

Govt privatises can making plant in Ctg

As part of the government's privatisation programme, the state-owned Can Making and Tin Printing Plant in Chittagong has been sold out to a private company for over Tk 2.13 crore, reports UNB.

Privatisation Board Chairman Kazi Zafarullah handed over the ownership documents of the SOE to the buyer, KDS Poly Industries of Chittagong, at a simple ceremony in city yesterday.

The industrial plant was set up in 1980 and running under the Bangladesh Sugar and Food Industries Corporation, said an official release.

Speaking on the occasion, Kazi Zafarullah said the present government was committed to privatising all the state-owned enterprises in phases.

He called upon the entrepreneurs to come forward to purchase the SOEs to make the sellout drive a success.

Denmark pledges help to implement CHT projects

Denmark has assured of its assistance for implementing various development programmes in the Chittagong Hill Tracts, says UNB.

The assurance came when Danish Charge D'Affaires in Dhaka Finn Thisted met Chief Whip Abul Hasnat Abdullah and Prime Minister's Parliamentary Affairs Advisor Suranjit Sengupta at the Chief Whip's parliament office yesterday.

During the meeting, the envoy discussed various bilateral issues and announced the government for the CHT peace agreement, said an official release.

TATA sets up IT education centre in city

The world-renowned IT Organisation, TATA Infotech Ltd (TIL), a subsidiary of TATA group of India, in collaboration with STAR Computer Systems Ltd establishes a computer education centre in the city, says a press release issued yesterday.

The School, TULEC Computer Education, is situated at Chandrashilla Tower, Panthopath.

In the world of information technology, TATA Infotech holds an unparalleled position. TIL have 4 operational divisions: Education, manufacturing software distributors and system-integration.

TULEC has more than 200 centres in India and abroad. Its courses are designed as per ISO 9001 requirement. TULEC eyes a most powerful and user-friendly curriculum — the Millennium Curriculum with the blank semester advantage.

The Millennium Curriculum gains its strength from the fact that all the courses include industry-relevant software projects, seminars and industry visits.

Md Ali Akbar Khan, Managing Director of the STAR Computer Systems Ltd, franchisee of TULEC Education Centre, said that TULEC had all facilities of a modern IT school with a scope for free practicing time.

TULEC will offer Certificate, Diploma and Higher Diploma courses leading to Masters in Diploma in Information Technology in 3 years time.

MIDAS training on micro-credit inaugurated

A week-long training course on micro-credit management has been inaugurated at the head office of MIDAS, says a press release issued yesterday.

Bazlur Rahman Khan, Deputy Managing Director of MIDAS, formally inaugurated the training programme yesterday.

Md Golam Sarwar Bhuiyan, Chief Programme Coordinator and M Khairun Bashar, Chief Programme Officer of MIDAS, also spoke on the occasion.

Chinese news team visits CSE

A delegation of Chinese journalists led by Zhou Ruijin, Deputy Editor-in-chief of People's Daily of China, visited Chittagong Stock Exchange (CSE) on Saturday, says a press release.

They met the Chief Executive Officer and senior executives at the CSE board room.

The team was given a detail presentation on the vision and activities of CSE.

The chief executive explained to the delegation about the future plan of the exchange.

In a brief speech, Zhou Ruijin expressed his optimistic view about CSE automated trade and its vision.

Later the delegation visited various departments of CSE including automation equipment room, research cell, settlement dept, surveillance dept etc.

The delegation comprises 5 senior-most journalists of the People's Daily.

World Bank chief economist on loan default

Unfortunate that the rural poor pay but elite don't

Star Business Report

The visiting World Bank senior Vice-President and Chief Economist, Joseph E Stiglitz, has

commended Bangladesh's successes in micro-credit and said that the over-riding objective of poverty reduction in Bangladesh must remain at the top of the development agenda.

A pro-poor growth strategy is essential in the pursuit of this objective and success will require government, political parties, civil society and the private sector to work together," he told a press conference yesterday at the end of his three-day visit to Bangladesh.

Finance Minister Shah AMS Kibria also joined him at press meet.

"Bangladesh has shown enormous achievements in economic growth, micro-credit and crop production in the recent years and there are some other areas which have enormous potentials despite the fact that some were eroded during last year's flood," the WB chief economist said.

"Reform is very vital for economic growth. Improvement in the law and order, financial regulation, public administrative reform and decentralisation are some of the areas where Bangladesh should put more focus."

Stiglitz favoured private sector and NGO-oriented development strategy and said "Bangladesh has shown that both her private sector and NGOs can do it better."

He spoke against monopoly of the state-owned enterprises like telecommunications and power sector and advised to open these sectors to the competition.

Promoting a credit repayment culture is very vital, which he said existed in rural Bangladesh. "Rural poor are repaying the bank loans but elites are not."

He hoped that the government wouldn't relent in its pursuit of these huge debts in the face of pressure from vested interests. "Non-performing loans

have become very significant in Bangladesh."

The main reason for the East Asian crisis was the weak financial sector. Bangladesh's financial sector is burdened with overdue loans, Stiglitz said.

"Bankruptcy does not lead to destruction of assets, but simply changes the management, in ways which can enhance productivity and growth."

It is a sad irony that a handful of elite industrialists can avoid repaying their debts in a country where millions of poor people regularly repay their micro-credit loans, he said.

The interest shown by foreign investors in energy and telecommunications sectors is a positive development which can prove to be a turning point in Bangladesh's development if managed properly, he added.

"A regulatory structure which promotes competition and private sector development can lower prices and increase access and be a vital spur to development."

Replying to a question regarding the recent statement of donors about the political situation in the country, Stiglitz said poor are the victims of this type of political activities and that, during his visit to Manikganj, the poor expressed unhappiness about such political activities.

Hailing the WB official's visit to Bangladesh, Minister Kibria said Stiglitz came at his invitation to see the development process in the country. "He did not come to negotiate any aid or anything like that."

Describing the World Bank-Bangladesh relations as excellent, the minister said: "It is well-reflected in this year's World Bank's highest ever lending of one billion US dollars to different sectors of its development."

Economic Relations Division Secretary Mashur Rahman, WB Economist for South Asia John Williams, and Country Director Fred Temple were present at the briefing.



TOKYO: A money dealer shows a contact memo with their client in the morning session at a Tokyo foreign exchange brokerage Monday. The dollar traded at 199.00-03 yen at 9:00 am (0000 GMT) here, compared with 118.70 yen in New York and 120.02-05 yen 12 March, 1999 afternoon. —AFP photo

Meghalaya wants Sylhet airport to be its global gateway

SHILLONG, Mar 15: India's landlocked Meghalaya State wants Bangladesh's Sylhet International airport to be its gateway to outer world as part of joint business plans to give two-way trade a thrust, reports UNB.

The government of the northern hill resort state also feels the need of direct Shillong-Sylhet bus service for package tourism.

This was disclosed when a Bangladesh business delegation met Meghalaya governor M M Jacob at his official residence of Sunday.

The governor said they were interested to see more both-way trades with Bangladesh and expected that Bangladesh government would take steps to open up more border passages and develop road and other infrastructures.

He saw a lot of scope for a boost in both-way trade between Meghalaya and Bangladesh. The governor recalled his last year's meeting with Bangladesh's President and Prime Minister in Dhaka.

He said the Prime Minister promised that infrastructure would be improved in Bangladesh side to facilitate trade.

He advised the Meghalaya investors to look for market of Bangladesh's goods in the northeastern Indian State.

The governor felt that the schools in Shillong would attract a substantial number of boys and girls from Bangladesh.

The governor assured that the Meghalaya government

would improve the road infrastructure within their side to ease up transborder trade.

Jacob hoped that Bangladesh government would consider the proposal for setting up a consular office in Shillong to get visas at ease.

About the insurgency problem that infests many of the northeastern states of India, Jacob said Meghalaya is a very peaceful state and there are no such troubles here.

The 25-member delegation, led by FBCCI president Abdul Awal Mintoo, apprised the governor, the chief executive of the State government, of the trade and investment prospects between Bangladesh and Meghalaya.

Now only one land-customs point at Tamabil is functioning to offload a bulk amount of coal from Meghalaya and there are at least two more prospective points, the delegates pointed out.

Earlier on March 12, the delegation had a joint meeting with Meghalaya's deputy chief minister, D D Lapang, government officials and business people.

The meeting had agreed to form a joint coordination committee to recommend their respective governments to explore new opportunities for trade and investment.

"The Meghalaya governor appreciated the agreed points and felt those should be implemented to the mutual benefit," Mintoo said briefing newsmen at a Shillong hotel Sunday afternoon on conclusion of their four-day hectic parleys in

Meghalaya and Assam, two of the seven Indian land-locked hill states.

Meghalaya Chamber of Commerce and Industry (MCCI) president Don S Wahlang was also present.

The Bangladesh delegation included FBCCI directors Afzal Khan and Rajab Sharif, Bangladesh Oil Mills Association

president A J M Enamul Islam Babul and secretary-general Harunur Rashid, Bangladesh Restaurant Owners Association leader Rafiq Bhuiyan, Sylhet Chamber president Salwan Choudhury, Sherpur Chamber President Mohammad Masud, FBCCI executive Faiz Ahmed, businessmen P R Saha and Paritosh Kanti Saha.

ITPO seminar in city

Transport infrastructure development stressed

Speakers at a seminar in city stressed significant improvement of transport infrastructure in Bangladesh to cater to the socio-economic needs of the people of the country, reports BSS.

While deliberating on the importance of the development of transport infrastructure, they underlined the need for establishing a modern and vibrant infrastructure for the country's transport system which operates through four modes of transport namely road, rail, water and air.

The seminar on "Transport Infrastructure: Emerging Challenges for the Next Millennium" was organised by India Trade Promotion Organisation (ITPO) and Rail India Technical and Economic Service (RITES), Indian government enterprise for

sharing Indian railway expertise in logistic and technology with foreign railway systems.

Speaking on the occasion, Communications Minister Anwar Hossain said Bangladesh would face the challenges of the next millennium in different fields, including transportation in the same way it had faced the past millennium.

The minister said the use of the latest scientific and technological devices in the right field could be the best way to face challenges of the coming millennium, as "we do not know what scientific and technological developments will occur thru."

What the government is trying, he said, is to get the people integrated with the ongoing socio-economic developments.

Export earnings 11.7 pc short of target in first quarter

Country's Export earnings during the first quarter of the current fiscal year fell 11.70 per cent short of target, according to Metropolitan Chamber of Commerce and Industry (MCCI), reports UNB.

Figures compiled by the Research Cell of MCCI, show export earnings during July-December, 1998, at US \$2560.70 million as against the target of US \$2900 million.

It did not, however, give the comparative export figure of the corresponding period of the last fiscal year.



The officials of Building Technology & Ideas Ltd (BTI) and the Convenor of Symphony Owners Association are seen at the BTI-arranged annual post-handover get-together of the Symphony project at Dhanmondi in city recently. —BTI photo

Japan still in bid to come out of recession

TOKYO, Mar 15: Despite the bullish words of Japan's leaders, the world's second largest economy is still struggling to pick itself up from its worst post-war recession, analysts say, reports AFP.

For weeks, Japanese politicians have been trying to convince the markets that their two huge stimulus packages and a bank recapitalisation programme will be enough to pull the country back into growth.

But on Friday, Tokyo admitted the economy shrank 2.8 per cent in 1998, its worst post-war fall, dragged down by an unexpectedly poor performance in the last three months of the year.

Although some economists point to the beginning of a recovery, others are far more pessimistic.

Last month, US Deputy Treasury Secretary Lawrence Summers warned that, despite Tokyo's efforts, the future may not be rosy.

"If anything the uncertainties facing the economy have increased and growth forecasts have been revised further downward," he noted.

The economic planning

agency attributed the slowing of the economy in the three months to December to poor exports, hurt by the strong yen.

Even though the central bank has pushed down short-term interest rates, Andrew Shipley, economist at Schroders Japan, said more must be done.

"Collapsing private demand is not being sufficiently offset by the policy tools implemented to date," he said.

"The government conceded that a major hindrance to net export growth was the strong yen, the central bank should put a priority on driving long-term rates down to reduce the cost of capital for firms facing severe deflationary pressure," he added.

At its latest policy meeting on Friday, the central bank kept rates unchanged.

Nevertheless, Tokyo's stock market has surged in the past week, thanks to a major corporate restructuring plan at Sony Corp, and the coming into play of a bank recapitalisation programme.

On Friday, the financial Reconstruction Commission, charged with handling the

banking crisis, approved a 7,459.2 billion yen (61 billion dollars) cash injection into 15 Japanese banks.

Hakuo Yanagisawa, head of the commission, said it meant the banks had loan disposal was "basically completed."

It is likely banks will now come under political pressure to increase their lending, particularly to smaller firms.

But swelling their loan portfolios would not help a fragile banking industry recover, said Yoshiyuki Mitsugi, a director at Standard and Poor's in Tokyo.

And the banking industry holds the key to a recovery for the rest of the economy.

"Probably the government will try to give a signal to banks to loan but the politicians are not so familiar with financial issues," he told AFP.

"We still think they are undercapitalised," he added. Another round of cash injections will be needed.

"Certainly some banks will need some external support unless they go under but as for the good ones it will depend on how their loan portfolio goes," he said.

Executive-turned-waiter shakes up ROK thinking

SEOUL, Mar 15: He embarrassed his friends and frightened fellow executives when he did the "unthinkable."

In a nation where a man's status is largely measured by position and power, Suh Sang-rok quit the No 2 job at one of South Korea's largest conglomerates to wait on tables in a restaurant, says AP.

"My friends said I was causing them to lose face," says Suh. "But now people ... are calling me a genius!"

Suh has become one of South Korea's most prominent examples of what sociologists say could be a slowly building change in the nation's thinking.

He's best-selling author with his just-released book "I have to Live My Life My Way." And he's in demand as a public speaker

with what he calls his "preacher" message: Position is not important. Any job is honourable.

In Korea, that's an almost heretical idea.

Recent generations of South Koreans grew up thinking real success came from attending the country's top schools and getting a white-collar job at a top conglomerate, known as chaebol.

But near-economic collapse, wholesale corporate bankruptcies and record joblessness in the last two years have forced Koreans to rethink old ways.

Bankers are returning to the farm. Marketing executives are driving taxis or opening shoe repair shops. Advertising men are hawked goods from pushcarts.

Many have had to swallow

their pride and expand their definitions of long-held Confucian ideas on status, success, honour and shame.

"If you like your job, no matter how much or how little it pays, you can accommodate that is honourable," says Suh. "Being in a high-level position that you dislike or are not qualified for is dishonourable."

Never in recent memory has a man from one of Korea's most elite and powerful chaebol steered himself into a job so modest. Suh's age, 62, makes him more of a puzzle because Confucian values dictate the young should honour and serve their elders — not the other way around.

As vice chairman of the Sammi Group for five years, Suh held an enviable position in what once was Korea's 26th

largest conglomerate and the world's third biggest producer of specialty steel.

He now calls it "a pig's life" because he sometimes ate four, five or six times a day, in breakfast, lunch and dinner meetings with bankers who kept the company afloat.

Sammi went bankrupt in early 1997, one of a dozen chaebol that fell under the weight of unsustainable expansion and too much debt and nearly dragged South Korea down.

Suh had been a successful importer and realtor when he lived in California in the 1970s and 80s.

After Sammi went belly up, Suh stayed for several months "with nothing to do" as the company bumbled along in bankruptcy proceedings. Then he left and "decided

never, never to work at the executive level again," he says. "I'm disqualified."

Suh says the bankruptcy left him without a pension and with little savings. He applied for jobs as waiters at 15 restaurants where he used to wine and dine bankers.

All turned him down, uncomfortable giving a common job to a former big-spending client — and afraid Suh's customers and much younger co-workers would feel uncomfortable as well.

After a three-month job search, he was hired by the Schoenburn, a pricey restaurant on the top floor of the downtown Lotte Hotel.

His salary is 600,000 won (about \$500 a month), roughly one-tenth his previous pay. "Koreans try to save face,"

says Suh. "But if I'm not robbing anybody, I'm not stealing. I'm not killing — why am I losing face?"

"I just changed my job. I feel great! My wife is happy because I get to spend more time with her. I also don't have to lie to bank people anymore."

Some are still confounded by his ideas.

A recent newspaper story called his move "unthinkable ... a very humbling experience, which most people wouldn't care to try."

And some of his former fellow executives at Sammi saw his decision as threatening.

"My co-workers said that if I — the vice chairman — became a waiter, what were they supposed to do," says Suh.

His suggestion to all: "How about ASSISTANT waiter?"

Post-handover get-together of BTI project held

Building Technology & Ideas Ltd (BTI), an ISO-9001 certified real estate developer, arranged the annual post-handover get-together of the "Symphony" project at Dhanmondi in the city recently, says a press release.

Engineer F R Khan, Deputy Managing Director, Director (Sales & Marketing) Sadat H Salim and Engineer J A Patwary, Director, Construction, and Convenor of the "Symphony" Owners Association, and other clients of the project also attended the function.

This is a unique scheme of BTI, to build up rapport with their clients, assuring total after-sales service and commitment, it said.