

FDI rises in E Europe, but economic slump looms

AFP, Vienna

Foreign investment and production in Europe's former eastern bloc rose last year but slower economic growth and higher unemployment rates lie ahead, experts warned here Thursday.

Foreign direct investment (FDI) rose by two billion dollars to 20 billion dollars in 2000 in the 10 European Union candidate countries, according to reports compiled by the Austrian Institute of Economic Research (WIFO) and the Vienna Institute for Comparative Economic Studies (WIV).

Most of the increase was due to fresh privatisation, analysts from the two institutes said at a news conference where the reports were released.

Poland took the lion's share of the investment with nine billion dollars, thanks to its telecom boom, they said. Czech Republic came second with four billion dollars, thanks to bank privatisation.

Hungary came third with two billion dollars in greenfield investments and expansion of ex-

isting projects.

But privatisation and the cost-cutting measures which follow were also expected to push unemployment upwards.

Jobless numbers would rise from 8.8 per cent in 2000 to 10 per cent in the Czech Republic this year and from 15 per cent to 16 per cent in Poland, the reports said.

FDI increased in Slovakia and Bulgaria, two countries which had been neglected by investors due to their initial hesitation over the sweeping privatisation deemed necessary to join the west.

It jumped from 356 million dollars to an estimated 1.3 billion dollars in Slovakia and progressed from 806 million dollars to 1.1 billion in Bulgaria over the same period.

"Increasing political and economic stability, privatization schemes like that of the oil refinery Slovnaft and Bulbank, have made these countries more attractive than before," said WIV regional specialist Gabor Hunya.

Hungary launched an ambitious privatization programme

early on in the transitional stages, and now picks up its investment from greenfield projects, the establishment of plants by companies keen to take advantage of relatively cheap labour.

The Czech Republic, Hungary and Poland, which all border the EU, "are almost the only targets for greenfield projects and can be considered as competitive European production sites," said Hunya. And "they are in increasing competition to attract new projects," he added.

"It will be a while before this develops in eastern Europe as a whole. Greenfield investors want a stable infrastructure, clear regulations. Countries like Romania are a long way off from this," he added.

Increasingly, these countries were integrating with the EU markets and all saw a rise in GDP in the year 2000, thanks in part to the growth in exports to the west, Hunya said.

Bulgaria, traditionally seen as one of the losers of the region, came in just behind powerhouse

Hungary last year, with a growth in GDP of five per cent, the reports said.

"In 2000, the business climate in the EU and the US was good and this is generally considered to have had a positive effect on all transition countries," said another WIV analyst, Leon Podkaminer.

"But with a slowdown of growth in the EU expected, the export sectors of the transition countries will come under pressure," he said, forecasting that growth in GDP would drop to three per cent on average across the region this year.

These countries had a long way to go before they approach the per capita GDP levels of the rich European Union states.

By 2015, little Slovenia was expected to be pushing at the 100 per cent mark, said the reports.

But in the same year even the advanced countries like Hungary and the Czech Republic would only produce 75 per cent of the GDP of their EU neighbours, and much of eastern Europe would be well below the 50-per cent mark.

Congratulations



The Intercultural Open University, Opemide of the Netherlands has conferred a PhD degree on Md Abu Hena Mostofa Kamal, says a press release.

Kamal obtained the degree for his thesis on "Ecotourism for Local Community Development in the Mountain Areas: A study on the Potentiality of Ecotourism in the Chittagong Hill Tracts of Bangladesh."

Kamal is a member of Bangladesh Civil Service (Administration) Cadre. He is currently working as the Private Secretary to Minister, Ministry of Chittagong Hill Tracts Affairs.

Dr Md Abu Hena Mostofa Kamal is the eldest son of Abu Sufian Miah and Rawshan Ara Sufian of "Maa-e-Anchal," Pailanpur Residential Area, Pabna.



Md Morshed Alam has secured First Class First in the Masters degree examination (Economics) from Jahangirnagar University (1998 batch), says a press release.

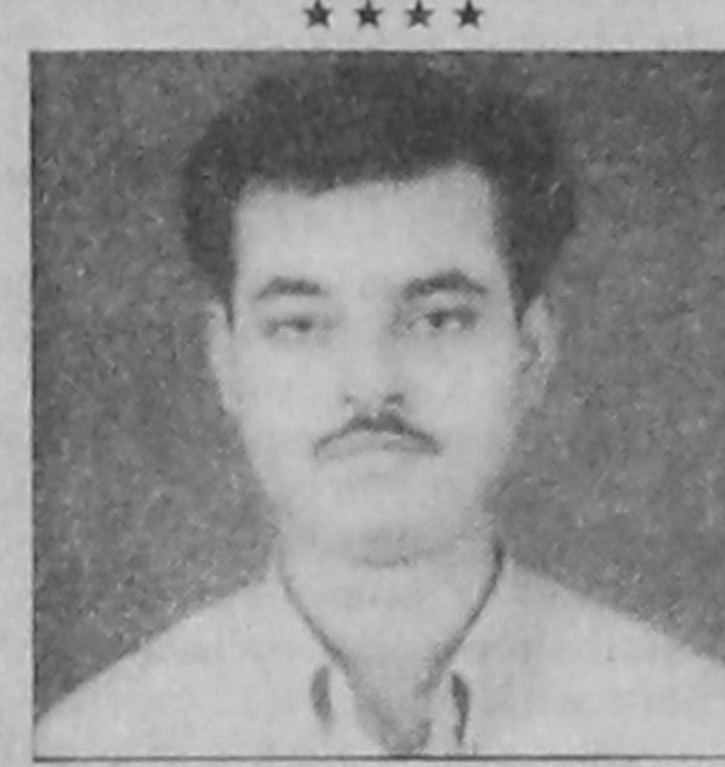
He also secured the highest marks in the Social Science Department.

Murshed who hails from Jakiganj in Sylhet is the son of Abudun Noor Chowdhury, former headmaster of Shayestaganj High School and Aklima Khanam Chowdhury.

Md Morshed Alam has secured First Class second position in the MSc final part examinations in Mathematics (1996 batch, exams held in 1999) from Jagannath University, says a press release.

His thesis was "a study on Axiomatic Geometry."

Murshed is the youngest son of Md Ibrahim Mondol and Rizia Ibrahim of Mathurapur village of Saryakandi thana in Bogra.



Konok Roy Chowdhury has stood First Class First in the MSc final examinations in Mathematics (1996 batch, exams held in 1999) from Jagannath College, says a press release.

Chowdhury's thesis was titled "Generalised Inverses of Matrices by using MATLAB."

He hails from Khilpara Union in Noakhali and is the eldest son of Narayan Chandra Karmakar and Maya Rani.

Md Morshed Alam has secured First Class Second position in the MSc final part examinations in Mathematics (1996 batch, exams held in 1999) from Jagannath University, says a press release.

His thesis was "a study on Axiomatic Geometry."

Murshed is the youngest son of Md Ibrahim Mondol and Rizia Ibrahim of Mathurapur village of Saryakandi thana in Bogra.

Muhammad Shariful Islam, lecturer of Bangladesh University of Science and Technology (BUET) was awarded Dr Rashid Gold Medal for achieving highest CGPA in all the disciplines in postgraduate level in 1999.

He also received the Sharfuddin Gold Medal for scoring highest CGPA in the Department of Civil Engineering in the same year.

Chancellor of the University Prime Minister Sheikh Hasina handed over the awards to parents - vice principal of Comilla Govt Women College Mohammad Sirajul Islam and Noorjahan Islam during the sixth convocation of BUET.

Md Nurur Rashid of Dhaka University obtained Tofazzal Hossain (Manik Miah) Gold Medal of the year 1996 for securing the highest marks in the master degree examination of Arts, Social Science and Business Studies Faculties of the university.

He was also awarded Asalata Sen Gold Medal for the same feat among the Faculty of Arts, Social Science, Business Studies and Law.

Chancellor of the university President Shahabuddin Ahmed handed over the gold medal at the 11st convocation of the university.

Md Nurur Rashid is the second son of Md Abdul Malek and Begum Karimun Nesa of Muradabad village under Chandanais thana in Chittagong.

Dr Hannan Mirza Tareq Inter-University Officers Fed executives

Dr A M Abdul Hannan and Mirza Tareq Qader have been elected as president and secretary general respectively of Bangladesh Inter-University Officers Federation for 2001-2002, says a press release.

The election was held recently at the federation office of the Administrative Building of Dhaka University.

The other office-bearers of the 34-members central committee are: Vice-presidents - Abdul Mannan and Md Ashraf Ali, joint secretary general - Zaker Ahmed, treasurer - Abul Hye and publicity secretary - Nawab Ali Khan.

Md Nurur Rashid of Dhaka University obtained Tofazzal Hossain (Manik Miah) Gold Medal of the year 1996 for securing the highest marks in the master degree examination of Arts, Social Science and Business Studies Faculties of the university.

He was also awarded Asalata Sen Gold Medal for the same feat among the Faculty of Arts, Social Science, Business Studies and Law.

Chancellor of the university President Shahabuddin Ahmed handed over the gold medal at the 11st convocation of the university.

Md Nurur Rashid is the second son of Md Abdul Malek and Begum Karimun Nesa of Muradabad village under Chandanais thana in Chittagong.

Dr Hannan Mirza Tareq Inter-University Officers Fed executives

Dr A M Abdul Hannan and Mirza Tareq Qader have been elected as president and secretary general respectively of Bangladesh Inter-University Officers Federation for 2001-2002, says a press release.

The election was held recently at the federation office of the Administrative Building of Dhaka University.

The other office-bearers of the 34-members central committee are: Vice-presidents - Abdul Mannan and Md Ashraf Ali, joint secretary general - Zaker Ahmed, treasurer - Abul Hye and publicity secretary - Nawab Ali Khan.

Dr Hannan Mirza Tareq Inter-University Officers Fed executives

Dr A M Abdul Hannan and Mirza Tareq Qader have been elected as president and secretary general respectively of Bangladesh Inter-University Officers Federation for 2001-2002, says a press release.

The election was held recently at the federation office of the Administrative Building of Dhaka University.

The other office-bearers of the 34-members central committee are: Vice-presidents - Abdul Mannan and Md Ashraf Ali, joint secretary general - Zaker Ahmed, treasurer - Abul Hye and publicity secretary - Nawab Ali Khan.

Dr Hannan Mirza Tareq Inter-University Officers Fed executives

Dr A M Abdul Hannan and Mirza Tareq Qader have been elected as president and secretary general respectively of Bangladesh Inter-University Officers Federation for 2001-2002, says a press release.

The election was held recently at the federation office of the Administrative Building of Dhaka University.

The other office-bearers of the 34-members central committee are: Vice-presidents - Abdul Mannan and Md Ashraf Ali, joint secretary general - Zaker Ahmed, treasurer - Abul Hye and publicity secretary - Nawab Ali Khan.

Dr Hannan Mirza Tareq Inter-University Officers Fed executives

Dr A M Abdul Hannan and Mirza Tareq Qader have been elected as president and secretary general respectively of Bangladesh Inter-University Officers Federation for 2001-2002, says a press release.

The election was held recently at the federation office of the Administrative Building of Dhaka University.

The other office-bearers of the 34-members central committee are: Vice-presidents - Abdul Mannan and Md Ashraf Ali, joint secretary general - Zaker Ahmed, treasurer - Abul Hye and publicity secretary - Nawab Ali Khan.



Dry weather likely

UNB, Dhaka

Light rain or drizzle may occur at one or two places over Rajshahi division and at the regions of Tangail, Mymensingh and Sylhet in next 24 hours till 6 pm today.

Weather is likely to remain mainly dry with partly cloudy sky elsewhere over the country during the period, Met office said.

It forecasted little change in night temperature over the country.

The country's highest temperature 33.2 degree Celsius was recorded yesterday at Sitakunda and the lowest 10.1 degree Celsius at Srimangol.

The sun sets in the capital today at 5:55 pm and rises tomorrow at 6:30 am.

Maximum and minimum temperature and humidity recorded in some major cities and towns yesterday were:

City/Town	Temperature in Celsius		Humidity in percentage	
	Max	Min	Morning	Evening
Dhaka	30.5	16.7	66	55
Chittagong	31.1	14.6	70	74
Rajshahi	26.5	14.7	78	77
Khulna	31.0	14.4	84	70
Barisal	31.0	14.4	85	74
Sylhet	31.8	14.0	60	48
Cox's Bazar	31.5	16.8	71	59

Book on early child development launched

"Amar Bondhura Ja Dekhte Pae, Amake Ta Dekhte Dao," an illustrated book for the development of visually impaired children, was launched at the auditorium of the Dhaka Shishu Hospital on Thursday, says a press release.

It was inaugurated by the author of the original book Dr Patricia Sonksen of Institute of Child Health, London, UK, called "Show Me What My Friends Can See," and is one of the most popular books on early child development in the UK, USA, Europe and other countries.

The Bangla adaptation was done by Dr Reaz Mobarak and Dr Humaira Muslima of the Shishu Bikash Kendro, Dhaka Shishu Hospital.

In her address of welcome Prof Naila Khan said that the number of children presenting with low-vision to the Shishu Hospital had increased from 8 pe to 25 pc in the last decade, and explained how many children had improved upon their vision using the techniques that have been adapted from the research and clinical work of Dr. Sonksen.

Mohiuddin Ahmed, Managing Director of University Press Limited, publisher of the book lamented the absence of more books on child health and early child development in the country, and lauded the publication of the book.

The book will be available at the Bui Mela in Bangla Academy, and all outlets of the Shishu Bikash Network.

DHAKA TODAY

JU convocation

Jahangirnagar University will hold its second convocation. Chief guest: President Justice Shahabuddin Ahmed. Venue: JU premises. Time: 9:30 am.

Conference 2001

Jatiya Chhatra Samaj will hold its central conference 2001. Venue: Engineers Institute auditorium. Time: 11:00 am.

Art exhibition

The third solo art exhibition of Faruk Ahmed will be inaugurated. Venue: Divine Art Gallery, Hotel Sonargaon. Time: 5:30 pm.

Clothes exhibition

Altamira presents its "Spring and Festival Collection." Artist Shakela Zafar will inaugurate the show. Venue: Altamira Designer Fashion Gallery. Time: 3:00 pm.

Freshers' Day

The People's University of Bangladesh will hold its Freshers' Day. Venue: National Archives Auditorium, Sher-e-Bangla Nagar. Time: 3:00 pm.

Canadian envoy calls on BNP, AL chiefs to sit for dialogue

UNB, Dhaka

Canadian High Commissioner to Bangladesh David Preston has said the two leaders of the country's major political parties should initiate a direct dialogue to stop the current wave of violence.

Preston, who was scheduled to address a meeting at Dhaka Reporters Unity (DRU) office on Thursday, regretted that the event had to be cancelled due to violence involving the two major political parties.

"Had I been able to attend, I would have expressed my view that it is the primary responsibility of the two leaders ... to stop violence," he said in a letter to DRU President M Anwarul Haq.

Preston said the Prime Minister and the Opposition Leader should call a halt to the current volatile situation. "Parliament is the place for conducting politics. The ballot box, not the bullet, is the means to register the will of the people."

Referring to this week's consultation on small arms at Bangladesh Institute of International and Strategic Studies (BISS), the Canadian envoy said it was unanimous in expressing concern about the uncontrolled proliferation of small arms.

Ashek-e-Rasul congregation held in city

BSS, Dhaka

Sufi Samrat Mahub-e-Khoda Devanbaghi said yesterday the achievement of success in worldly life and also hereafter is possible by following the ideals of Prophet Mohammad (SM), said a press release.

Addressing a huge congregation of the World Ashke-e-Rasul at Babe Rahmat, Arambagh, in the city, he said the Arab of the dark age was transformed into a great nation which acquired knowledge of science and earned wealth by following the ideals of the Prophet Mohammad (SM).

Secretary General of Dewanbaghi Sharif Ashke-e-Rasul Saiedur Rahman gave the address of welcome at the function, which was attended by people from different places, including some foreign countries.



A custom officer shows fake automobile parts seized during the last three months in Le Havre port Thursday. The parts, imitations of Peugeot, Valeo, Purflux and some other brands were coming from China and were supposed to be delivered in Nigeria.

Dell posts 16pc rise in net income

AFP, Austin, Texas

Computer maker Dell on Thursday reported a 16 per cent increase in fourth quarter 2000-2001 net earnings to 508 million dollars compared to the same period of 1999-2000.

The figure excluded a one-time pre-tax charge of 105 million dollars linked to job reductions and plant consolidation, the company said in a statement here.

Earnings per share came to 18 cents, just shy of a revised forecast by Wall Street analysts of 19 cents.

Net revenues rose 28 per cent to 8.7 billion dollars.

Dell, the largest direct seller of computer systems, last month issued a profit warning, prompting analysts to lower their fourth quarter expectations of earnings per share from 26 to 19 cents.

The company earlier in the day announced plans to eliminate 1,700 full-time administrative, marketing and product support jobs "as part of ongoing refinement of the lowest-cost, most customer-focused business in the global computer-systems industry."

Computer makers have seen a slump in sales since last year and the manufacturer acknowledged the cuts were in part "the result of Dell's lower expectations for industry and company growth."

Full-year revenue rose 26 per cent at Dell to 31.9 billion dollars, with fiscal 2001-net income gaining 24 per cent to 2.3 billion dollars, or 84 cents a share, excluding special items.

The company also reported a 43 per cent year-over-year increase in total unit shipments.

"Industry demand was far softer than anyone expected when we entered the fourth quarter, but the inherent advantages of our business model helped us grow more than four times faster than the overall rate," said company chairman Michael Dell.

"Conventional wisdom is that inventory increases in a slow-growth environment," he added. "We reduced our inventory to a record five-days of supply."

Dell said that in the Americas region, where quarterly product shipments were essentially flat compared with the year-earlier quarter, it managed a 45 per cent increase in unit volume and 27-per cent revenue growth.

The company reported that in Europe, the Middle East and Africa it began to show improvement, with regional revenue rising 23 per cent over the fourth quarter of 1999-2000.

Company revenue in the Asia-Pacific and Japan was up 51 per cent in the quarter.

Computer maker Dell on Thursday reported a 16 per cent increase in fourth quarter 2000-2001 net earnings to 508 million dollars compared to the same period of 1999-2000.

The figure excluded a one-time pre-tax charge of 105 million dollars linked to job reductions and plant consolidation, the company said in a statement here.

Earnings per share came to 18 cents, just shy of a revised forecast by Wall Street analysts of 19 cents.

Net revenues rose 28 per cent to 8.7 billion dollars.

Dell, the largest direct seller of computer systems, last month issued a profit warning, prompting analysts to lower their fourth quarter expectations of earnings per share from 26 to 19 cents.

The company earlier in the day announced plans to eliminate 1,700 full-time administrative, marketing and product support jobs "as part of ongoing refinement of the lowest-cost, most customer-focused business in the global computer-systems industry."

Computer makers have seen a slump in sales since last year and the manufacturer acknowledged the cuts were in part "the result of Dell's lower expectations for industry and company growth."

Full-year revenue rose 26 per cent at Dell to 31.9 billion dollars, with fiscal 2001-net income gaining 24 per cent to 2.3 billion dollars, or 84 cents a share, excluding special items.

The company also reported a 43 per cent year-over-year increase in total unit shipments.

"Industry demand was far softer than anyone expected when we entered the fourth quarter, but the inherent advantages of our business model helped us grow more than four times faster than the overall rate," said company chairman Michael Dell.

"Conventional wisdom is that inventory increases in a slow-growth environment," he added. "We reduced our inventory to a record five-days of supply."

Dell said that in the Americas region, where quarterly product shipments were essentially flat compared with the year-earlier quarter, it managed a 45 per cent increase in unit volume and 27-per cent revenue growth.

The company reported that in Europe, the Middle East and Africa it began to show improvement, with regional revenue rising 23 per cent over the fourth quarter of 1999-2000.

Company revenue in the Asia-Pacific and Japan was up 51 per cent in the quarter.

Prelude to debt restructuring IMF, Russia down to wire on crucial talks

AFP, Moscow

A top IMF team was set to conclude a key mission to Moscow Thursday that will decide Russia's ability to restructure its massive debt to Western governments and resolve a long-running dispute.

The International Monetary Fund (IMF) team was meeting with Deputy Prime Minister Alexei Kudrin before his own departure to Palermo where Russian debts were to feature in a meeting of finance ministers from the G7 nations.

"Sanctions are always imposed on bad debtors," Kudrin warned before his last Moscow meetings.

Russia needs to win an IMF stamp of approval before launching direct talks with its Western creditors on debt payments, under dispute because Moscow is currently unwilling to face up to its massive Soviet-era obligations.

The IMF for its part is cautious about concluding a new partnership agreement with Moscow until it restructures its 2000 budget to allow for more foreign debt payments.

The Fund also wants to see Russia to progress in excruciating structural reforms that included a wide-scale overhaul of its ailing banking sector.

On January 1, Russia's debt to the Paris Club of sovereign creditors stood at 48.3 billion dollars (53.2 billion euros), of which 38.7 billion dollars are Soviet-era obligations.

Germany, Russia's main creditor, has threatened to press for Russia's expulsion from G8 - linking Russia with the United

States, Germany, Japan, France, Britain, Italy and Canada - if Moscow's dollar debts are not met.

The Russian government has been trying to persuade the State Duma (lower house of parliament) to amend the 2001 budget voted two months ago, in order to settle Moscow's debts with the Paris Club.

The debate expected next week promises to be a difficult one.

The Communists and some nationalists warn they will rebuff government proposals and may even provoke a cabinet crisis by putting down a no-confidence motion.

However some economists remain optimistic that the budget changes will be approved, and the IMF cooperation agreement signed in a matter of weeks.

The two sides are very close, said Sergei Alexashenko, former number two at Russia's central bank and current head of the Centre of Development Economic Institute.

Others say the Paris Club debt may not in fact be restructured this year, but see a long-term cooperation agreement with the IMF on the horizon.

"Negotiations with the mission have shown ... that the state of our budget is very favourable, and there will be no discrepancy between spending and revenues," said Deputy Finance Minister Sergei Kolotikhin.

Meanwhile Interfax quoted a Russian source involved in the IMF negotiations as saying the two sides were "on the finishing straight."

The two sides are very close, said Sergei Alexashenko, former number two at Russia's central bank and current head of the Centre of Development Economic Institute.

Others say the Paris Club debt may not in fact be restructured this year, but see a long-term cooperation agreement with the IMF on the horizon.

"Negotiations with the mission have shown ... that the state of our budget is very favourable, and there will be no discrepancy between spending and revenues," said Deputy Finance Minister Sergei Kolotikhin.

Meanwhile Interfax quoted a Russian source involved in the IMF negotiations as saying the two sides were "on the finishing straight."

Africa torn by falling aid, conflicts WB Development Indicators '01 says

AFP, Washington

Decreasing foreign aid has combined with local conflicts, corruption and a rise in oil prices to slow economic growth in Africa, despite sustained expansion in some countries, the World Bank said yesterday.

The bank's African Development Indicators 2001, a compilation of social and economic data for the period 1970-1999, showed that average per capita output dropped dramatically to \$19 in 1998 from \$32 in 1990.

Despite an overall slowing in the continent's economy, some countries such as Mozambique and Uganda have experienced rapid growth rates of 7 per cent per year and 24 other countries posted annual growth rates superior to 3 per cent.

"These figures show us that economic reforms over recent years have slowly but surely improved growth in many African countries and allowed the private sector to take root," World Bank Chief Economist for Africa Alan Gelb said in a statement.

"However, despite this rising trend, countries are still vulnerable to conflict and external shocks in world markets, such as the recent rapid increase in oil prices and fallout from the East Asia crisis," he said.

"World Bank President James Wolfensohn begins a week-long visit to Africa with the International Monetary Fund Managing Director Horst Koehler on Sunday, a visit the bank hopes can help

integrate African markets into the global economy.

But the bank said conflicts in the region have already hurt growth and remain a threat to development. The economies of the Democratic Republic of Congo and Sierra Leone both shrank by an average 4.6 per cent annually during the 1990s, while Rwanda saw its economy contract by 2.1 per cent a year.

At a press briefing on Wednesday to discuss the upcoming joint World Bank-IMF trip, the bank's head of African operations, Calisto Madavo, said that 20 per cent of Africans live in countries torn by conflict.

"Without someone finding a solution to these conflicts, development is not possible," Madavo

integrate African markets into the global economy.

But the bank said conflicts in the region have already hurt growth and remain a threat to development. The economies of the Democratic Republic of Congo and Sierra Leone both shrank by an average 4.6 per cent annually during the 1990s, while Rwanda saw its economy contract by 2.1 per cent a year.

At a press briefing on Wednesday to discuss the upcoming joint World Bank-IMF trip, the bank's head of African operations, Calisto Madavo, said that 20 per cent of Africans live in countries torn by conflict.

"Without someone finding a solution to these conflicts, development is not possible," Madavo

integrate African markets into the global economy.

But the bank said conflicts in the region have already hurt growth and remain a threat to development. The economies of the Democratic Republic of Congo and Sierra Leone both shrank by an average 4.6 per cent annually during the 1990s, while Rwanda saw its economy contract by 2.1 per cent a year.

At a press briefing on Wednesday to discuss the upcoming joint World Bank-IMF trip, the bank's head of African operations, Calisto Madavo, said that 20 per cent of Africans live in countries torn by conflict.

"Without someone finding a solution to these conflicts, development is not possible," Madavo

Obituary



Khandakar Akram Hussain, son of late Khandakar Ahmed Hussain, Chief Engineer of irrigation, died on February 14. He was 72, says a press release.

Hussain was suffering from lung cancer.

He is survived by four daughters and a son.

Hussain was a mechanical engineer with Getco.



People from all walks of life attended the World Ashke-e-Rasul congregation at Babe Rahmat, Arambagh in the city yesterday.