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DHAKA, SATURDAY, NOVEMBER 28, 1998

EU economic growth seen slowing

FRANKFURT, Nov 27: In his most candid remarks yet on the economy, European Central Bank President Wim Duisenberg said Friday that growth appears to be slowing in the 11 countries adopting the EU common currency — or euro on January 1, reports AP.

Despite an area-wide survey that suggested "a moderation in the pace of growth," Duisenberg said domestic demand will continue to boost the economy.

He pointed also to a gradual improvement in labour market conditions as supporting growth, as well as interest-rate cuts toward the 3.3 per cent level of the euro-zone's lowest rate countries.

Duisenberg, who spoke at an event in London, said the December 1 and December 22 meetings of the Central Bank's policy-making body will gauge the outlook for inflation and the EU economy.

The bank, which will set monetary policy for the currency bloc, has been under pressure from politicians to keep interest rates low to help boost growth and create jobs. While inflation is at its lowest levels in decades - just 1 per cent in 'the euro-zone — unemployment in the 11 nations remains stubbornly high at 10.9 per cent.

ACAB EC polls

Helal-Mowla panel projection meet today

Star Business Report The Helal-Mawla panel contesting the election to the Executive Committee (EC) of the Association of Cargo Agents of Bangladesh (ACAB) will hold their projection meeting today. The meeting will take place

at 7 pm at Steamboat Restaurant, 18 Kemal Ataturk Avenue. Banani, says a press release. Helaluddin Ahmed of

Freight Express Ltd and Syed Golam Mowla of Multi-Freight Ltd are vying for the posts of President and General Secretary of the executive body respectively for 1999-2000 term.

The vice-presidential candidates from the panel are M A Latif of Alif International Agency and M Iqbal Ali of Airlink Corporation Ltd.

India's PC market may grow 41 pc

NEW DELHI, Nov 27: India's personal computer market is projected to grow by an annual 41 per cent over the next three years to 1.8 million units by 2001, a market research firm said yesterday, reports AFP.

"Despite the economic slowdown, the personal computer market is headed towards explosive growth in the coming vears," International Data Corp (India) said.

"The growth rate in unit terms will increase every year till 2001," said the firm which specialises in informationtechnology market research.

The growth will be driven mainly by the home, small offices and small business segments which hold "tremendous promise for the future," it said.

It said the average price of personal computers was also expected to fall by the turn of the century.

In a press statement, IDC said India's information technology market for the first six months to September grew about 16.5 per cent - down by two percentage points compared to the previous year.

"This has been primarily due to the poor economic conditions and political instability." the statement said.

Japanese auto exports down 7.9 per cent

TOKYO, Nov 27: Sluggish demand in economically troubled Asia help push Japanese exports of cars, trucks and buses down 7.9 per cent in October from the same month a year earlier, reports AP.

It was the sixth straight monthly drop in overall exports, the Japan Automobile Manufacturers' Association said Friday.

A total of 3,58,810 vehicles were exported in October. In value terms, exports in October dropped 7.2 per cent to 6.40 billion yen (\$52.5 million), compared with 6.89 billion (\$56.6 million) a year ago.

Exports were down 14.8 per cent from September, when shipments totaled 421,339 vehicles.

By type of vehicle, passenger cars fell 5 per cent to 296,585. trucks tumbled 19.7 per cent to 58,914 and buses skidded 15.6 per cent to 3,311.

"Falling sales to Asia because of the turmoil in the region were the biggest reason" for the drop in overall exports in October, said Hiroki Mochida, a spokesman at the association. "The trend hasn't changed,"

he added. Exports to Asia dropped 61.2 per cent to 18,356, dropping for

the 13th straight month. Overall exports were also hurt by a fall in shipments to the European Union and Latin America. EU-bound exports dropped 9.2 per cent to 80,642 while Latin America-bound shipments tumbled 31.6 per cent to 28,469, hurt by the financial crisis in that region.

BGMEA urged to set up factories in Surinam

Surinam requested Bangladesh garment exporters to set up apparel industries in the South American country, which has a good overseas market potential, reports UNB.

The proposal was placed by Ambassador of Surinam to Pakistan Anwar Lal Mohammed in a meeting with the leaders of Bangladesh Garment Manufacturers and Exporters Association here yesterday.

Presided over by BGMEA President Mostafa Golam Quddus, the meeting was attended, among others, by its directors Uzaer Afzal, Nurul Islam, Shahadat Hossain, Tayebur Rahman and Zinnat Ali Mia.

Quddus said a committee would be formed in public or private sector and an appraisal team be sent to Surinam prior

to taking a decision. Surinam always encourages foreign investors to invest in its land, the envoy told his business audience, praising Bangladesh exporters' achievements in exporting readymade gar-

ments across the world.

He said to cash in on that experience they could set up garment factories in Surinam. which enjoys 'zero-quota' status in the United States, with full ownership or under joint ven-

"Banks and the government of my country will extend necessary supports to the Bangladesh exporters," said the ambassador.

He pointed out that although Surinam has raw material for the garment sector, there has

Sybille (left) and Barbara pose in a so called 'Tennis Mobile', Thursday, at the Motor Show

in Essen. This funny car is designed and built by Franz Reindl and students of the art

academy Linz, Austria. The 4.6 Meter (14.5ft) long car, a tennis racket with a ball, is

The growth indicates that

the Philippines will be able to

achieve the higher end of its re-

cently revised GNP growth tar-

get for 1998, Medalla said,

adding that the economy has

tually assured of a positive GNP

with the International Mone-

tary Fund, downgraded the

country's GNP growth target to

between 0.5 per cent and 1.0 per

cent from the initial 1.5 per

cent, mainly because of poor

agricultural production in the

ures are better than the IMF

projected in past discussions

with the Philippine govern-

ment. He said the IMF had pre-

dicted GNP growth of -0.5 per

cent to 0.5 per cent for the year.

bullish about the economy's

growth prospects for 1999, ex-

pecting GNP growth of 3.0 per

targeting GNP growth of be-

tween 1.5 per cent and 3.5 per

Medalla said he remains

The government is officially

Medalla said the latest fig-

first nine months.

cent next year.

cent in 1999.

growth this year," he said.

"The Philippines is now vir-

The government, together

bottomed out.

powered by a 1,600 ccm four cylinder engine with 90 hp.

Philippine economy

expands slightly

MANILA, Nov 27: The Medalla said.

Philippine economy avoided

recession by expanding slightly

in the third quarter of 1998, the

The gross national product,

government announced Friday,

which measures a country's to-

tal output, grew 0.8 per cent

from a year earlier, said Felipe

Medalla, the Philippines' eco-

0.7 per cent in the April-June

quarter, and a second quarter of

decline would have officially

pushed the country into reces-

sion like many of its troubled

"The Philippines escaped re-

However, gross domestic

product, which does not include

the billions of dollars sent

home each year by overseas Fil-

ipino workers, shrank 0.1 per

cent in the quarter from a year

country's GNP growth in the

first nine months to 0.8 per cent

year-on-year and GDP growth

in the third quarter because of

strong dollar inflows, mainly

from overseas Filipinos,

Kenkey is the hamburger of

contemporary Ghana - cheap.

filling, conveniently available

on every other street corner.

The similarities end there.

however. Kenkey does not come

as a filled bread bun; instead, it

is a rounded sphere of cooked

corn flour that can be eaten

with a variety of sauces and

questioned. Even though it is a

traditional food for only two of

Ghana's eight main tribes, the

mass migration to urban areas

in the 80s and 90s, leading to

low incomes and stressful,

time-strapped lifestyles, has

made kenkey the most con-

sumed food in the capital city of

that more than 40 per cent of

Ghana's 14 million people eat it

more than three times a week.

Career women and students rely

on ready cooked kenkey when

short on time to fix other

meals. The unemployed and the

poorest in the urban slums ad-

mit to consuming the cooked

corn spheres three times a day.

seven days a week, mainly be-

cause it is the cheapest food

sort of gastronomic equilib-

headline in the Chronicle, a

privately held Accra newspa-

per, all the more earth-shatter-

ing. "Kenkey causes cancer!", it

declared, citing a research re-

port by the local state sponsored

Food Research Institute which

contained evidence that fungal

moulds in corn, kenkey's main

ingredient, could lead to

rium for urban Ghanaians.

In short, kenkey provided a

Which made the August

Official estimates indicate

Accra.

available.

Its status as a staple is un-

The GNP was able to expand

The latest data brings the

earlier, the government said.

The GNP had contracted by

nomic planning secretary.

Asian neighbours.

to 0.2 per cent.

cession," Medalla said.

reports AP.

not been any apparel unit yet set up there, forcing the country to import readymade garments from Korea and China.

The BGMEA President thanked the Surinam Ambassador for his offer, rating it "a unique opportunity for us."

He said Bangladesh had attained essential technological advancement in garment export sector and BGMEA was giving priority to building backwardlinkage industry to face up the quota-free market after year

Quddus told him that they could consider Surinam's proposal if there be necessary raw material, cooperation of its (Surinam) government and if there existed a stable law-andorder situation.

-AP/UNB photo

Taiwan world's

third highest

IT producer

formation technology IT sector

is forecast to produce goods this

lars, the world's third highest

the United States and Japan is

estimated at 100 billion US dol-

lars and 95 billion US dollars

respectively, said the Market

Intelligence Centre of the quasi-official Institute for Informa-

place is the island's ability to

provide the best technology-

price ratio as well as its ability

to now offer greater services to

its clients," said centre Deputy

pointed out, are "design, sourc-

ing, global manufacturing lo-

gistics, distribution and after-

Trailing immediately be-

hind Taiwan in overall IT out-

put would be Singapore, whose

IT sector churned out 18.66 bil-

lion US dollars worth of hard-

Centre warned that Taiwan's IT

sector may grow by only one per

cent next year, the lowest in

nearly a decade, and down from

the forecast 3.1 per cent growth

But the Market Intelligence

Among such services, Wang

Director Wang Tzyy-Po.

"Keeping Taiwan in third

The value of IT production in

year worth 19.6 billion US dol-

output, reports AFP.

tion Industry.

sale service."

ware and software.

TAIPEI, Nov 27: Taiwan's in-

Tk 87.03b LCs opened in three months

Import Letters of Credit (LCs) worth Tk 87.03 billion equivalent to US \$1849.53 million were opened by the authorised dealer banks during the July-September (1998-99 fiscal) period, reports APB.

This reflected an increase of 24.1 per cent in terms of Taka and 16.61 per cent in dollar from the level of the same period of the previous fiscal year, said a Bangladesh Bank press release Thursday.

It also pointed out that the increase was due mainly to substantial increase of LCs for import of foodgrains.

The major commodities against which the LCs were opened included rice, wheat, sugar, pulses (all sorts), milk, food, edible oil (crude and refined), oil seeds, yarn, textile fabrics, drugs and medicines, chemicals and pharmaceutical raw materials.

Y2K bug may ground world's planes

PARIS, Nov 27: It is 'more and more likely that all aircraft in the world be grounded on January 1 out of fear of possible air chaos caused by the year 2000 computer bug. French Finance and Economy Minister Dominique Strauss-Kahn said

yesterday, reports AFP.

If such a decision is made, "it will be a worldwide decision after coordination with all the civil aviation authorities," French Secretary of State for Industry, Christian Pierret, added.

While updating air control computer systems to overcome the bug — which may result in older machines mistaking the year 2000 for 1900 - is being followed "very closely," malfunctions could still happen, Pierret warned.

The two men were speaking at a press conference on France's entry into the third millennium.

One in eight Aussie children lives in poverty

SYDNEY, Nov 27: One in eight Australian children, or 600,000 live in poverty, a new study said yesterday, reports

The National Centre for So-

cial and Economic Modelling at the University of Canberra

found that almost 13 per cent of all dependent children lived below the poverty line. Immigrant children were found to be even worse off, with the study showing young Asian migrants face a poverty risk be-

greater than those with Australian-born parents. One in every four children in poverty was aged under five years and six out of 10 were

younger than 10 years.

tween one third and a half

PSL computer fair begins in city

Star Business Report A nine-day computer fair began in the city yesterday under

the aegis of Professional Solutions Limited (PSL). The PSL Computer Fair was inaugurated at its office

premises at Lalmatia, says a press release. The fair is helping visitors get acquainted with the latest

computer technology. Different hardware and software products are also on sale at a competitive price. The fair will remain open

for everyone from 10 am to 9 pm everyday till December 5, the press release adds.

Business activities, revenue earnings hit hard Want of separate authority puts Benapole port in shambles

From Our Correspondent

JESSORE, Nov 27: Absence of a separate authority has put Benapole land port in shambles hampering all business activities and adversely affecting revenue earnings.

According to sources, the local land port administration is run by the Mongla Port Authority (MPA) and all business activities here are controlled by it. The distance between Mongla Port and Benapole is over 150

kilometres. An Assistant Traffic Manager (ATM) was posted here to act on behalf of the MPA and look after the entire business activities. But in reality, his position fares no good as he needs to refer every problem relating to export and import matters to MPA for its decision.

He does not have the power to deal with any matter or problem relating to port affairs.

Revenue earnings from Benapole land port is much higher than that of Mongla. The earnings at Benapole, which only trails Chittagong Port in terms of volume, are the highest among all other land ports of the country.

The government a year ago agreed in principle to set up a separate Land Port Authority in the country. But the decision hinges on selection of the site for its headquarters (HQ).

The port users want the HQ to be located at Benapole for ensuring the port's smooth and proper functioning.

There is no denying the fact that per year revenue earnings from Benapole land port is more than Tk 500 crore. This amount might go up by 150 per cent after re-opening of the Benapole-Jessore railway link, said a source on condition of anonymity.

Strangely enough, despite all the possibilities Benapole land port has remained beset with a host of problems creating difficulties for all-concerned. Traffic jam, which has been

the major factor disrupting the normal activities in the port area, paralyses business operations by slowing down the movement of vehicles and causing immense sufferings to pas-

In a bid to resolve this longstanding problem, the authori-ties decided to construct a bypass road a few years ago. But the decision is yet to see the light of the day. The proposed truck terminal at Benapole has also met the similar fate.

Funds allocated for construction of a boundary wall and HBB road has allegedly been withdrawn by the concerned department after completing earth-filling at the proDue to space constraints, trucks still remain stranded on the main road as before and traffic jam is becoming more

Unauthorised occupa-tion of places on both sides of this road has further aggravated the situation.

Local port users told this correspondent that cargo han-dling activities including loading and unloading faces unusual delay due to the growing traffic

They also said that the situation could be largely be improved if a separate Land Port Authority for Benapole was set up without further delay.

Renewed call for rate cut Falling UK economy may avoid full recession

LONDON, Nov 27: The British economy is slowing down but should be able to avoid full recession, the Confederation of British Industry (CBI) employers' group said yes-terday, renewing a call for a cut in interest rates, reports AFP.

The CBI said that growth of gross domestic product (GDP) would fall in 1999 to 0.7 per cent sharply reducing its forecast of 1.2 per cent growth made in August. However, this year, the CBI

forecast, British economic growth will hit 2.7 per cent, better than the previous estimate of 2.2 per cent. The slowdown would be

sharp in coming months, the CBI said, hitting a low of 0.5 per cent growth on an annual basis in the third quarter of 1999 and only picking up gradually to 2.5 per cent on an annual basis in the fourth quarter of 2000. Overall, 2000 will see growth

of 1.8 per cent, the CBI forecast.

rate, which at 6.75 per cent is far higher than comparable rates in other major European economies. "We face a major slowdown next year and the risks to growth are purely on the downside, while inflationary risks are slight," said CBI chief eco-

The CBI argued that al-

though recession would be

avoided in the economy as a

while, the slowdown was dra-

matic enough to warrant a fur-

ther cut in the base interest

nomic adviser Kate Barker. "We believe we need a further half point reduction in interest rates at the Monetary Policy Committee's December meeting. to underpin consumer and business confidence."

The Bank of England has come under fire from business groups and trade unions this year for not reducing rates fast enough in order to stimulate spending and ease exports by cutting the value of starling.

to 72.03 per cent as members

reduced capacity to meet lower

demand, the AAPA said on the

eve of a meeting of airline exec-

Cargo traffic continued to

Asia-Pacific airlines warned of further fall in passengers

cific airlines were warned to brace for further slack in passenger and cargo traffic next year due to the lingering effects of the regional financial crisis,

Richard Stirland, Director-General of the Association of

number of passengers increased by 2.3 per cent on the year in

lies in the proper harvesting. drying and conservation of the

But the evidence of previous

food scares indicates that a

quick response is the key to

containing both the danger to

public health and the percep-

tion of risk amongst the popu-

lation: tell the truth, tell it

early, and take decisive mea-

sures to deal with the situation

temptation was to shroud the

issue to protect a powerful per-

ceived farming constituency.

For years the public was told

that British beef was safe, while

what preventative measures

were introduced were widely

flouted and, in any case, under-

played in public pronounce-

When the truth finally came

With mad cow disease, the

at the same time.

ments.

grain, the job of the farmers.

Visitors having a look at computer hardware at the PSL Computer Fair in the city yesterday.

MANILA, Nov 27: Asia-Pa- Asia-Pacific Airlines (AAPA) September and revenue passenger kilometres were up 4.3 per said vesterday buoyant September passenger figures cent, "reflecting an increased had given some hope of recovpercentage of traffic on longery, but cautioned against early haul services." The aggregate passenger load factor for Asia-Pacific carriers celebrations. reports AFP. The association said the jumped by 3.6 percentage points

decline, said a statement released by the AAPA, which groups 19 air carriers in the Asia Pacific region. "It is obviously premature to say that recovery of growth is firmly established or even that a clear trend has emerged," said Stirland, who heads the Manila-based association. "But the decline of traffic has stopped, the number of passengers has increased and because of management of capacity, we have had two consecutive months of increased load factor," he added. Stirland noted that in September, some member air-

utives here.

lines benefitted either directly or indirectly from a strike at Northwest Airlines of the United States and the brief closure of Philippine Airlines.

Mill lay-offs in N dists leave thousands jobless

PABNA, Nov 27: Several thousand employees and workers of about 30 mills and factories in the country's four northern districts have become unemployed with the laying-off of the units, says APB.

These industrial units are located in the districts of Bogra, Rajshahi, Joypurhat and Dinajpur, according to sources. Nearly 1,800 employees and

workers of six mills and factories of Bogra have become unemployed owing to their provisional closures The units are: Bogra Virginia

Tobacco Ltd. Jamil Industries Ltd. Jamil Soap Factory Ltd, Bogra Cotton and Spinning Mills Ltd, Jahed Metal Industries Ltd and Norrani Bread and Biscuit Factory Ltd. Some other laid-off units

include Aziz Match Factory in Rajshahi, Durga Auto Rice Mills Ltd in Joypurhat and Rupam Oil Mills Ltd in Dinajpur. The sources further said as many as 104 cases have been registered with the Rajshahi

Labour Court in this connec-

Under the Factory and Industrial Act of 1965, there is a department of the government to protect the interests of the employees and workers of the country, which has four offices in four former divisional head-

Ghana's cornmeal hamburger drops off the menu Eudoria Adofo writes from Accra

Food scares have been a regular feature of the Western media for many years, be they BSE or "mad cow disease", salmonella or listeria. Gemini News Service reports on how the fear of cancer has led many Ghanaians to reject what for many is a cheap, nutritional lifeline.

cancerous growths in human beings.

These moulds, called aflatoxins, reportedly grow in corn that has not undergone proper drying and conservation. The sensational story dropped hints of attempts by officialdom to limit the circulation of the report.

Reaction to the headline ranged from fear to disbelief. Many chose to ignore the news and continued their consumption. It should be said, of course, that financial constraints in most cases left them no choice.

In a radio interview, one irate man became emotional in condemning the research findings. "My grandmother is 90 years old," he said, in echoes of protestations about smokers who live to see their centenary. "She is in much better health than the research scientists who issued that bogus report. "She has been cooking and

eating kenkey every day of her

life and yet is in perfect health.

This whole claim is nonsense."

Others were more scared for their health and temporarily suspended all corn-based meals. Overall kenkey sales plummeted within the weeks following the headline. Predictably, the first reac-

tion from the Ministry of Health — delivered in the stateowned media — was to play down the research report and blame the Chronicle for in citing unwarranted alarm.

Meanwhile, the private media capitalised on the issue, interviewing food scientists and nutritionists who confirmed the existence of cancer-causing aflatoxins in corn and groundnuts. It was further revealed that aflatoxins had been under investigation since the early 70s by food researchers on the African continent and abroad.

The consensus among these

research findings was that

grain harvests in the humid

West African region had been

found to contain relatively high

levels of aflatoxins. The Euro-

pean Union had, on the basis of

these findings, actually imposed a quota on grain export from African and Caribbean countries as far back as the early 80s. In the face of such undeni-

able evidence, the Ministry of Health was prompted to issue a confirmation that emphasized statistics proving that mouldy aflatoxin-infected grains were the exception rather than the norm in corn harvests. The food scientists interviewed in the private media also reiterated that there was no cause for alarm because the majority of kenkey sold was free from the cancer-causing aflatoxins.

Despite the reassurance, though the general reaction conformed to the food scare pattern that has been seen in European countries over so-called "mad cow disease" — bovine spongiform encephalopathy (BSE) — or salmonella. The confirmation of cancer-

causing agents, however rare, had weaned a fair number of people — the writer included off kenkey, presumably for

The problem is partly that most Ghanaians live in abject fear of cancer. Very few cancer patients beat the disease. Because local hospitals lack stateof-the-art techniques to minimize the pain and spread of tumours. Ironically under the cir-

perception of cancer among Ghanaians is that it is a "foreign" disease caused by eating western diets high in sugar and additives, whereas the local diet - high in carbohydrates and vegetables - was believed to provide some immunity against cancerous growth. The confirmation that

kenkey, a local dish without foreign additives, could cause cancer understandably shook the population.

Chicken flu in Hong Kong and — eventually — made cow disease in the UK were contained by macabre mass slaughters. In Ghana, the key to eliminating aflatoxins from corn harvests, and hence kenkey,

cumstances, the widespread

out, the collapse in both domestic and international consumption was catastrophic. So far only one seminar has been held to sensitize kenkey sellers on the need to discard

mouldy grains when preparing the food. This may be a laudable first step, but it sidesteps the army of mainly illiterate farmers who are better placed to eradicate aflatoxins at the source. One badly publicised semi-

nar is unlikely to do much to

restore widespread faith in a meal that, by its cheapness and convenience, made life easier for many Ghanaians. For the moment, then, Ghana's hamburger is off the menu. The writer is an analyst at

the Ghanaian Stock Exchange as well as a writer on current affairs in Ghana.

quarters.