

**Foreign lines raise terminal handling charge at Ctg port**

CHITTAGONG, Sept 23: Foreign shipping lines have jacked up by 40-50 per cent the terminal handling charge of cargoes at the port, reports UNB.

The California-based 13 shipping lines bounded by Trans-Pacific Sterilisation agreement have raised the charge effective from October 1. Accordingly, importers will now pay Tk 3,800 as against Tk 2,300 for 20 feet container and Tk 5,500 as against 3,300 for 40 feet container at the time of taking deliver from the port terminal.

The reasons for the stiff increase of rate by the foreign shipping lines when the port charge remained unchanged were not explained.

Garments exporters sharply reacting to the decision of the foreign shipping lines said they will be hit hard by the raise.

**'Food situation satisfactory'**

A meeting of the Standing Committee on Food Ministry on Tuesday reviewed the contracts on procurement of rice through international tenders and directed the ministry to ensure its timely supply as per the deal, reports UNB.

The meeting held with committee chairman Mohammad Sayedul Haq in the chair at Jatiya Sangsad also had an elaborate discussion on the country's food situation following the unprecedented flood.

The meeting was told that the food stock situation of the country is at satisfactory level. It was also informed in the meeting that every godown of the country has adequate stock of food grain as per need of the people.

Committee members Agriculture and Food Minister Begum Matia Chowdhury, Mirza Azam, Mohammad Jinal Abedin Bhuiyan, Bharati Nandi (Sarkar), Mohammad Jainul Abedin Sarkar and Prof Mohammad Shahjahan Miah attended the meeting.

Deputy Minister for Food Dhirendra Devnath Shambhu was also present at the meeting on special invitation.

**UNESCO-UK project to help Bangladeshi weavers**

A UNESCO-backed project to help weavers in Bangladesh use their know-how and cultural heritage to gain economic empowerment will take place ahead of the British Fashion Week with a fashion show based on handwoven fabrics from Bangladesh at the Natural History Museum in London today at 6:30 pm, says a press statement issued yesterday.

The "Fashion for Development" show, in support of the weavers of Bangladesh and featuring clothes by Bibi Russell, a Bangladeshi designer, will be attended by British Secretary of State for International Development Clare Short and UNESCO Goodwill Ambassador Princess Maria-Teresa of Luxembourg.

UNESCO's interest in the project is due to the fact that it links culture, economic empowerment and poverty alleviation through traditional crafts and culture. The project is particularly beneficial to women. Thirty thousand Bangladeshi weavers were benefited from orders received from the international fashion industry following presentation of Bangladesh textile in previous show by Bibi Russell at UNESCO Headquarters in 1996.

This project is also of particular interest as an estimated 50,000 hand-loomers are idle or underutilised in Bangladesh and the country's textile industry, once the mainstay of its economy, is struggling to survive.

**Unemployment in Taiwan hits 2-year high**

TAIPEI, Sept 23: Taiwan's jobless rate in August rose to 3.05 per cent, the highest level since 1996, the government said Wednesday, reports AP.

The rate was the fourth highest monthly figure in half a century, it said.

But Chiang Pin-ku, head of the Council for Economic Planning and Development, said unemployment may drop because a government package to stimulate the economy is expected to create 120,000 jobs.

The government has pledged to spend nearly 200 billion Taiwan dollars (5.8 billion US dollars) in public works projects over the next two years to boost the economy that has suffered from falling exports.

The Asian financial turmoil and new graduates seeking jobs contributed to the rise in unemployment, the report said.

In August the number of jobless totalled 292,000 up 12,000 from July. Among them, 4,000 people lost their jobs due to company closures or downsizing, according to the Directorate General of Budget, Accounting and Statistics.

Because of the economic slowdown, many home appliances, electronics and auto firms have laid off workers or cut wages.

Earlier this week, United Microelectronics Corp, one of Taiwan's largest computer chip manufacturers, announced it will halt construction of a US 14.5 billion chip factory, the latest of several chip companies to suspend planned investment.

**ECB chief predicts Euro zone won't come down with world economic virus**

BRUSSELS, Sept 23: Europe's single currency zone will not come down with the economic virus that has hit Asia and Russia and sent world stock markets reeling, the man who will run the euro predicted on Tuesday, reports AFP.

Wim Duisenberg, the President of the European Central Bank (ECB), said the crisis would have only a marginal impact on growth in the 11 euro countries.

In comments that will further damp hopes of coordinated interest rate cuts by the world's leading economic powers, Duisenberg insisted: "we do not see a recession coming."

The ECB, which became operational in July, will be responsible for setting one interest rate for the entire euro-zone from January 1.

Before the various crises emerged, the 11 euro countries

were looking forward to growth above three per cent in 1999. That is no longer likely but growth will be only a few decimal points lower, Duisenberg claimed.

"Please don't panic yet," he said. "There will be some slowing down but there will be growth."

The ECB's optimistic view that the euro-zone can weather the shockwaves emanating from current turmoil is not shared by increasingly pessimistic private sector economists.

They have moved over the last month to sharply reduce their 1999 growth forecasts for the euro zone from a figure averaging around 3.2 per cent to an average of 2.6.

Duisenberg's upbeat analysis also clashed with figures published by the EU statistics office

on Tuesday which showed a sharp slowdown in growth in the second quarter of this year.

Across the EU, the annual rate of growth fell to two per cent, compared with 3.3 per cent in the first quarter. In the 11 euro countries the slowdown was even sharper, with the increase in GDP slowing to 1.8 per cent, from 3.4.

Analysts have identified the recent depreciation of the dollar as a potentially major source of pain for European exporters over the next year to 18 months.

EU Finance Commissioner Yves Thibault De Silguy on Monday admitted that the greenback's eight per cent fall against the German mark over the last month was a major source of uncertainty in the final countdown to the euro's launch on January 1.

Those who argue that the euro will be a pole of stability in an increasingly turbulent world, however, can point to the recent volatility of the Danish krone in support of their analysis.

The Danish central bank has had to raise interest rates and repeatedly intervene in the markets over the last two weeks in a bid to stem a sharp slide in the currency against the mark.

The weakness has been widely seen as punishment for Denmark's decision to stay out of the first wave of countries adopting the euro.

The currencies which will be merged into the euro on January 1 — those of Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, The Netherlands, Portugal and Spain — have so far barely moved in reaction to events in Asia and Russia.



A delegation of Bangladesh Computer Samity (BCS) led by its president Aftab Ul Islam called on Commerce and Industries Minister Tofail Ahmed latter's office Tuesday. The team apprised the minister of the progress and development of information technology and the possibilities of software export and human resource development in Bangladesh. — BCS photo

**Australia steps up efforts to save APEC sliding into irrelevance**

SYDNEY, Sept 23: Australia has stepped up efforts to save APEC sliding into irrelevance amid growing economic turmoil in Asia and worsening political strife in Malaysia, which hosts the group's next summit in November, reports AFP.

Prime Minister John Howard and his predecessor Paul Keating, the key figure in promoting the Asia-Pacific Economic Cooperation group as a free-trade forum, both warned this week that APEC must play a bigger role in the Asian crisis if it is to survive.

Their remarks followed a warning by Deputy Prime Minister and Trade Minister Tim Fischer that increasing political instability in Malaysia could threaten APEC's future.

In a foreign policy speech late Tuesday, Howard said how the world managed the looming crisis would determine whether Australia would live in a stable and prosperous region early next century and keeping markets open would be critical.

"The forthcoming APEC leaders meeting will be an important opportunity to pursue these goals, hold the line on open markets and renew commitments to reform," he said.

"This is a test that APEC must pass if it is to remain an

effective institution. The region needs APEC and my government will fight hard for its success."

He said he had proposed that in Kuala Lumpur, APEC leaders agree on a programme to help member-economies identify deficiencies in financial and economic management with a view to finding appropriate remedies.

In a speech delivered almost simultaneously in Shanghai, Keating described APEC as "the invisible man of the Asian crisis," and warned that the summit would show whether it had reached the end of the road.

He said APEC should be an ideal vehicle for addressing the global economic crisis.

But unless it could show it had the capacity to do something about regional economic cooperation during the worst crisis of the past half century "it might as well pack its bags and declare that a decade is enough."

Keating, now a consultant on business in Asia, also warned against using the economic crisis as an excuse for slowing down APEC's goal of free and open trade and investment within the region.

He accused the United States of letting Japan "off the restructuring hook" in 1995 by sup-

porting a lower yen and then joining the International Monetary Fund (IMF) in demanding strong structural medicine for other Asian economies when they seized up under the strain of an appreciating US dollar.

Keating outlined five areas in which he believed the APEC leaders needed to show results in November, including a re-assertion of the concept of APEC as the embodiment of the Asia-Pacific community and "practical evidence that the region is not putting up the shutters."

He also urged APEC to step up its development role, issue a broad response to getting trade flowing again and assistance in shaping international debate on responses to questions such as the management of capital flows.

Malaysian Prime Minister Mahathir Mohamad would have an important personal role as forum chairman in shaping the outcome of the meeting, Keating said, adding: "The results of the meeting will be an important reflection on Malaysia's role in the world."

Fischer said a rapid deterioration in Malaysia could jeopardise the prospects of a constructive working meeting of APEC.

**Indian stocks keep keen eye on Clinton's troubles**

BOMBAY, Sept 23: Indian stocks moved in a narrow range yesterday, keeping a keen eye on US President Bill Clinton's domestic troubles, brokers said, reports AFP.

The 30-share Bombay stock exchange sensitive index was up 14.24 points, or 0.46 per cent to 3,095.25 points at close of trade. "Clinton's troubles are a key issue for the market now. The market feel that if he goes, there will be a downward effect," said broker Ajit Ambani.

Ambani said the marginal rise of the index showed the undertone is bullish. Shares would have gone up more significantly, but for the uncertainty over Clinton's future.

Brokers said India's domestic political uncertainties seemed to have momentarily taken a back seat to Clinton's troubles.

Earlier in the day, New Delhi's Hindu nationalist-led coalition recommended the sacking of the opposition government in the eastern state of Bihar and the imposition of direct federal rule.

"The Bihar issue has been more or less discounted by the market, and is seen as a part of the general political uncertainty in the country," said broker Ashish Kedia.

**China hopes to reach growth target despite floods**

BEIJING, Sept 23: Despite the worst floods in decades, declining state industries and the impact of the regional financial crisis, senior officials said Wednesday they are confident China will reach its 1998 economic growth target of eight per cent, reports AP.

The main cause for optimism appears to be the mammoth three trillion yuan (363 billion dollars) the government expects the nation to invest in infrastructure construction in 1998-2000 and a recent recovery in retail sales.

"Starting from August, the economy has shown obvious signs of a recovery," Zeng Peiyuan, minister of the State Development Planning Commission, told reporters at a news conference.

By pumping money into a myriad of job-creating construction projects, China intends to overcome the combined negative impacts of the floods, a slowdown in export growth and foreign investment, and the financial crisis afflicting its state enterprises and banks.

Zeng pointed to an increase in fixed-asset investment of 17.4 per cent in the first eight

months of this year from the year-ago period, and a 26.9 per cent surge in August as evidence that the government is fulfilling its pledge to boost the economy.

China's gross domestic product grew only seven per cent in the first half of this year, compared with annual 8.8 per cent growth in 1997. While the economy is robust by the standards of China's crisis-stricken neighbours, the slowdown raised doubts that the government's growth target of eight per cent could be reached.

Drawing on their legacy of central planning, China's central leaders have made a determined attempt to ensure their goal is met. The government has issued 100 billion yuan (12.1 billion dollars) in bonds for infrastructure and flood reconstruction and has urged state banks to lend another 100 billion yuan for fixed-asset investment projects.

"If we can complete even one-half of what we have promised, that will increase GDP by one per cent," Zeng said.

Zeng acknowledged that meeting the target will be difficult.

**S Arabia, S Africa to promote trade**

JOHANNESBURG, Sept 23: A Saudi Arabian trade delegation, headed by Minister of Industry and Electricity Hashim Yamani, arrived in South Africa yesterday to promote trade between the two countries, reports Xinhua.

The trade delegation, the first of its kind since Saudi Arabia and South Africa established diplomatic relations two years ago, hoped to establish direct links with South African businesses. Soud Zedan, a Counselor at the Saudi Embassy told the media at the weekend.

Saudi Arabia was keen to have a cooperation agreement on security, science and technology, Zedan said.

Yamani is scheduled to give the opening address at the two-day Saudi Arabia trade show in Midrand, which will be the first Saudi trade exhibition in South Africa.

Items on display will include electrical and metal products, tools, machinery, building products, medical equipment, and banking services.

Zedan said his government initiated the fair to introduce South Africans to a variety of products made in Saudi Arabia, which is mainly known for its

oil. Saudi Arabia, one of the fastest-growing economies in the world, has launched a massive drive to create additional sources of national income in addition to oil.

Zedan said his country hoped to become a significant supplier of oil to South Africa and an important customer of the armaments industry.

Last year Saudi Arabia exported 23.38 million US dollars worth of products to South Africa, a 38 per cent increase from the previous year. The exports were mainly oil, chemicals and plastics.

**NZ stocks hit 5-year low**

AUCKLAND, Sept 23: New Zealand stocks fell yesterday to a five-year low on turnover worth 54 million dollars (24.4 million US dollars), reports AFP.

The NZSE-40 index lost 8.8 points to 1,710.39 with Telecom Corp up five cents to 7.32 dollars.

Beleaguered Brierley Investments Ltd shed five cents to finish on its lows at 44 cents.



Delta Life Insurance Company Tuesday signed an agreement with Development Design Consultants Ltd (DDC), a reputed architectural and engineering consulting firm, for the design and supervision works of its Head Office building. M Mozammel Huq, acting Managing Director of Delta Life, signed the agreement on behalf of the company while DDC was represented by AKM Rafiquddin, its Managing Director. Dr Syed Mokarram Ali, Chairman of DLIC, Monzurur Rahman, Chairman of the Building Committee and Director of DLIC, and Taju Chowdhury, architect of DDC, are also seen in the picture. — DLIC photo

**Clinton urges swift Japanese move to pull economy out of mire**

NEW YORK, Sept 23: President Bill Clinton urged Japanese Prime Minister Keizo Obuchi on Tuesday to take swift action to pull Japan's economy out of recession and help prevent further financial erosion throughout Asia, reports Reuters.

During the course of three hours of meeting including a 45 minute one-on-one session that was originally intended as a 15 minute chance to sip tea and get acquainted, Clinton and Obuchi had what were described as candid talks on how Japan can rebound from its worst recession in 50 years.

"I think there is virtually unanimous support in the world for the kind of financial reforms that would restore economic growth in Japan's," Clinton said during a picture taking session with Obuchi.

After the meeting Obuchi said he understood Clinton's concerns and expected Japan's parliament to move speedily to take "appropriate measures" to stimulate the economy.

"I feel the parliament and we will move with good speed to deal with measures for the sta-

bility of Japan's finance system, Obuchi said in a speech following the summit.

Deputy Treasury Secretary Larry Summers told reporters afterward Clinton had stressed the urgency of swift and effective action to stimulate domestic demand in Japan.

Summers said Clinton had emphasised that Japanese financial authorities must infuse public money swiftly into Japanese banks to ensure they can continue lending on a strong and sustainable basis.

A Japanese plan for fixing the ailing banking system has been coming apart since it was agreed on Friday between opposition and ruling party leaders.

The deal failed to work out how the government would deal with bank debts of nearly 1 trillion there is opposition to the use of public money to bail out the banks.

A Japanese government source said Obuchi had pledged to speed up the disposal of Japanese banks bad loans and to work to increase disclosure in the financial system.

Summers said Obuchi had made no specific commitment

on the final content of bank reform legislation, although it had been clear from his comments that he understood the need to move quickly.

Asked if he was confident the Japanese government would take necessary steps Summers said it was not for us to predict, he said actions actually taken would be more important than "words and statements."

Deputy National Security Adviser Jim Steinberg said the two leaders had reaffirmed the US Japanese security relationship and expressed serious concern about North Korea's recent launch of a three stage missile.

Obuchi said his discussions with Clinton had touched on the Aug 31 launch of the missile by Pyongyang which was a matter of great shock for Japan.

US trade representative Charlene Barshefsky, in a continuing effort to open up Japanese markets to US

Producers said the United States would give Japan by the end of the month a new set of proposals for deregulation telecommunications, pharmaceuticals and construction. And next month, she said

more proposals will be made for deregulating Japan's auto and auto parts markets long a source of trade tension between the two countries.

She said Clinton would like a full set of derogatory measures reached by the summit next year of the Group of Seven industrialised nations. The US trade deficit with Japan was 56 billion US dollar last year.

Clinton aides said Clinton and Obuchi had gotten along well and had agreed to call each other "Keizo" and "Bill". Clinton extended and Obuchi accepted an invitation for him to pay a state visit to Washington early next year.

That will make up for the visit cancelled last July when Obuchi's predecessor, Ryutaro Hashimoto, resigned on the collapse of his government. Obuchi is the sixth Japanese prime minister with whom Clinton has dealt in nearly six years as president.

Clinton said the United States wanted to help Tokyo find a way out of its problems, but avoided any public comments pressing Japan to accept specific policies.

**Govt forecaster warns Australia's export earnings may fall**

CANBERRA, Sept 23: Australian producers should prepare themselves for lower export earnings with worse to come if China's currency is devalued, the government's chief commodity forecaster warned Tuesday, says AP.

Total export receipts were expected to reach 66.5 billion Australian dollars (39.9 billion US dollar) in 1998/99 — more than 0.8 per cent down on the previous year's tally, the Australian Bureau of Agricultural and Resource Economics (ABARE) said in its latest snapshot of the nation's commodity outlook.

The report reveals a mixed bag in which some commodities are faring better than others amidst the worsening world economy and warns the Asian crisis could still deepen.

The mineral resources sector, where export earnings are tipped to rise 1.5 per cent to 41.9 billion Australian dollars (25.1 billion US dollar), remains a strong performer.

"Although world prices of most minerals are forecast to be flat or down, an assumed 15 per

cent fall in the Australian dollar means that prices received by local exporters will be higher," ABARE executive director Brian Fisher said.

Dairy exports are expected to surge past 2 billion Australian dollars (1.2 billion US dollar), thanks to a lower dollar expected to average 58 cents over 1998/99, and the outlook for cotton and beef is also brighter.

But the farm sector overall is only expected to contribute about 22 billion Australian dollars (13.2 billion US dollar) to total export revenue, down 4 per cent on the previous year.

Fisher said the world economic outlook had deteriorated markedly over the past few months due to continued economic weakness in Asia, financial instability in Latin America and Russia's economic downturn.

Although economic activity in some Asian countries should stabilise next year, the situation remained volatile and there was a significant probability conditions could worsen, the report said.

**3-day trade fair begins in S Korea on Nov 13**

Korea Trade Center, Dhaka (KOTRA), commercial section of the embassy of the Republic of Korea, is organising a trade delegation to participate in Taegu Textile & Fashion Trade Fair '98, in Korea, says a press release.

The three-day fair will begin on November 13. More than 200 Korean companies are expected to take part in the event.

KOTRA will arrange individual business meetings with translation, quick customs clearance, free inland transportation and hotel, check-in service etc.

Fabrics (women materials, knits, embroidery, lace, etc), yarns and fancy yarns, woven goods, garments, bed room and bathroom items, sewing goods and textile sub-materials, textile machinery will take place at the fair.

Interested companies are requested to contact Business Consultants by October 4 with company profile, two import L/C copy and participant's passport copy.

**Unemployment hits 15-year high in Hong Kong**

HONG KONG, Sept 23: A group of labour activists chanted and carried banners to the offices of the territory's government on Sunday to demand new measures to combat rising unemployment, says AP.

About 12 activists from the Anti-Poverty, Anti-Unemployment Alliance marched from the financial district to the central government offices to present a letter calling for unemployment benefits and a minimum wage.

"We oppose the government's saving the market, but not saving the people!" they shouted, a reference to billions of dollars the government spent last month to prop up the stock market.

Hong Kong has no jobless benefits or minimum wage. With unemployment hitting a 15-year high of 5 per cent last week, the government has mainly responded by initiating programmes to retrain laid-off workers.

The protesters also condemned Hong Kong Telecommunications Ltd, the largest private employer in the territory, for telling employees last week to accept a 10 per cent pay cut or risk being fired. They burnt a collage of Hongkong Telecom logos in front of the government offices.

Leung Kwok Hung, leader of the April Fifth Action Group, a small but active Hong Kong organisation that frequently demonstrates for democracy and human rights in China and Hong Kong, said that government should do more to solve the unemployment problem.

**Russia boosts natural gas exports**

MOSCOW, Sept 23: Russia boosted natural gas exports over the first seven months of this year but revenues dropped sharply owing to depressed prices on the world market, Interfax reported yesterday, says AFP.

Russia's gas revenues fell by 14.6 per cent in the first seven months of 1998 from the figure for the same period of last year, Interfax quoted the Russian customs committee as saying.

Revenues from Russian gas sales up to the end of July 1998 came to 7,606 billion dollars, the news agency reported.

Exports, meanwhile, grew by 3.6 per cent to 22.65 million tonnes. Ukraine, Germany and Italy were Russia's biggest customers.

**Asian crisis**

**Foreign investment in Australia to fall over 3 years**

SYDNEY, Sept 23: A decline in foreign investment in Australian property over the next three years will be part of the fallout from the Asian economic crisis, a new survey released Wednesday said, reports AP.

The inaugural Australian Property Directions survey, conducted by the Australian Property Institute (API), found almost three quarters of respondents believed foreign investment would decrease over the next year.

The New South Wales president of API, Michael Collins, said: "This is a telling indicator to us that the market should be in for some adjustment."

In the short term, six to 12 months, 71.4 per cent expected a continued fall in levels of foreign investment in Australian property.

Over the next one to three years it was predicted foreign investment would continue to fall but perhaps level off at the end of the period.

In the medium to long term, three to five years, most respondents considered that foreign investment would increase or remain steady.

"This is a fairly significant indicator in our view that between now and the next three years there is expected to be declining foreign investment in Australian property," Collins said.

"There is the indicator there that foreign investment will in fact have the potential to influence property values."