

Existing economic order widening disparity

London School of Economics prof tells BEA confce

STAR BUSINESS REPORT

Criticising the present neo liberal paradigm in the world, Robert Hunter Wade, professor at London School of Economics and Political Science, yesterday said the economic order is widening the existing disparity.

He also called for a new order to challenge the neo liberal policies. The professor of political economy said, "We must find a new set of ideas to challenge the existing one."

Wade was delivering keynote speech on 'Globalisation, Inequality and Poverty: Theory and Evidence' at a session of a three-day international conference on Emerging Global Economic Order and Developing Countries organised by Bangladesh Economic

Association (BEA) at Osmani Memorial Hall in Dhaka.

The neo liberal policies are backed by powerful states such as the US and the UK and also espoused by international organisations, the professor went on.

He pointed out that the World Bank, the International Monetary Fund and the World Trade Organisation are acting as external wings of these states.

"The neo liberal world order has perpetuated the existing state of inequality within and among countries," Wade noted.

In his presentation, Wade also pointed out possible flaws and loopholes in neo-liberal policies.

The professor has dismissed the claim that during 1980-1998 period the number of people living below

the poverty line has decreased from 1.4 billion to 1.2 billion.

Criticising the method of data collection, Wade said the statistics does not depict the real picture.

He said the number of people living below poverty line during the period may come down to only 175 million if it is calculated on the basis of week instead of month.

Speaking as one of the main discussants, Dr SR Osmani of Brac University criticised some points of Wade's presentation. He said globalisation is not solely responsible for inequality in the world.

Professor Anisur Rahman, former president of BEA, and Professor Amirul Islam Chowdhury of Jahangirnagar University also spoke at the function.

Bank Asia approves 24pc stock dividend

Bank Asia Limited has approved a 24 percent stock dividend for its shareholders.

The approval was made at the bank's fifth annual general meeting held in Dhaka yesterday, says a press release.

Chairman of the bank M Syeduzzaman presided over the meeting. Among others, vice-chairmen A Rouf Chowdhury and Anisur Rahman Sinha, directors Md Shafiuddin Chowdhury, Mohd Safwan Choudhury, Arifur Rahman Sinha, Md Sirajul Haque, Jahir Uddin, Romo Rouf Chowdhury, Rume A Hossain, Sohana Rouf Chowdhury, Md Anwar Hussain and Faisal Samad, and President and Managing Director Syed Anisul Huq were present.

The meeting reviewed the performance of the bank for the previous year and suggested measures for future growth. M Shamsul Alam and Lt Col (Rtd) Fariduddin Ahmed were elected new directors from the general public shareholders of the bank.

License of recruiting agency cancelled

UNB, Dhaka

The government has cancelled the recruiting license number-423 of M/S Yellow International for taking advance money from workers through advertisement in newspapers.

The company's all security money along with interest thereon has also been confiscated, said a PID handout yesterday.

Give autonomy to local government bodies

Speakers demand at post-budget discussion

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Speakers at a post-budget discussion yesterday demanded autonomy of local government bodies and also separate allocation in the budget for ensuring rural development, growth of democracy and poverty alleviation.

They observed that local government should be free from political influence to ensure development works in the rural areas.

The observations were made at a discussion on 'Poverty alleviation, national budget and local initiatives' jointly organised by The New Nation, Autonomous Union Parishad Advocacy Group Bangladesh and The Hunger Project Bangladesh at National Press Club in Dhaka.

"Power should be decentralised so that local government can directly negotiate with the donors and can act on parallel forum for national development," said Prof Muzaffer Ahmed.

Terming the proposed budget 2004-05 "incomplete" and "nontransparent", Muzaffer said, "I have never seen such a budget in my life."

He said the finance minister did not elaborate ways on how the money will be channeled and what government determined service delivery system will be used for distribution of resources for the local government.

He recommended to form a 'Local Government Finance Commission' to monitor and finance the local initiatives.

Participating in the discussion, Mujahedul Islam Selim, secretary of Bangladesh Communist Party, demanded one-third ADP (annual development programme) allocation for local government to achieve the millenium development goal.

Economist Dr. Anu Mohammed

said that duty structure proposed in the budget will make the economy a 'shopkeeper economy' that would hamper industrialisation.

The chairmen of different Union Parishad criticised the role of the Gram Shalkar saying that it is not an elected body representing common people and it also creates problems for the local government to interact with the ultra poor.

Presenting a paper on the role of national budget to support local initiatives for national development, Dr. Badiul Alam Mojumder, global vice president and country director of The Hunger Project, viewed that decentralisation of power is the only way to support local initiatives.

3m Bangladeshis working abroad legally

Parliament told

UNB, Sangsad Bhaban

Over three million Bangladeshi workers are working legally in different countries of the world, the parliament was told yesterday.

State Minister for Expatriates Welfare and Overseas Employment Major (retd) M Kamrul Islam said as per statistics provided by Bangladesh missions, the total number of legal Bangladeshi workers abroad was 3,019,331 till May 2004.

Replying to Muhammad Giasuddin (BNP-Narayanganj), he said the government took initiatives to legalise the illegal Bangladeshi workers in different countries.

The minister said following the initiatives 113,000 illegal Bangladeshi workers were legalised in Malaysia while 8,800 others in South Korea and 11,500 in Italy.

BUDGET QUIPS

"STD rate in Bangladesh has registered a rapid decline" -- boasted the Health Minister.

"I don't understand why Health Minister should brag about STD rates and incur the displeasure of the Finance Minister."

"You really don't understand. Health Minister was not referring to short term deposit rates but to sexually transmitted diseases."

"He should better issue a clarification."

CURRENCY

Following is Tuesday's (June 29, 2004) forex trading statement by Standard Chartered Bank

Sell		Buy				
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
61.9000	61.9500	USD	60.1550	59.9783	59.9065	
76.1494	76.2109	EUR	72.5409	72.3278	72.2413	
113.9208	114.0128	GBP	109.2355	108.9146	108.7842	
44.1038	44.1394	AUD	41.3866	41.2651	41.2157	
0.5798	0.5802	JPY	0.5518	0.5502	0.5495	
50.1093	50.1498	CHF	47.6740	47.5339	47.4770	
8.2566	8.2633	SEK	7.5213	7.4992	7.4902	
46.4505	46.4881	CAD	44.3588	44.2285	44.1756	
7.9446	7.9510	HKD	7.7058	7.6831	7.6739	
36.3381	36.3684	SGD	35.0044	34.9015	34.8588	
16.8906	17.0043	AED	16.2458	16.1981	16.1787	
16.6375	16.6510	SAR	15.9136	15.8669	15.8479	
10.5774	10.5859	DKK	9.4716	9.4438	9.4325	
210.6159	210.7860	KWD	196.7779	196.1999	195.9651	

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
45.88	57.4	102.35	40.885	6.8333	0.6909	3.80

Local Interbank FX Trading

Local interbank market was active on Tuesday. US dollar continued to ease against the Bangladeshi taka due to increased supply in the market.

Local Money Market

Money market was active. Call money rate was unchanged and ranged between 3.00 and 3.50 percent.

International Market

The dollar gained against the yen and

euro on Tuesday after weaker than expected Japanese industrial output but the market was largely playing a waiting game ahead of this week's US rate decision. Japanese output rose by 0.5 percent in May from April, less than forecast which tempered expectations for an upbeat reading of the Bank of Japan's "tankan" business survey this week and took the yen down over half a percent on the day on the dollar. Some analysts, however, said the data were far from discouraging and noted the market was unlikely to see much action before the US Federal Reserve long-awaited interest rate decision on Wednesday.

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PHOTO: BANK ASIA

M Syeduzzaman, chairman of Bank Asia Limited, speaks at the 5th annual general meeting of the bank in Dhaka yesterday. Vice-chairmen of the bank A Rouf Chowdhury and Anisur Rahman Sinha, President and Managing Director Syed Anisul Huq and other directors are also seen in the picture.

STOCK