4,941.82

points.

"An awful lot of uncertainties are still out there," said George Hodgson, a European stock strategist at ABN AMRO Hoare Govett in London.

The panicky selling was set off by Russia's economic trou-

The Russian government struggled Friday to find a way out of its mess, while opposition leaders were clamoring for the removal of President Boris Yeltsin.

But Hodgson said investors may have been overlooking some positive factors: Global economic troubles could make lower interest rates more likely, and some share prices may have plunged to levels where they had become a bar-

"It doesn't look particularly good, but I don't think we are too far away from the bottom in most European share markets," said Gareth Evans, European equities strategist at Nikko Eu-

Japan's finance minister went out of his way Friday to urge investors to remain calm, but front-page headlines about Russia's economic chaos and

Antony Mak, a dealer at the city's Vickers Ballas Holdings As soon as trading began

As if that wasn't enough, on Friday afternoon the government announced that Hong Kong has fallen into full-blown recession, with its once-booming economy shrinking by five per cent in the second quarter. Hong Kong officials said their economy is expected to shrink by four per cent this fiscal year.

"People are very scared of financial markets right now," said Nicholas Brooks of Santander Investment Securities in Singapore.

"People are watching what is happening everywhere, in Russia, in Latin America. They are sitting on the sidelines, very nervous."

The Russian turmoil has added to a year's worth of worries over Asia's financial crisis. As many countries, including Japan, have edged toward or fallen into recession, profits at a wide range of European and US companies have suffered.

In Moscow, Russian shares fell by 1.25 per cent, a drop that was modest compared to recent heavy losses. Other Eastern European markets were hit much

"It's complete panic selling. said John Barnett, equities an alyst at Raiffeisen Securities and Investment in Budapest. where shares fell 12 per cent on the opening. — The author is an AP writer

begins business tomorrow

Star Business Report

A fourth company, Sheba Telecom Ltd, a Bangladesh-Malaysia joint venture for mobile phone services, is set to start its GSM service in Bangladesh. Initially, the services will be available in Dhaka city beginning from tomorrow.

An "official soft launching" has been planned for tomorrow to mark the beginning. A formal launching by the prime minister is expected to be held

in the last week of September. Initial registration fee for the Sheba's GSM service has been fixed at Tk 7,400 for local and NWD call facility including Tk 2,300 as VAT, government license fee Tk 100 annually, government royalty Tk 1,000 annually and security deposit Tk 4,000 for local and NWD connection, company official

said. "Additional Tk 10,000 as se-



Phiphit Suphaphiphat, the new Resident Representative of Asian Development Bank, called on Yussuf Abdullah Harun, President of the Federation of Bangladesh Chambers of Commerce and Industry, on Thursday at the Federation office.

curity deposit would also be charged for ISD connection," a marketing executive said.

He also said that every customer will have free personal voice mail services. Activation of other value-added services such as call forwarding, call waiting, call holding will also be free of charge.

The services will also enable a person to know the callers' phone number and restrict their own numbers to be displayed on others' set, he said.

The airtime charge has been fixed at Tk one per unit. Each unit will be of 15 seconds. The charge has been fixed for calls from a customer's set to any other cellular network including Sheba's. An additional one time charge Tk 1.70 would be charged for calls to BTTB.

There would be no charges for calls from another cellular operator. For incoming calls from BTTB, first one minute would be free of charge and Tk 0.50 would be charged for every 15 seconds after the first

The airtime normal (peak) rate is applicable during 8.00 am to 8.00 pm and off-peak rate (25 per cent lesser than normal rate) is available from 8.01 pm to 7.59 am.

Like other cell phone operators, the monthly access fee will be Tk 500.

New governor

of Malaysian

central bank

acting governor of the central

bank was appointed Friday af-

ter the bank's top officials re-

signed over a policy rift with

mad Mohamed Don and his

deputy, Fong Weng Phak, sub-

mitted their resignations Fri-

day with immediate effect, the

Finance Ministry said in a

ernor Dr Zeti Akhtar Aziz will

take up her new position as act-

try's most senior bankers was

prompted by irreconcilable dif-

ferences with Prime Minister

Mahathir Mohamad over mon-

etary policy, sources close to the

sent from a news conference

Thursday when Bank Negara

announced Malaysia's dismal

GDP figures for the second

quarter. Gross domestic product

shrank by 6.8 per cent, for-

mally pitching the economy into recession for the first time

It wasn't those numbers that

"Both Ahmad Don and Fong

prompted Ahmed and Fong to

quit, but rather a growing dis-

cord over the direction of mone-

Weng Phak are men of princi-

ple," said a senior bank official,

pointing out that Ahmad of-

fered to resign to take respon-

sibility for the first quarter

GDP contraction. Finance

Minister Anwar Ibrahim re-

the central bank engineered a

tight-money, low spending pol-

icy to help Malaysia recover

from the prolonged regional

negative GDP figures for the

first quarter, Mahathir began

pushing for a looser fiscal pol-

But when that failed to avert

Earlier in 1998, Anwar and

tary policy, the sources said.

Ahmad and Fong were ab-

ing governor Tuesday.

Meanwhile, Assistant Gov-

The resignation of the coun-

statement.

bank said.

since 1985.

fused that offer.

economic turmoil.

Bank Negara Governor Ah-

the prime minister, says AP.

KUALA LUMPUR, Aug 29: An

Minister for non-destructive industrial testing

State Minister for Planning, Science and Technology, Dr Muhiuddin Khan Alamgir, has stressed the need for non-destructive testing at all levels of industrial experiment and production, reports BSS.

Opening a two-day training course on "quality assurance and quality control through non-destructive testing for top level executives" at a city hotel yesterday, the minister said low-cost productions at mills and factories should be ensured by applying the non-destructive

Organised by Bangladesh Society for Non-Destructive Testing (BSNDT), the opening session was also addressed by the society's former president Dr Md Sanaullah and its secretary Engr Mohiuddin Khan. The session was chaired by the president of BSNDT Engr

Delwar Bakht. The minister said that quality of products will have to be assured at all levels rather than mere controlling the quality to acquire international accept-

SAN FRANCISCO, Aug 29:

Increasing adult wages rather

than passing laws against child

labour may be a more effective

way of getting the world's chil-

dren out of the work force, ac-

economics at Cornell Univer-

sity, claims overemotionalism

has clouded the issue of child

labour and possibly even wors-

wages and employment rates.

passing laws to keep out child-

instead of developed nations

made imports, is the best way

that governments in countries

like India can eradicate child

labour. It's a popular miscon-

ception that greed is the force

driving parents to put their

children to work, he claims. "In

the popular mind, child labour

is very often equated with child

abuse," wrote Basu with fellow

Cornell economist Pham Hoang

Kaushik Basu, who teaches

Basu says increasing adult

cording to a new study.

ened the problem.

He emphasised the need for exchanging knowledge and attaining the latest technology by the concerned professionals in this regard. Dr Alamgir assured all-out

cooperation of the government for creative activities by any professional organisation. He said the Ministry of Science and Technology had a budget of Tk 12 crore last year for the purpose. This year Tk 13 crore has been earmarked to finance this kind of programmes, he

The NDT technology is widely applied in the developed and developing countries of the world. The technology is used for the quality assurance and quality control of industrial products and construction and maintenance operations.

A total of 21 participants comprising top-level executives of both private and public sector organisations are taking part in the course.

BERNOUS MOBILE PHONES

Three banks sued for selling Indian bonds

NEW YORK, Aug 29: Citibank, one of three banks that sold the Resurgent India Bonds (RIBs) in the United States, has been included in a racial discrimination lawsuit that charges the banks with excluding non-Indians from the bond sale.

The State Bank of India and the Bank of India, the two Indian banks that sold the bonds in the US, were sued for \$487.5 million in a case filed in the New York State Supreme Court. An amended complaint in-

cluding Citibank has been filed in the court on behalf of plaintiff Leonard Schoenfeld by the law firm Doniger & Engstrand. Schoenfeld's lawyer Daniel Engstrand said Citibank was included in the suit "because it also sold the bonds exclusively to Indians." Citibank officials could not be reached for comment. The suit charges the three banks with denying the plaintiff and other persons of non-Indian origin the opportunity

to purchase the RIBs, violating federal and New York state laws that bar discrimination on the basis of national origin. The plaintiff has also sought class action status and compensatory damages of \$387.5 million, comprising the 7.75 per cent interest on a projected total bond issue of five billion dollars, and \$100 million in punitive damages. The sale of RIBs opened on August 4 and closed on August 24. The bonds, issued by the SBI, were denominated in U.S. dollars, German marks and pounds sterling. The fiveyear dollar bonds pay 7.75 per cent interest, more than two percentage points above the U.S. government's five-year bonds that yield 5.21 per cent.

The issue managed to raise \$4.16 billion. SBI officials claim the bond's success proved India's creditworthiness in the world markets despite being slapped with sanctions by the U.S. for its nuclear tests in May. - India Abroad News Service

Pvt sector-led industrial growth stressed

Speakers at a workshop here yesterday underscored the need for rapid industrialisation under the private sector and creation of job opportunities for alleviation of poverty, reports

They suggested taking innovative and pragmatic measures for increasing production in agro-and non-agro sectors. Creation of self-employment opportunity, enhancement of income through productive activities and development of human resources through imparting proper training, to attain the economic prosperity of the na-

The workshop titled "Baseline survey of micro-enterprise activities: Validation of findings" was jointly organised by the Institute for Development Police Analysis and Advocacy (IDPAA) at Proshika and Institutional Reform and the Informal Section (IRIS Bangladesh). It is being financed by US-

AID Bangladesh under its "Job Opportunities and Business Support (JOBS)" programme. Held at the Islamic Development Bank auditorium, the

workshop was chaired by acting chief of IDPAA and Proshika Director Shah Newaz while JOBS Programme Manager USAID Ms Raka Rashid was the special guest. The keynote paper was jointly presented by researchers Asgar Ali Sabri, Gautam Shuva

Seema. JOBS team leader Dr Zia Ul Ahmed, senior research fellow of IDPAA Iftekhar Ahmed Chowdhury and Deputy Director ICD Omar Tarek Chowdhury also spoke. The keynote paper was presented through audio video

Biswas and Ms Fatima Jahan

demonstration which was followed by a lively open discus-

The workshop recommended availability of sufficient fund for micro entreprenurs and their easy access into financial and loan giving agencies as well as proper marketisation system for their products to attain overall economic progress of

In his presidential speech.

bangle industries in India in

addition to the hazardous fire-

Shah Newaz said that the total social cultural and human resources should be mobilised to ascertain real economic

progress of the nation. He said that not the microscopic section of upper class people but the greater population as a whole have the potentialities to mobilise such re-

Death toll on rise Tainted mustard oil scare grips N India

NEW DELHI, Aug 29: Residents of northern India are in panic over adulterated mustard oil that has killed at least two dozen people and hospitalised 500 others, says AP.

Several state governments have banned the sale of mustard oil, which is widely used for cooking in northern India, after virtually all brands of mustard oil sold in New Delhi were found adulterated with the seeds of prickly poppy. Saturday's newspapers re-

ported that some types of other vegetable oils also have been found to be adulterated - accidentally or deliberately. Many people are left wondering what f any oil is safe to use.

Most restaurants reported a sharp drop in business following the scare. A court in the capital banned

the sale of mustard oil on Wednesday after many people complained of vomiting, swollen limbs and breathing problems after consuming the adulterated oil. Doctors said dropsy was caused by a toxic chemical, sanguinarine, that was present in the oil.

Samples tested in government laboratories found it contained the seeds of a weed. Argemone mexicana, which often grows in mustard fields.

Despite the deaths, the government found it difficult to set up enough testing facilities or prevent traders from smuggling oil to states where its sale has not been banned.

Sri Lanka and in Kerala -- that

universal schooling keeps chil-

dren out of the labour force even

for improvement of the child

child labour is going down. In

1950, 35 per cent of children

used to be involved in the

labour force," Basu says. ILO

Director-General Michel

be won in the coming 15 years.

"The war on child labour can

Hansenne, too, is optimistic.

There does seem to be hope

According to Basu, "In India,

among low-income families."

labour issue, though.

Another KL central bank executive resigns

KUALA LUMPUR, Aug 29: A third senior executive has resigned from the Malaysian central bank and a fourth is under pressure to leave after the resignations of Bank Negara Malaysia Governor Ahmad Mohamad Don and his deputy, central bank officials said Saturday.

Thai forex reserves drop BANGKOK, Aug 29: Thai-

land's official foreign reserves as of August 21 totalled 25.8 billion US dollars, a 200 million drop from the week before, according to the Bank of Thailand, reports Xinhua.

The decline stemmed from the settlement of forward swap obligations, which declined to 9.9 billion US dollars as of August 21 compared with 10.6 billion US dollars the week before, the central bank was quoted today by the Bangkok Post as saying.

on Tuesday that it expected Thailand's official foreign reserves would stand at 26-28 billion US dollars by the end of December this year.

The Thai government said

25-26 TH AUGUST Workshop on Philips Mobile Phones held recently.

Van in the American Economic

review. "This phenomenon is

taken to be a product of avari-

cious entrepreneurs seeking

cheap labour and selfish par-

ents who would prefer enjoying

leisure while their children

labour had become so emotion-

alised that researchers and

policymakers had forgotten to

calculate what would actually

happen if strict sanctions were

put into place. "When I first got

interested in the problem of

child labour, it became imme-

diately evident that there were

people, organisations and gov-

ernments that were prescribing

what we should do," he told the

California newspaper India-

for analysis as to what would

happen if you do all this, if you

want to know the consequences

without going into the ethics of

"But when I searched around

Basu says the issue of child

work.

West.

Workshop on Philips Mobile

demonstration workshop on Philips Mobile Phone was held

Consumer Communication Asia Pacific Ltd Singapore, Manufacture of high teach GSM Mobile Phone, and its authorised distributor in Bangladesh Coronet Corporation Ltd. it was participated by executives and officers of different GSM network operators like Grameen, Aktel & Sheba and dealers of Philips Mobile Phone in Dhaka

Phone held

on Wednesday, says a press re-

and Chittagong.

Manager, PCC Singapore, and Sadat H Salim, Executive Director of Coronet Corp conducted the workshop.

Jointly organised by Philips

A two-day training-cumat WVA auditorium in the city

Daniel Johnsson, Project

Increasing adult wages can eradicate child labour

By Lisa Tsering it. I discovered that there was guise of child labour reform.

hardly any available," he says. After using a series of formulae weighing the number of family members, current wages, market demand and workers' household consumption patterns, he concluded that an outright ban on the import of products made by child labour would do more harm than good. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA), for example, took steps to fire children from their jobs after it learned that U.S. Senator Tom Harkin had proposed legislation (the Child Labour Deterrence Act of 1997) to ban the import of goods made with child labour. Those children were then forced into even more dangerous industries such as breaking bricks in the sun.

or even prostitution, he claims.

individuals and groups pushing

their own agenda under the

Basu also warns against

'(They) can garner mass support for policies which actually benefit them while superficially appearing to help the cause of the labouring children," he says. "Formalism and scientific inquiry can be a bulwark against this." working children are found in Asia, according to a 1996 study

The greatest number of by the International Labour Office (ILO). In India, 14.4 per cent of children aged 10-14 work for pay (a figure that does not include domestic labour by girls). in Pakistan 17.7 per cent, and in Bangladesh 30.1 per cent, according to the study. Although it's such export industries as carpets, textiles and clothing which get international attention, the study says, it's the domestic sector which actually hires more children. Children are primarily employed in the handwoven carpet and glass

works and matchmaking in-"Chinese child dustries. labour has been dropping very rapidly through the '80s. And it is very likely that it was the better performance of the economy in general, which has caused a rise in wages, actually resulting in the drop in child labour. Myron Weiner, a political science professor at the Massachusetts Institute of Technology (MIT), however disagrees with Basu's theory. Author of

he told a recent International "The child and the state in In-Conference on Child Labour, dia: Child labour and education organised by the ILO and policy in comparative perspec-UNICEF. As Basu's study sugtive" cited by Basu in his June gests, a different way of looking article, Weiner claims compulsory education is a better solution. "One cannot rely simply on efforts to improve their labour market to bring a reduction in child labour." Weiner told India-West. "We have evi-

at the problem may be a step towards its solution. "You really need to analyse before you can come out with prescriptions," he said.

— India Abroad News Service dence within South Asia -- in