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New York seminar on Bangladesh told

Americans keen to make massive investment

NEW YORK, Sept 17: US investors and entrepreneurs at a seminar here said a most business-friendly atmosphere now prevails in Bangladesh and reiterated their keenness to make massive investment, reports BSS.

The business and trade leaders, unequivocally expressed that the steps taken by the present government of Bangladesh have attracted the US business community to invest in the country.

They said, the US investment in Bangladesh now stands at one billion US dollars which would be raised to a few billions within two to three years.

The seminar on "Foreign Investment Opportunities in Bangladesh" was organised by US-Bangladesh Business Council (US-BBC) in collaboration with Consulate General of Bangladesh, New York at Hotel Grant Hyatt.

Inaugurated by Foreign Minister Abdus Samad Azad, the plenary session was addressed by US-BBC Executive Director Dr Herbert J Davis and Bangladesh Ambassador to USA K M Shehabuddin. US-BBC

Vice-Chairman Ambassador David N Merrill presided.

Principal Secretary to the prime minister Dr S A Samad presented a paper on "the government's perspective on foreign investment". FBCCI president presented paper on "The Private Sector's perspective on foreign investment", former FBCCI President Yousuf Abdullah Harun presented paper on "Financial Reforms in Bangladesh and Direct Foreign Investment" while "UNICOL's Experience in Bangladesh" was presented by R Trance Budden, Vice-Chairman of UNOCAL.

Bangladesh Ambassador to the USA K M Shehabuddin said Bangladesh has opened up the economy and undertaken a wide range of reforms to attract foreign investment in the country.

He said the government's offer of the attractive package of opportunities to the investors will never be subject to hindrances, risks or discrimination.

He said despite the unprecedented floods of the 1998 the recent record of government's macro-economic management

has been one of prudence keeping internal and external deficits low inflation down and achieving a very reasonable growth rate.

He said experts expect South Asia to emerge as an economic region in the next millennium. He hoped Bangladesh would surely take a lead to remain at the forefront of that unfolding drama.

He called upon the US investors to share their capital, and technical know-how with Bangladesh in its efforts to exploit the potentials of the Bangladesh economy.

In his paper Dr S A Samad highlighted various policy measures and incentives of the present government to attract the foreign investments in the country to attain socio-economic emancipation of the common people.

He highlighted the sectors including oil and gas, power generation, and distribution, transport facilities, industrial development zones and telecommunication sectors where massive foreign investment are expected.

In his paper Abdul Awal

Minto said, Bangladesh's present situation warrants a new policy, mission and vision of government to accelerate and sustain growth, alleviate poverty, take advantages of opportunities and meet the challenges of the future.

The best thing and most encouraging sign for Bangladesh private sector is that under the dynamic leadership of Prime Minister Sheikh Hasina the present government understands the anatomy of the emergence of a new economic compatriots require new arrangements and structure that reflect diverse, but mutually interdependence interests.

Government's policies are continuously under scrutiny in consultation with the private sector being changed to face the challenging task of today's changing environment.

Abdul Awal Minto said the present government is very much aware of the benefit of FDI and realise that FDI is the only way to fill up various gaps like resources gap, foreign exchange gap, efficiency gap, budgetary gap and technical and managerial know-how gap. In order to fill up these gaps by attracting FDI government has taken various measures, he added.

In his paper Yousuf Abdullah Harun said, at the threshold of the new millennium, the hope for rapid economic prosperity of Bangladesh has been rekindled by the discovery of huge natural gas resource.

He however, said, the study of economic development of nations has shown that the countries do not necessarily prosper because of endowment of resources but because of the right and timely decisions on development.

Harun said, the challenges of globalisation and trade liberalisation can be converted into great opportunity for Bangladesh to take a quantum leap forward.

He said, "to do this we need massive foreign direct investment and to attract that investment we need to create an enabling environment."

The session was followed by a lively question-and-answer session where, among others, Energy Secretary Dr Tawfik-Elahi Chowdhury, Petro-Bangla Chairman Md Mosharrat Hossain, American Chamber of Commerce-Bangladesh President Forrest Cookson and Principal Deputy Assistant Secretary for International Affairs, US Department of Energy Calvin Humphrey replied various questions on investment potentialities in Bangladesh.

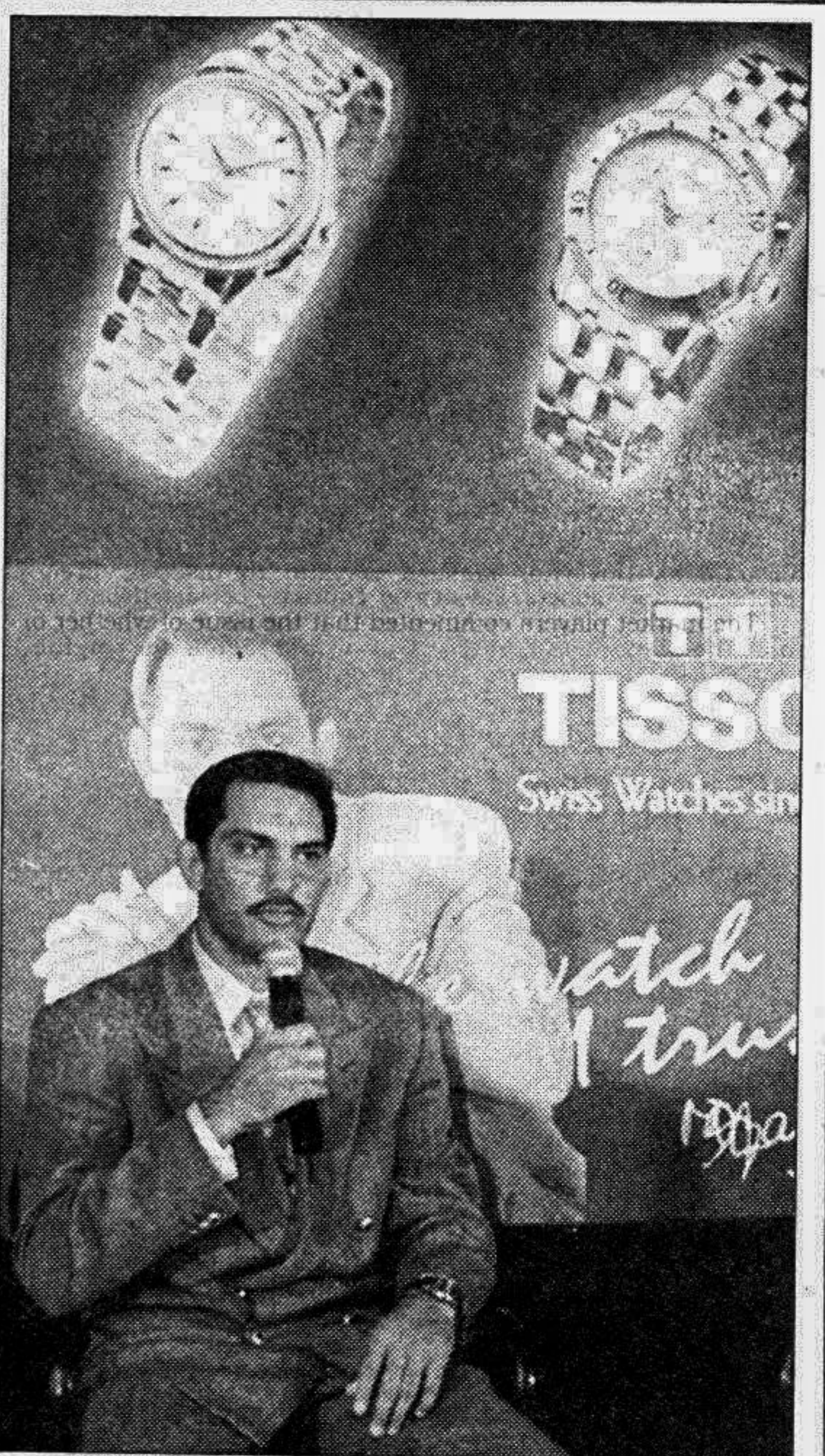
Janata Bank cuts interest rates

Star Business Report
 Janata bank has reduced its existing rate of interest on all types of credits by one to 1.50 per cent.

The rate cut was decided at a meeting of the Board of Directors of the bank held in the city on Thursday, says a press release.

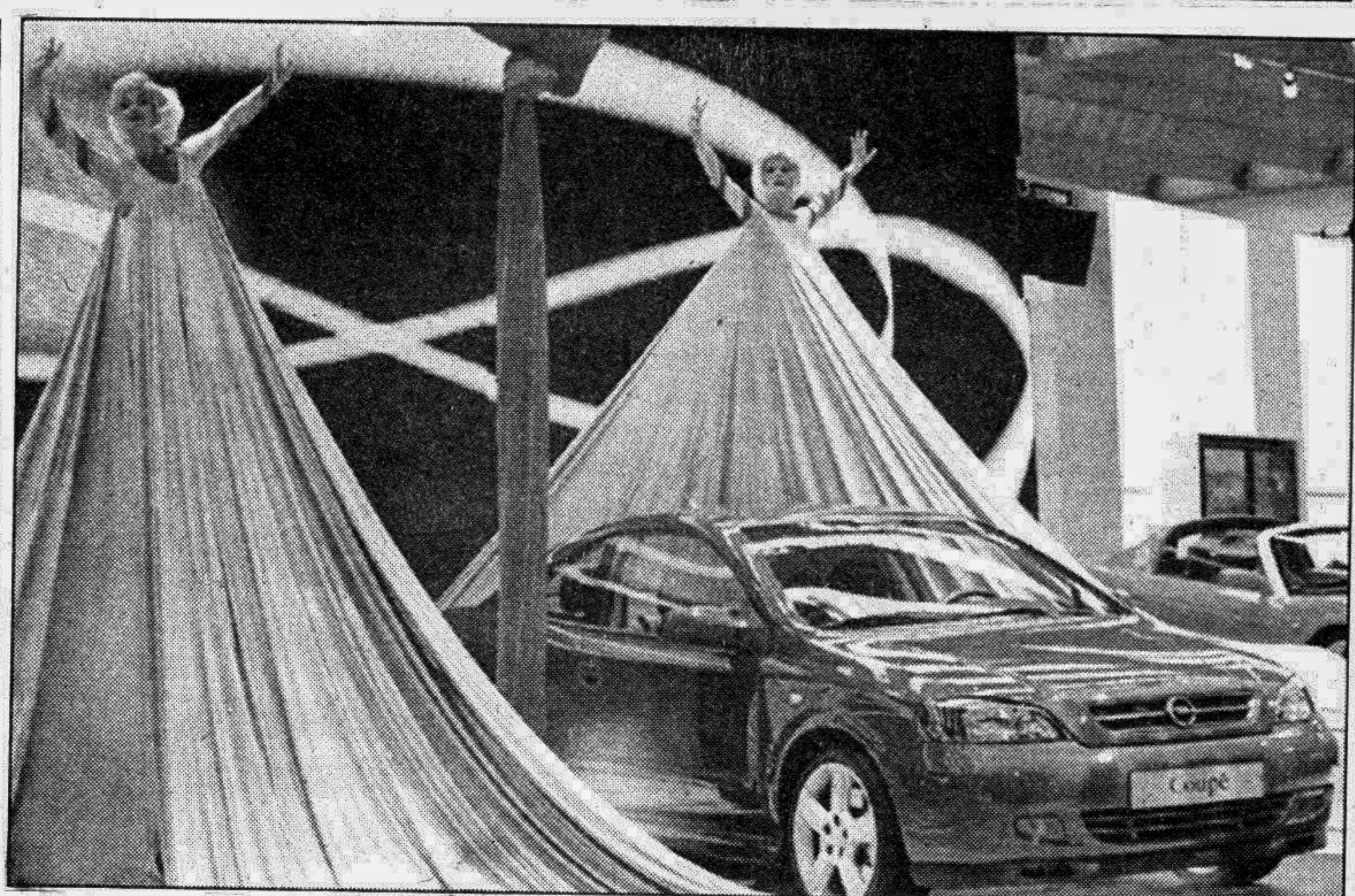
The reduced rates of interest will be effective from September 1, 1999.

The bank has cut its rates in order to encourage further investment and boost economic activities of the country.



Former Indian cricket captain Mohammed Azharuddin launches Swiss watchmaker Tissot's model in India in New Delhi on Friday. The company, a part of the 3.05 billion Swatch group, introduced four models in India.

—AFP photo



Models unveil the German carmaker Opel's new Coupe model at the 58th International Automobile Fair in Frankfurt on Wednesday. The coupe -- based on the Adam Opel AG's Astra model -- in its basic version is powered by a 115 HP, 1.8 liters engine and will cost about 18,600 US dollars.

—AFP photo

Labour minister says at workshop in city

Govt committed to eliminate child labour in phases

Labour and Employment Minister MA Mannan has said the present government is pledge-bound to eliminate child labour from the country's mills and factories in phases, says BSS.

"Under-aged children have to be eliminated from mills and factories after ensuring their rehabilitation with proper food and education," he said, while inaugurating a four-day national workshop on "Child Labour" at the Academy for Planning and Development in city yesterday.

Bangladesh Teachers Association (BTA), Bangladesh Teachers Federation (BTF) and

National Federation for Teachers Association (NFTA) jointly organised the workshop in collaboration with Education International (EI) and ILO-IPEC.

Chaired by BTA president Md Quamruzzaman, the inaugural function was addressed, among others, by BTF President S M Nurul Alam Amir, Vice-President of NFTA, Md Shakhawat Hussain, Director, ILO area office, M Anis Hossain and El Asia and Pacific Region Coordinator, Sagar Nath Palraj.

The minister said that elimination of child labour from the third world country like

Bangladesh are a tough task because children are forced to be involved in such jobs to meet their daily needs. "Due to poverty, they are compelled to choose such miserable jobs in mills and factories instead of their education," he said.

Termining the children as the future of the country, Mannan said that all conscious citizens of society should come forward to help the distressed children and bring them back to educational institutions.

In this context, he urged the teachers community as well as the wealthy persons of society to play an important role in this regard.

Giving a brief account on removal of child labour from the country's garment industries, he said that the programme was highly appreciated in abroad.

"We have successfully rehabilitated the removed child labours providing them food and education," he said. The minister called upon all concerned authorities including teachers and wealthy persons of society to extend all cooperation to eliminate the child labour.

Around 60 participants from BTA and BTF are taking part in the workshop.

Oil takes a firm step ahead

LONDON, Sept 17: Oil prices took a firm step higher yesterday just a week ahead of an OPEC conference which is expected to retain standing supply limits, says Reuters.

London Brent futures for November traded 26 cents higher at \$23.04 a barrel as dealers took the view that OPEC ministers would not hesitate to endorse output restrictions until April next year.

The market is headed higher. People are realising that OPEC is sticking to the cuts," said trader Michael Busby, of Northville Industries in the United States.

Robert Priddle, the director general of the International Energy Agency, said he saw the potential for prices to rise further in the northern hemisphere winter.

"But there is not a question of real shortage of supply," he said in an interview with Reuters in Paris. Priddle said the millennium bug could disrupt oil flows at the end of the year but severe problems were not on the cards.

Last-minute jitters about OPEC's intentions were soothed on Wednesday when Venezuelan President Hugo Chavez said his country, a key OPEC producer, would stick to OPEC quota.

Chavez earlier had caused concern when he said Venezuela was worried that oil prices, at 32-month highs, were rising too far.

Analysts said those remarks were the first sign that a key OPEC player was worried about the market overheating to an extent that could stifle convalescent Asian demand and trig-

ger a flood of non-OPEC oil output early in the next century.

A Saudi oil official told Reuters that the kingdom did not mind higher oil prices, and that the focus should be on market fundamentals, not just on prices.

OPEC's own experts are agreed that petroleum stocks remain too high for the cartel to do anything other than stick to their output curbs.

The group's Economic Commission Board, which finished a three day meeting late on Wednesday in Vienna, concluded that the rate of decrease in oil stocks had slowed and absolute levels of global stocks were worrying large, an OPEC delegate told Reuters.

"The ECB says that the absolute level of stocks is still causing alarm among producers."

Banks, wealthy investors lost \$350b in world financial crises

WASHINGTON, Sept 17: Banks and wealthy investors lost \$ 350 billion during the 1997-98 global economic crises, a group representing 300 private financial institutions around the world reported Thursday, says AP.

The International Institute for Economics also said its members should not be forced to participate in resolving these crises but should act voluntarily on a case-by-case basis.

When the United States and the International Monetary Fund bailed out Mexico in 1995, some members of Congress charged that the infusion of money saved many investors from huge losses. The charges were repeated when South Korea received a similar package in December 1997 and Brazil got financial aid in January of this year.

"The reality is that no matter what prism you look through to view the relative roles of the private and public sector in Mexico, Korea or Brazil, there is no bailing out of the private sector by the official sector," said Charles Dallara, the institute's managing director. "You can't find it."

SB incentive award for employees

Star Business Report

Sonali Bank has decided to pay incentive awards to its officers and employees with a view to achieving its all types of business targets.

The targets of the bank include business development, rehabilitation of classified loans, mobilisation of deposits, expansion of import and export trade and earning of commissions/exchanges.

In order to implement the decision, specific guidelines have been given to the officers and employees of the bank, by Mahbubur Rahman Khan, Managing Director, at its Local Office in the city Thursday, says a press release.

The managing director said that satisfactory awards would also be given to the officers and employees who would discharge their duties properly. Others present at the meeting were Mohammad Hossain, Deputy Managing Director, and Md Abdul Maleque, General Manager, Local Office.



Mahbubur Rahman Khan, Managing Director of Sonali Bank, addresses the officers and employees of the bank at its Local Office in Dhaka Thursday.

—Sonali Bank photo

Hoarse Clinton seeks to veto tax cut 'good and loud'

WASHINGTON, Sept 17: President Clinton, hoarse after a trip to New Zealand, will wait until next week to deliver his long-promised veto of a \$792 billion Republican tax cut bill so he can do it good and loud, the White House said on yesterday, reports Reuters.

"I think as you noticed today, the president was on his last words with his voice, so I think we'll put off 'till at least Monday" any signing ceremony," White House spokesman Joe Lockhart told reporters.

Clinton has repeatedly vowed to veto the 10-year \$792

billion tax cut bill passed by the Republican-dominated Congress August 5, and White House officials have assailed the party for not submitting it to the president until Wednesday.

Lockhart made clear Clinton would use the veto occasion to make a forceful pitch.

"It is an important moment for the president to articulate the future as he sees it and the problems he has with the Republican plan," Lockhart said.

The tax bill that the Republicans have sent down represents important and critical

differences between the Democrats and the Republicans. And they're obviously issues that are important to the way... we will invest our money going into the next century."

Clinton, appearing at a Federal Emergency Management Agency briefing on Hurricane Floyd, attributed his hoarseness to the trip. He returned to Washington early on Thursday.

"You can all hear that I can't speak very well today. I just came back from New Zealand. It's about a 20-hour trip, and I lost my voice on the airplane and I apologise," he said.

Aid to Russia depends on fighting corruption: US

WASHINGTON, Sept 17: US Secretary of State Madeleine Albright said yesterday the United States would not support further multilateral assistance to Russia unless it cracked down on corruption, says Reuters.

"President (Boris) Yeltsin's government needs — at last — to make fighting corruption a priority," she said.

"We have made clear that we will not support further multilateral assistance to Russia unless fully adequate safeguards are in place," she added.

In a speech to the Carnegie Endowment for International Peace, Albright said the Rus-

sian government's response to a burgeoning corruption problem "has not been adequate... The Russian legal system remains no match for well-connected criminals."

But she also had strong words for Republicans in Congress who have advocated big cuts in US assistance for Moscow and have faulted the Clinton admn. especially following recent allegations of the laundering of billions of dollars from Russia through the Bank of New York.

"We also need to keep our heads about us. It is right to focus on the cloud of corruption

in Russia, but it is not the whole picture," she said.

Russia moves toward democracy

She argued that even though Russia was not a flourishing free market democracy, the country had made great strides since the fall of communism nearly a decade ago. "Time and patience is what is needed now in the US approach towards Russia," she said.

The United States can be "hostile and dismissive towards Russia and risk re-creating our enemy," or continue to pursue as cooperative a relationship as possible with the former Cold

War enemy.

She made clear the Clinton administration remains committed to the latter course and will fight Congress to save its assistance programmes even as it adopts a more cautious approach toward multinational lending.

The US bilateral programmes largely support non-proliferation efforts and pro-democracy, non-governmental groups in Russia which are unquestionably in the US national interest, Albright said.

President Bill Clinton has accused Congress of short-changing his foreign affairs budget by nearly \$2 billion, in-

cluding a major cut in funds for Russia and other forage to Russian leaders has been corruption and to cooperate, in full, with investigations into it," she said.

Critics who argue Russia is "ours to lose are arrogant (and) the suggestion that Russia is lost is simply wrong," she said.

Albright said that while Russia's future is uncertain, but it is not hopeless and much will depend on the country's continued move toward becoming a free market democracy.

Despite major problems in the country, including continuing concerns over "loose nuclear weapons, the Russian

people have not abandoned the promise of democracy."

But Albright warned "nothing could do more damage to Russia, at home or abroad, than a failure to observe the constitutional process" and follow through with plans for a parliamentary election in December and a presidential election next year.

Because of Vice President Al Gore's close connection with Russia policy, there is concern among supporters that the vice president, a contender for his party's year 2000 presidential nomination, could be hurt politically if the situation in Russia continues to unravel.

Weekly Asian stocks

Most markets end higher

HONG KONG, Sept 17: Most Asian stock markets ended the week higher Friday, boosted by a rebound on the Tokyo Stock Exchange following the rise of the US dollar against the Japanese yen, reports AP.

The Japanese benchmark 225-issue Nikkei Stock Average rose 50.68 points, or 0.29 per cent, to 17,342.27. On Thursday, the average fell 485.63 points, or 2.73 per cent.

Tokyo shares rose as the dollar rebounded amid expectations of a US-Japan foreign exchange agreement. The Bank of Japan has reportedly sold about \$35 billion of yen since June 10 fearful that the currency's strength might smother the country's nascent recovery from a prolonged recession.

Despite the sales, Japan's currency has gained 13 per cent against the dollar since the beginning of June.

Prices rose in the afternoon in reaction to a stronger Tokyo market.

In Singapore, share prices also closed higher in reaction to the stronger US dollar. The benchmark Straits Times Index rose 42.10 points, or 2 per cent, to 2,131.94.

Elsewhere:
Bangkok: Thai share prices closed higher on bargain-hunting. The Thailand Set Index rose 8.29 points, or 1.9 per cent, to 438.16.

Taipei: Taiwan shares closed lower on Taiwan's political uncertainty surrounding the island's ties with mainland China. The market's key Weighted Share prices closed higher. The benchmark NZSE-40 Capital Index rose 9.59 points, or 0.4 per cent, to 2,093.21.