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Oil prices rebound

LONDON, April 28: World oil prices surged yesterday after a two-day slide triggered by signs of rising fuel stocks in the United States, the world's biggest consumer, reports Reuters.

North Sea benchmark Brent Blend crude futures for June delivery rallied 78 cents to \$26.76 per barrel on London's International Petroleum Exchange.

US market crude futures gained 77 cents to \$25.42.

The day-earlier downward move, which clipped 35 cents off Brent, was partly triggered by data from the US Department of Energy confirming that US inventories of crude and refined products were on the rise. The DOE's figures backed an earlier report from the American Petroleum Institute.

Later, forecasts of OPEC output for April by Petrologistics, a leading tanker tracker based in Geneva, appeared to add to the market's bearish tone although some analysts viewed the estimates as positive.

Petrologistics said on Wednesday that OPEC production was likely to rise by 773,000 barrels per day in April. It said that preliminary expectations for OPEC supply this month were 27,555 million bpd compared with 26,782 million in March.

The production estimate included 225,000 bpd from Iraq. Sanctions-bound Baghdad is not party to a recent agreement by the Organisation of Petroleum Exporting Countries (OPEC) to raise output by around seven per cent.

Petrologistics put the cartel's leakage at 313,000 bpd and compliance at 88 per cent, based on an output quota increase by 10 OPEC members including Iran of 1.7 million bpd from April 1.

"We were totally taken back by the lack of a positive reaction to the Petrologistics report," analysts GNI Research said in a pre-market report.

Environmental groups protest 'secret' NAFTA talks

WASHINGTON, Apr 28: Environmental groups yesterday accused the United States, Canada and Mexico of holding secret talks that could weaken wildlife protection under the North American Free Trade Agreement (NAFTA), says Reuters.

In a letter to government ministers, 91 environmental groups called on NAFTA trading partners to immediately suspend the negotiations, which activists said have gone on for 10 months behind closed doors.

"These secret negotiations must stop," said Mark Van Patten, president of the National Wildlife Federation, one of the largest conservation groups in the United States.

US officials no immediate comment. Activists said NAFTA is the only trade agreement with guidelines that make it possible for groups to protest when environmental laws are not being enforced.

An environmental side-agreement calls for public input as the guidelines for determining environmental problems are developed.

Last June the guidelines were revised with input from environmental groups from Canada, Mexico and the United States.

There were only supposed to be small revisions to these guidelines after the June meeting, the environmental groups said. But instead, NAFTA ministers have been conducting "secret meetings to completely change key parts of these guidelines," they said in a statement.

The letter was signed by a wide range of groups, including the Sierra Club, the World Wildlife Fund, Enlace Ecologico AC and the Canadian Environmental Law Association.

Greenspan calls for more open world farm markets

KANSAS CITY, Apr 28: Federal Reserve Chairman Alan Greenspan called yesterday for more open world agricultural markets, saying freer trade would help the US farm industry prosper from its recent productivity gains, says Reuters.

In a speech that avoided any direct reference to the US economy or monetary policy, the US central banker also said it was crucial for the farm sector to embrace technological change if it wanted to thrive.

"Efforts to increase the openness of foreign markets for agricultural products will need to be maintained and intensified, so that the full benefits of farm productivity gain can show through into increased market opportunity and farm income," he said in prepared remarks.

He noted that the industry had improved its productivity by adopting new technology. Greenspan encouraged rural America to persevere in embracing more technological change.

Delhi to decide on duty-free access of 25 items shortly

Indian commerce minister assures his Bangladeshi counterpart

Bangladesh expects quick decision from India on duty-free market access of 25-category items as per a commitment made by Indian Prime Minister during his Dhaka visit last year, reports UNB.

Commerce Minister Abdul Jalil, who returned home from Delhi meeting of BIMSTEC trade ministers yesterday, said his Indian counterpart, Murali Manohar, assured him of taking a decision shortly.

Bangladesh identified 191 items under 25 categories for duty-free access to Indian market and the list was sent to India months ago.

Earlier, the Gujral administration had offered 50-per cent duty concession for 216 Bangladesh items, 171 of which have been enjoying the facility and the rest 39 will also be given the rebate, Jalil told

newsmen, conveying Manohar's assurances.

Transshipment issue also came up in the bilateral talks of the two ministers. "We have told (them) that we are awaiting expert reports on it and will like to go through it as it entails various implications," the Bangladesh minister told reporters at the airport on his return.

An expert committee, comprising two locals and two foreigners, are studying the feasibility of giving transshipment to India. The Task Force is likely to place its reports on the issue soon, he informed.

Jalil referred to Indian customs hassles for export of Rahimafrooz battery, garments, raw jute and jute goods from Bangladesh and said Indian minister had assured of looking into the matters.

BIMSTEC ministers have decided to create a free-trade area within the region to promote inter-state trade and investment.

Five commerce ministers of the region in their Delhi meet formed an inter-government study group which will report in six months for final decision in the next ministerial meeting next year, likely in Myanmar or Sri Lanka.

The Commerce Minister briefed newsmen at the airport on his return from the second ministerial meeting of Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation in Delhi.

"Visa system and inter-country banking transactions will be eased and customs hurdles removed to accelerate business activities among the member

countries.

A working group of customs officials of BIMSTEC countries will be formed to identify trade barriers and prescribe measures while central banks will meet to make easier way for improving bank services, Jalil said.

All these issues will come up for detailed discussions in the secretary-level meeting scheduled for May 10 in the Indian capital.

To facilitate more interactions among business communities of the member countries they have decided to allow 20 top businessmen-industrialists of each country to visit without visa in the region.

Arrangements will also be made for fast-track visa services for all prospective businessmen and investors, he informed.

JB plans large-scale industrial loans for N region

Janata Bank will provide credit on a large-scale for medium and small-scale industries in the industrially backward northern region, especially for setting up of agro-processing industries, says UNB.

Managing Director of the bank SA Chowdhury, addressing a daylong workshop in Rajshahi yesterday, unveiled the industrial financing plan.

Janata Bank and Rajshahi Krishi Unnayan Bank jointly organised the workshop at JB divisional office to chalk out means of realising classified credits and increasing investment in an integrated way.

Chowdhury said the bank was investing half the deposits collected from the northern region in that part.

Besides, the bank has decided to invest in setting up of poultry farm and pisciculture apart from fertilizer, fruit-processing, cement and software

industries in the northwestern region in the current year," the bank MD told the bankers' meet.

Investment-mobilisation strategy, success of adopted programmes and policies of the two banks in recovering classified loans came up for discussion.

RAKUB Managing Director AKM Sajedur Rahman described practical experiences in realising classified loans of the bank and informed about its elaborate system, strategy and success of the pursued programme, 'Miracle'.

To gear up recovery of 48 per cent of classified loans from the total outstanding credits, the Janata Bank Managing Director directed officials to take immediate step.

He said the bank would consider RAKUB's 'miracle' plan, in its bid to have a miraculous success in loan recovery, with special importance to recovery of the classified loans.

Thailand bans all ads on tobacco products

BANGKOK, Apr 28: Thailand has become the first Asian country to ban all forms of publicity and advertisements of tobacco products on television programmes, movies and plays, says PTI.

The cabinet has decided to endorse the proposal to ban all-out publicity and advertisements of smoking and the use of tobacco products on television programmes, deputy government spokesman Pan Puengscharit said today.

The proposal mooted by the Ministry of Public Health has urged the government to ban all direct and indirect forms of advertisements with regard to smoking.

The ban covered roles of actors, actresses in on-air movies or plays that would demonstrate smoking behaviours and the use of tobacco products, the spokesman said.

IBBL, Onus sign banking software maintenance deal

Islami Bank Bangladesh Limited (IBBL) has signed an annual maintenance contract with Onus Private Limited for its Integrated Branch Banking Software in the city recently, says a press release.

Md Nurul Islam, Vice President and Incharge of Computer Department of Islami Bank and Mahmud Hossain, Managing Director of Onus Private Limited, signed the deal on behalf of their organisations.

Nasiruddin Ahmed, Executive Vice President of Operations Division and Shamsul Haque, Senior Vice President, Dhaka North Zone of the bank, were present on the occasion.

The bank is presently using an Integrated Branch Banking Software (IBBS) developed by Onus Private Limited for its 85 branches of the out of 110 branches all over the country. The rest 25 branches are ready to enter into the process shortly.

Toshiba suffers \$263m loss

TOKYO, Apr 28: Suffered rising sales, Toshiba Corp reported a net loss of 28.00 billion yen (\$263 million) for the fiscal year ending in March partly because of expenses linked to the settlement of a US class-action lawsuit, the Japanese electronics-maker said Friday, reports AP.

Toshiba suffered a loss of 13.90 billion yen (\$130 million) in the last fiscal year, mired in an economic slowdown, as did other major Japanese computer chip makers.

For the fiscal year that just ended, however, Toshiba sales grew 8.5 per cent to 5.749 trillion yen (\$54 billion) from 5.30 trillion yen (\$50 billion) — marking the first on-year gain in three fiscal years with solid sales in semiconductors, liquid-crystal products and mobile communication goods.

Stability in semiconductor prices from the second half also contributed to the rapid on-year growth.

But the company reported 106.39 billion yen (\$999 million) in expense linked to last year's settlement of a US suit over floppy disk controllers used in its laptop computers.

While refusing to admit there was a defect, Toshiba offered remedial software or coupons for Toshiba products to owners of its laptops shipped since 1985 affected by the settlement, estimated at 5 million. The lawsuit said that the controllers distort or lose information written on to disks.

Toshiba also booked other costs related to changes in its semiconductor and household electric appliance operations to trim costs.

Aussie inflation rate hits 2.8 per cent

CANBERRA, Apr 28: Treasurer Peter Costello insisted Friday that inflationary pressures remain in check despite soaring fuel prices having helped push Australia's annual inflation rate to 2.8 per cent says AP.

Rising home prices and expensive seasonal vegetables also contributed to a 0.9 per cent rise in inflation in the three months ending in March.

The rise appeared to make a fourth interest rate hike in seven months a near certainty. The Reserve Bank of Australia meets next Tuesday to review rates which were last raised to 5.75 per cent earlier this month.

Deutsche Bank Senior Economist Tony Meier said the data may be good enough to keep any rate rise down to a quarter per cent.

The Australian dollar dropped from US \$0.5888 before the data to US \$0.5872 in the few minutes thereafter, before staging a mild recovery to US \$0.5878.

Despite the rise in inflation, Costello said Australia still has a "high growth, low inflation economy."

Key US Senator ties IMF gold sales to reforms

WASHINGTON, Apr 28: A powerful US Senator yesterday tied Congressional approval of IMF gold sales that would finance debt relief for poor countries to far-reaching reforms at the institution, reports AFP.

The comments from Senate Banking Committee chairman Phil Gramm prompted an immediate caution from Treasury undersecretary Timothy Geithner that the gold sales should not be used as leverage to force changes on the International Monetary Fund.

At a hearing of the banking subcommittee on international trade, Gramm said he wanted to see the IMF limit its activities to short-term lending to help countries overcome financial difficulties — a proposal contained in a recent Congressional report on the Fund.

Gramm linked such a modification to a decision last December by the IMF to contribute 2.3 billion dollars to the Heavily Indebted Poor Countries initiative (HIPC), a plan drafted in conjunction with the World Bank to ease the debt burden on the world's most impoverished

nations.

The IMF chose to fund 1.6 billion dollars of its participation in the debt-relief scheme through the sale of up to 14 million ounces of IMF-held gold.

The US Treasury, which has an effective veto over the Fund's policy making because of its weighted vote on the IMF board, was directed by Congress to agree to the sale of only nine million ounces, a deal that has been completed.

The IMF wants to sell the remaining five million ounces in order to complete its contribution to the HIPC initiative. Geithner warned that HIPC could grind to a halt if the gold were not sold this year.

Gramm said a bill to authorize sale of the remaining five million ounces would have a chance of passage in Congress only if it contained provisions for IMF reform.

"I'm willing to go ahead and write those loans off, but I'm not going to do that unless we get some fairly substantial reform," he told Geithner.

"It seems to me that what we need to be doing is to define, as a very large contributor, the

mission that we want them (the IMF) to perform. I think that mission is short-term liquidity lending," Gramm argued.

In response, Geithner warned Congress against using the gold issue "to try to force a fundamental reevaluation of what the IMF as an institution does with the rest of its activities."

He also voiced strong objections to Gramm's call for the IMF to concentrate exclusively on short-term lending.

"Successful development only comes where you have a durable basis for growth and where you put in place the conditions that allow markets to function, private enterprise to function," he said.

The world's poorest countries will need lending on highly "confessional," or favourable, terms for some time to come, he said.

That means either very low interest rates, long maturities, or a combination of both. Even some of the poorer emerging market countries probably need lending on at least a medium-term basis, he told the committee.



Md Nurul Islam, Vice President of Computer Department of Islami Bank Bangladesh Limited, and Mahmud Hossain, Managing Director of Onus Private Limited, sign the annual maintenance contract for Integrated Branch Banking Software (IBBS) of the bank in the city recently.



KC Rezaul Haq, Managing Director of United Commercial Bank Ltd (UCBL), addresses as chief guest the certificate awarding ceremony of a course on "Foreign Trade and Foreign Exchange" at the UCBL Training Institute. AHM Nurul Islam Choudhuri, Principal of the Institute, is also seen.

WTO urged to follow HR laws

GENEVA, Apr 28: Two US-based law professors yesterday called on World Trade Organisation (WTO) panels to put international human rights legislation above trade rules in resolving disputes among its members, says Reuters.

The two, a Canadian and a Kenyan, issued their appeal at a news conference launching a study they co-authored on how the WTO could help protect human, economic and social rights of ordinary people in the era of globalisation.

"They ought to be no conflict between trade law and human rights law," said Makau Mutua, director of the Human Rights Centre at the University of New York at Buffalo and chairman of Kenya's Human Rights Commission.

"But when there is, human rights law should trump all other international law accords and certainly take precedence over trade law."

The report by the Montreal-based International Centre for Human Rights and Democratic Development was issued at the end of the annual six-week session of the UN Human Rights Commission.

The 23-page report echoed many other recent critiques of the Geneva-based WTO where

panel rulings in disputes have to be approved by the body's 136 member countries.

The study described the WTO as isolated, secretive and undemocratic in its decision-making.

It called for routine acceptance by disputes panels of submissions from non-governmental organisations (NGOs) explaining the non-trade impact of potential rulings.

Mutua's co-author, Robert Howse of the Michigan University Law School, pointed to two cases — one currently going through the WTO dispute settlement process — that, he said, could end by encouraging human rights violations.

In one, where a panel ruling is expected in June after a year and a half of deliberations, Canada has challenged the European Union over a French ban on asbestos imports, arguing that the measure violated WTO open trading rules.

"It is well-known that asbestos is a life-threatening substance that has killed thousands of Canadians over the years," said Howse, himself from Canada.

"If this decision goes in Canada's favour, it would limit

the right of other members of the WTO in the future to take measures protecting their citizens against harmful imports, and that would violate their human rights."

Canadian officials were not immediately available for comment, but Ottawa has argued that the asbestos it exports are safe and that there is no health basis for the French ban.

Howse argued that another case could also have major implications for the defence of human rights worldwide.

The case was originally brought by the EU and Japan in 1997 against the United States over a Massachusetts ban on state purchases of goods from foreign companies operating in military ruled Myanmar.

The case has lapsed as the US has challenged the constitutionality of the Massachusetts law, whose authors say is aimed at protecting human rights in Myanmar.

But if the administration, which has argued in the WTO that there is no breach of free trade rules, loses its challenge, the dispute could well come back to the trade body for a new panel study, diplomats say.

Microsoft's woes foment high-tech insecurity

SAN FRANCISCO, Apr 28: Technically boring, unimaginative and pushy is how many in the high-tech industry see Microsoft Corp., but most agree the software giant has been the life of an extraordinary party that nobody wants to leave, reports Reuters.

As it starts its anticipated long battle to avoid a breakup, Microsoft finally may be unable to provide the leadership it's given for nearly two decades as a financial model and an arbiter of industry standards.

The stock market's reaction last month to its failure to reach a settlement in its antitrust case demonstrated that Microsoft may not be the only loser in the suit. Since then, the stock market has been one of its most volatile trading ever.

"When you remove a central player, you create a vacuum," said Rob Enderle, an analyst for Giga Information Systems. "Microsoft was the super-hero of the technology set and the

glue that made everything work. Now the industry doesn't really have that."

Many technology executives liked the certainty of dealing with Microsoft in a fast-changing high-tech environment. A CIO magazine poll of top chief information officers, the software gurus at many corporations, found half favoured letting Microsoft go unpunished in its antitrust proceedings.

"When we asked them why... they said 'We kind of like the monopolistic aspect of Windows,'" said Gary Beach, CIO group publisher.

The stock market, for its part, likes certainty too, and as hard as it tries to fashion new leaders out of companies like Cisco Systems Inc., America Online Inc. or Oracle Corp., "none of them runs the gamut of the tech industry like Microsoft does," said Enderle.

The next Microsoft
"It'll be the next Microsoft" is a phrase that, for years, rolled from the lips of venture capital-

ists, investment bankers, stock brokers and upstart chief executives trying to create a buzz around their company.

Microsoft provided a crisp model, doubling in value at about the same rate — every 18 months or so — as computing power doubled on computer chips. Its financial power made it the world's wealthiest company less than two decades after it was launched, paralleling the longest economic expansion in US history.

"Investors like a story," said John Davidson, a strategist for investment fund Orbitex Management. "It's part of human nature to look for leadership and heroes. Investors want them, too. And Microsoft had all the elements."

The story, though, has turned more grim over the past six months, as Microsoft has been formally labeled a monopolist by a US court judge and prosecutors have sought to impose appropriate remedies.

Since the first ruling in the case last fall, Microsoft has lost nearly half its market value, and yielded its position as the No. 1 company by market capitalisation to Cisco, which makes Internet equipment.

More recently Bill Gate's "world's richest man" title has fallen under threat from arch-rival Larry Ellison of software company Oracle, since both men are now worth just over \$50 billion.

Struggling with new forces

The government's antitrust case is only part of the story in Microsoft's fall.

"Microsoft has been slowly losing its domination anyway, for a long time," said Roy Blumberg, money manager at Sheer Asset Management. "A lot of companies have been whittling away at it for a long time."

Microsoft also has been struggling to maintain its position due to the rise of the "post-PC" world, in which smaller and more powerful chips are be-

ing embedded in telephones, game players and hand-held computers, and providing new competition for Microsoft's desktop software.

CIO magazine's poll found that technology executives "felt that the world was moving off the desktop as the centre of the universe. Few believed that any one company can dominate the Internet computer world."

Companies like Microsoft have traditionally set the "standards" for software, which gives them control over their use. But increasingly, open source software, in which many developers collaborate to write programmes, has gained favour, and industry bodies have governed the development of Internet standards.

"Open source software is not going to be as profitable as software was in the shrink-wrapped world," said Aram Fuchs of Fertilis.net, an Internet stock service. "It's not as good a business as shipping a

code on a disk for a few hundred bucks."

"It's a very complicated and not necessarily rational time of life in the tech industry," said Tony Perkins, editor of Red Herring magazine and author of "The Internet Bubble."

The chance of "another Microsoft" being created "is probably over, per se," said Perkins, even though some have cast Amazon.com Inc. and other Internet start-ups into that role, he said. But the online retailer will never be able to dominate in the way that Microsoft has, he argued.

"The networked world is going to create an incredible economic boom, built on the efficiency that can be created on the Internet," Perkins said. "But that fact that nobody can build a wall around the standards for operating on the Internet creates a level playing field that no company will be able to dominate."