

## Focus on reduction of non-performing assets Vajpayee vows economic review if re-elected

NEW DELHI, Oct 6: India's Bharatiya Janata Party-led alliance will undertake a mid-year review of the economy, stimulate demand and reduce non-performing assets in banks, if re-elected to power. Prime Minister Atal Behari Vajpayee was today quoted as saying, reports Reuters.

"A mid-year review of the economy has to be done so that corrective steps at keeping the fiscal imbalance in check can be taken," Vajpayee told the Economic Times in an interview.

"Side by side, the government would need to focus on generating adequate demand in the economy so that we can maintain our growth rate while keeping inflation low," he said.

India's gross domestic product grew 6.0 per cent in 1998-99 (April-March) and is projected to rise between 6.5 and 7.0 per cent in 1999-2000.

Counting of votes in India's month-long federal elections began today. Exit polls have forecast a narrow win for Vajpayee's Bharatiya Janata Party (BJP)-led alliance in the election to 543 seats in the lower house of parliament.

Vajpayee said several pending laws, such as a bill on liberalising the insurance sector, needed to be passed by the new government.

The BJP-led coalition government fell in April when it was on the verge of introducing legislation to open up the insurance sector to private Indian and foreign companies.

The prime minister said improving the health of financial institutions would be a high priority and steps would be taken to reduce the non-performing assets of banks and financial institutions.

"Towards this objective, necessary changes in policy and the enabling legal framework would be brought about quickly," he said.

Vajpayee said his government would strive to give genuine autonomy to banks and financial institutions and continue a programme of gradually privatising state-owned enterprises.

He said the government had already taken several steps in diverse fields to broaden and deepen economic reforms.

### Tax collection up 18.30 pc in Sept

Meanwhile, India's tax collections in September 1999 increased 18.30 per cent to 187.02 billion rupees (\$4.3 billion) from 158.10 billion in the same month the previous year, the government said in a statement yesterday.

Total tax revenues in April-September 1999 rose to 689.86 billion rupees from 608.69 billion in the same period last year, it said.

Total direct tax revenues, including personal income and corporate taxes, in September rose to 95.57 billion rupees from 80.06 billion in the same month in 1998.

Direct tax collection during the April-September period stood at 185.18 billion rupees as against 176.32 billion during the same period last year, the statement said.

Personal income tax collection in September stood at 26.24 billion rupees compared with 22.16 billion in the same month last year, it said.

For the first half of 1999-2000 (April-March), the income tax rose 21 per cent to 89.25 billion rupees as against 73.76 billion in the comparable period of 1998.

Corporate tax collection during September rose 20.33 per cent to 66.42 billion rupees compared with 55.20 billion in the same period of 1998, the statement said.

For the six months to September 30, corporate taxes stood at 95.06 billion rupees compared with 98.16 billion in the corresponding period last year.

## Apple unveils new version of iMac

CUPERTINO, California, Oct 6: Apple Computer Inc. unveiled and even more sophisticated version of its highly successful iMac line Tuesday, introducing machines with features never before seen on a personal computer, reports AP.

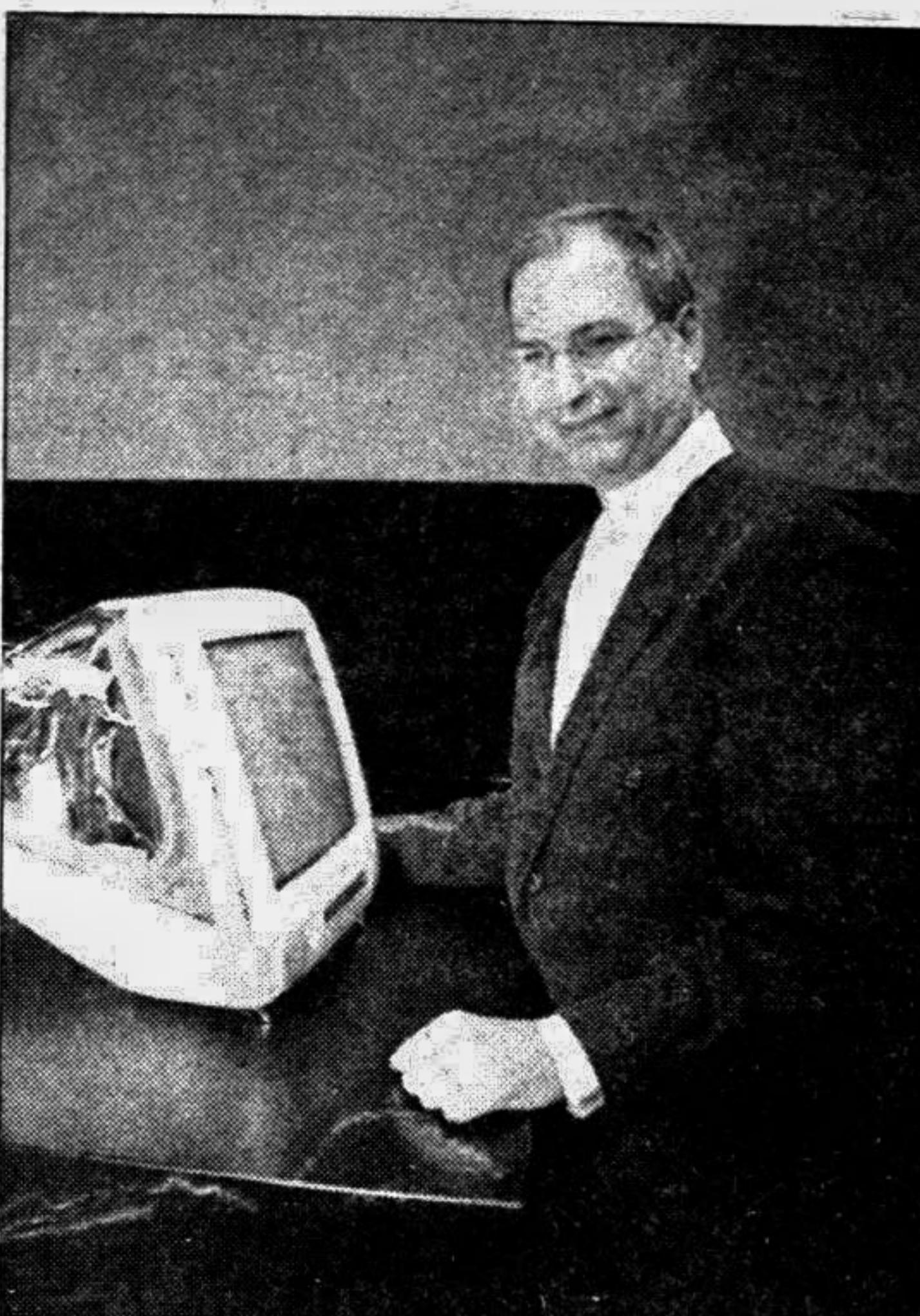
The company also announced a new operating system designed to make it easier for users to search the Internet, download files and maintain security.

A little more than a year after reversing its fortunes with the brightly colored iMac computer, interim chief executive Steve Jobs showed off a redesigned line aimed at attracting new and repeat customers ahead of the important holiday shopping season.

The new iMac is slightly smaller than its best-selling predecessor, allows a user to insert a compact disc into a slot instead of the typical sliding opening that exposes the optics to dust, contains built-in high fidelity speakers and removes the cooling fan in favour of a convection air process.

The updated version also adds a second port for connecting devices such as printers and digital cameras and updated digital graphics.

"I think I am more in love with this product than the original Macintosh. We shipped two decades ago," Jobs said during a presentation at a college near the company's Cupertino headquarters.



Apple Computer interim CEO and co-founder Steve Jobs poses next to the new iMac Special Edition after its introduction Tuesday in Cupertino, California. The new iMac will be available in three models and is being advertised as being faster and featuring Apple's new digital video technology.

— AFP photo

## China optimistic on WTO entry by year-end

BEIJING, Oct 6: China's Minister of Foreign Trade Shi Guangsheng said he was optimistic China could enter the World Trade Organization (WTO) this year but negotiations would be tough, state media reported today, reports Reuters.

"Negotiations will be very difficult," the China Daily quoted Shi as saying. "Now the key issue remains how we should balance our obligations and rights after China's accession."

To join the 134-member WTO, which sets global trading rules, China must win US support, as well as the backing of the European Union and others.

"Whether China can join the WTO has now become a political decision," Shi said. "Both China

and the United States face political considerations on this issue."

The deadline for China's accession is widely seen as late November when WTO ministers begin the next round of global trade talks in Seattle. Any delay could leave China out of those talks, which could last for several years.

But talks between Shi and US Trade Representatives Charlene Barshefsky last week over US access to the Chinese market made no headway.

The United States wants China to recommit to market-opening concessions made by Premier Zhu Rongji during a state visit to Washington in April. They included unprece-

dented tariff cuts and increased access in areas such as agriculture, telecommunications and financial services.

The newspaper quoted Shi as saying US reports on Zhu's visit were exaggerated, and China's negotiating position was made clear during WTO talks on the sidelines of an Asia-Pacific Economic Cooperation forum in New Zealand last month.

After the forum, China's vice minister of foreign trade Long Yongtu said the United States misunderstood its April offer and a number of changes were required.

The newspaper quoted Shi as saying both sides were trying to organise a new round of negotiations. He gave no timetable for the talks.

"It's a sort of tug-of-war," said Paribas Capital Markets senior economist Mamoru Ya-

mazaki.

New ruling Liberal Democratic Party (LDP) policy chief Shizuka Kamei "likes big spending but just because he's now policy chief doesn't mean he decides everything. The Finance Ministry still has influence," Yamazaki said.

And that means while they may be tempted to inflate the "headline figure" for a stimulative package for this business year to next March 31, the real spending content is unlikely to grow exponentially from initial estimates, economists say.

Kamei, widely known for his penchant for big public works spending, said on Wednesday

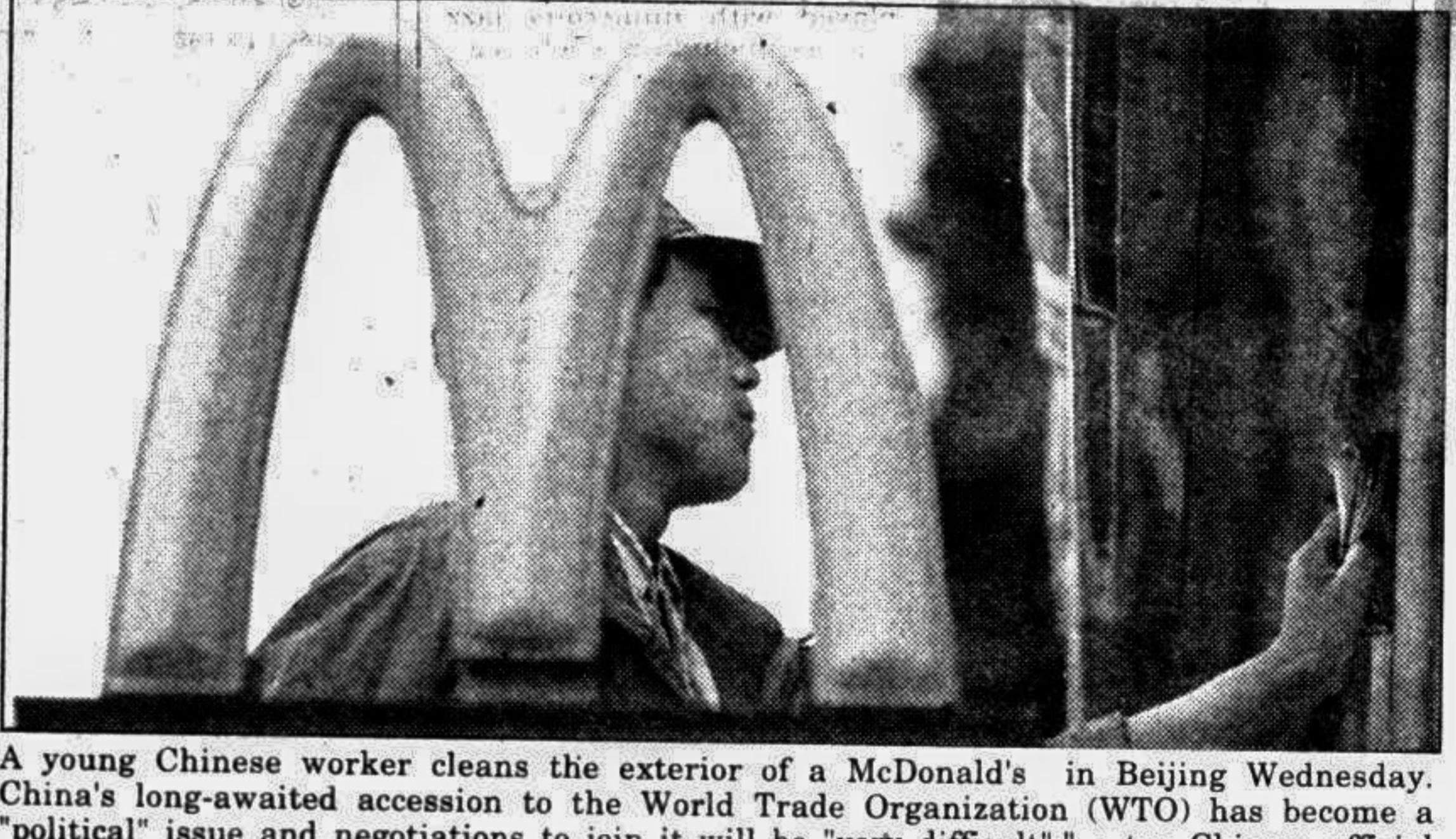
that the LDP would announce an economic package around October 20.

But he told Reuters that the amount of funds needed had not yet been decided. Japanese media quoted Kamei as saying on Tuesday that Japan needed an economic package of over 13 trillion yen (\$121 billion) and that real spending should not fall below the 5.67 trillion yen in the final extra budget compiled in 1998/99.

Kamei's counterpart in the coalition partner Liberal party, meanwhile, said the government would decide the general size of the extra budget at Friday's cabinet meeting.

## Plan jiggles voters, financial markets

## Japanese policy-makers weigh spending needs



A young Chinese worker cleans the exterior of a McDonald's in Beijing Wednesday. China's long-awaited accession to the World Trade Organization (WTO) has become a "political" issue and negotiations to join it will be "very difficult," a top Chinese official said in remarks published by the state media.

WASHINGTON, Oct 6: President Bill Clinton's pledge last week to forgive \$1 billion in debt owed by the world's poorest countries, was seriously undermined yesterday when the House of Representatives voted to slash US Foreign aid funding, including money for debt relief, reports Reuters.

A compromise bill, forged by House and Senate negotiators and narrowly approved by a 214-211 vote in the House, set aside \$12.62 billion in foreign spending for the new fiscal year that started on Oct. 1 — nearly \$2 billion less than the president had requested and \$2.7 billion less than last year.

The bill, produced in a bicameral conference of Senate and House members, is likely

also to be approved by the Senate.

It cuts deeply into funding for the World Bank, a string of diplomatic initiatives, foreign aid and other overseas health and humanitarian programmes supported by Washington.

In a Sept. 30 letter to House Speaker Dennis Hastert, Clinton complained of the bill's "woefully inadequate overall funding level" and vowed to veto it.

House Republicans, some of whom argued against spending American money abroad to maintain US leadership in world affairs, defended the bill, saying deep cuts were necessary to avoid dipping into a Social Security surplus, which they

have vowed to protect. "The only problem we have here is this insatiable desire on the part of the president to give away American money," said Sonny Callahan, the Alabama Republican who co-chaired the House-Senate conference. "The only way we can get more money is through new taxes, through the Social Security trust fund or by breaking the budget caps."

The legislation represents a blow to Clinton's foreign policy priorities, allocating just \$625 million in funding for the World Bank's lending programmes to some of the poorest countries on earth — down from over \$800 million last year and \$175 million below the president's request.

## Congress undermines Clinton's \$1b debt forgiving plan

## Vietnam GDP to grow by 5 pc in '99

HANOI, Oct 6: Vietnam's gross domestic product is set to grow by five per cent in 1999, an official report said today, reports AFP.

According to General Department of Statistics figures GDP is likely to reach about 28.5 billion dollars this year, a five per cent increase over 1998, the Vietnam News reported.

That represents a decline from the official growth figure of 5.83 per cent reached in 1998, and provides evidence that while other Asian countries are rebounding from the regional downturn, Vietnam has yet to turn a corner.

The official projection for this year is optimistic compared to International Monetary Fund estimates of GDP growth between three and four per cent.

Industrial production is set to rise 10.5 per cent over last year, indicating the third annual decline in growth.

Production grew 12 per cent in 1998, down from 13.8 per cent in 1997 and 14 per cent in 1996.

The slowdown in industrial activity has been particularly sharp in the state sector which has been hobbled by outmoded technology, excess capacity and inferior quality.

In the first nine months of the year, state owned enterprises, which account for the lion's share of industrial output, recorded an eight per cent growth rate.

Foreign invested enterprises, including oil and gas, registered a rise of more than nine per cent in the first nine months, however foreign direct investment, the main engine of growth, has nearly dropped off the map.

While Vietnam was spared the worst of the regional crisis

because of tightly controlled capital flows and a non-convertible currency, it suffered secondary effect through a decline in regional export demand and investment.

Institutions like the World Bank and the International Monetary Fund warn that Vietnam's insulation from the crisis was a mixed blessing.

While its neighbours have grown leaner and more competitive, Vietnam has lumbered along, delaying much needed reform of the state sector and a revamp of its creasy financial infrastructure.

Foreign investors also complain that the government has not done enough to address their complaints about a strangled bureaucracy, rampant corruption and an opaque and unpredictable legal system.

They prefer other offshore production destinations.

Vietnamese planners had hoped that a trade agreement with the United States would give the economy, and more importantly, foreign direct investment, a boost.

But an apparent last minute reluctance by the Communist Party Politburo to agree to the economic dictates of Vietnam's former wartime enemy may have scuttled the deal, which was signed in principle in July.

If an agreement is not fully signed by the end of this month, the busy US Congressional calendar will push the decision into 2000, and election year during which Washington is very unlikely to agree to the deal, experts say.

The deal will also help boost moral among disgruntled US investors in Vietnam, which has seen an exodus of major companies in the last 12 months.

## Government of the People's Republic of Bangladesh

### Office of the Executive Engineer Road Division, Tangail

## Tender Invitation Notice by R&H Department

Sealed tender is invited through Bangladesh Form No-2911.							
1. Tender Notice is invited							
2. Name of work							
3. Head of expenditure							
4. Estimated cost							
5. Earnest money							
6. Time allowed							
7. Eligibility of contractors							
8. Name of offices from where tender can be procured							
9. Name of offices where tenders will be received							
10. Last date and time of selling tender							
11. Date and time of receiving tender							
12. Date and time of opening tender							
13. Date of lottery							
Tenders received from other offices where tenders will be received (if any) will be collected in sealed (not open) condition and will be opened together in the office of the Executive Engineer (R&H), Road Division, Tangail on the specific date and time opening the tender.							
If government holiday is announced on the dates of selling, receiving, opening and lottery due to any reason then it will be fixed on the next opening day of the office. Besides this, no other notice will be issued.							
Construction work of 42.68 metre long PC Guarder Bridge on Situ Bored Pile Foundation on the 18th Kilometre (Bagtia) of Tangail-Modhupur Road under Tangail Road Division during 1999-2000 fiscal year. Tender Notice No-13/Year-1999-2000.							