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Microcredit doesn't help economic growth

Study claims

PTI, New York

Questioning the popular notion that microfinance helps lift the poor out of poverty, a new study claims that it does not foster as much economic development and entrepreneurship as was previously thought.

In the study prepared for Cato Institute, non-partisan research foundation, author Thomas Dichter, who is analysing international development since 1964, argues that micro-loans do not help noticeably either in economic growth or entrepreneurship.

Microfinance provides small loans to the poor for investment in small businesses which, in turn, are expected to lead to economic growth and reducing poverty.

But Dichter distinguishes between subsistence activities and "real" business, asserting that microfinance is not, in fact, used for business purposes at all.

"The average poor person in the past (and today) is not an entrepreneur, and when he or she has access to credit it is largely for consumption or cash flow smoothing," he said in the study "A Second Look at Microfinance: The

Sequence of Growth and Credit in Economic History," released Friday.

"The average entrepreneur prefers to start with informal credit or savings, rather than formal credit," he added.

The credit for the masses, the author said, has been in the past, and even today, is largely for and about consumption and the credit for real business is not for or about consumption, nor does it need to be accessible to everybody, he said.

The history of economic development shows that growth comes first and then mass credit develops and even then, the credit is for consumption, not investment, he said.

Economic development and its consequent massive poverty reduction did not depend on microcredit being made more accessible for income production or asset acquisition by a poor.

"Instead, it was the process of development that created jobs, which in turn made the working poor an attractive target for financial services, beginning with savings and then moving toward consumption so that the goods produced would have a wider market," he added.

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Eurozone switches sharply into trade deficit in 2006

AFP, Brussels

The eurozone recorded a trade deficit of 8.2 billion euros (10.8 billion dollars) in 2006 compared to a surplus of 16.2 billion the previous year, the European Union's Eurostat data agency said Friday.

For the 25 EU nations as a whole in 2006 the deficit was a massive 17.2 billion euros last year compared to 11.8 billion in 2005.

The eurozone trade surplus shrank dramatically in the month of December to 2.5 billion euros, with both imports and exports rising, Eurostat reported.

The December figure was sharply down on a revised November figure of a 5.1 billion euro trade surplus for the 12 nations sharing the euro.

This year a 13th country, Slovenia, has joined the eurozone, while Bulgaria and Romania joined the EU.

December's surplus, though down on the previous month, was a complete turnaround from the deficit of 1.1 billion euros registered in December 2005.

The first estimate for December 2006 external trade for the EU as a whole was a deficit of 7.3 billion euros, compared to 10.5 billion euros in November.



PHOTO: HSBC
The Hongkong and Shanghai Banking Corporation (HSBC) Ltd in Bangladesh organised a workshop for the 30 winning teams of the first round of the regional Young Entrepreneur Awards 2006-2007 in Dhaka recently. Officials of the bank are seen with the participants.



PHOTO: BATB
Participants and officials of a workshop titled 'HoReCa Training Excellence' pose for photographs recently. British American Tobacco Bangladesh (BATB) organised this daylong event in Dhaka for the managers and staff of different restaurants and cafes.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

প্রত্নতত্ত্ব অধিদপ্তর
আঞ্চলিক পরিচালকের কার্যালয়
প্রত্নতত্ত্ব ভবন, ৯ম তলা
এফ-৪/এ, আগামোহন প্রাথমিক
ঢাকা-১২০৭

দরপত্র বিজ্ঞপ্তি

নং ক-৩১/২০০৬-০৭/৮০(১)১ (১) ঢাকা, তারিখ: ১৫/২/০৭

দরপত্র প্রক্রিয়া নং ১৫/২/০৭

US, Japan agree to hasten telecom equipment trade

AFP, Washington

The United States and Japan agreed Friday to remove a key non-tariff barrier to their trade in telecommunications and radio equipment worth nearly three billion dollars a year.

They signed a so-called Mutual Recognition Agreement in Washington to make certification of such equipment easier, officials said.

"Today's agreement provides an important new tool for US companies to expand their exports of telecommunications equipment to Japan," said US Trade Repre-

sentative (USTR) Susan Schwab.

The pact was signed by deputy USTR Karan Bhatia and a senior Japanese envoy at the embassy in Washington, Akitaka Saiki.

Bhatia said it was part of a "building-block approach" by the United States to "remove barriers of trade and help grow even more" the bilateral trade.

Following the pact, Japan will accept results of "conformity assessment" procedures, including product testing and certification, performed by the United States that determine telecom equipment meets Japan's technical requirements.

Mida said sales of the E&E industry amounted to 195.7 billion ringgit (52.89 billion US dollars) last year, up 10.8 percent compared with the year 2005.

"Sales of computers and computer peripherals expanded by 35.6 percent to 63.5 billion ringgit (17.16 billion US dollars) in 2006 from 46.8 billion ringgit (12.65 billion US dollars) in 2005 as personal computers became more affordable to consumers due to declining prices," the Mida was quoted as saying by the New Straits Times.

For last December alone, sales expanded by 6.1 percent to 43.68 billion ringgit (11.81 billion US dollars) on a year-on-year basis. The number of employees engaged in the manufacturing sector rose by 8.5 percent to 1,083,639 persons last December.

Khurshid Irfan Chowdhury, general manager of Transcom Beverages Ltd, and Sudhir Pradhan, country manager of PepsiCo in Bangladesh, hand over a motorbike to the first prize winner of 'Pepsi Rock Sajjan' competition for the retailers nationwide. The prize giving ceremony was held at the Water Kingdom in Ashulia on Wednesday.

PHOTO: ASIATIC MINDSHARE

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

বিভাগীয় বন কর্মসূচীর কার্যালয়

সিলেট বন বিভাগ

সিলেট

সিলেট বন বিভাগের ২০০৭ সালে বাঁশ মহাল বিক্রয়ের পুনঃ দরপত্র বিজ্ঞপ্তি

বিজ্ঞপ্তি নং-১০/বাঁশ (২য় আহ্বান) তারিখ-০৮/০২/২০০৭ইং

সিলেট বন বিভাগের ২০০৭ সালে নিম্ন তারিখের বর্ণিত বাঁশ মহাল বিক্রয়ে নিমিত্তে নির্ধারিত ছকপত্রে নিকট হইতে সীমানোহরকৃত বনবাসে পুনঃ দরপত্র আহ্বান করা যাইতেছে। নির্ধারিত ছকপত্র (সিলেট) নং ৭৫০- (সাতশত পঞ্চাশ) টাকা (অফেরত্বযোগ্য) মূল্যে বিভাগীয় বন কর্মসূচীর, সিলেট, বিভাগীয় কর্মসূচীর, সিলেট, বেগুন প্রশাসক, সিলেট এবং বন সংরক্ষক, কেন্দ্রীয় অকল, বন ভবন, মহাখালী, ঢাকা এবং কার্যালয় হইতে আগামী ০৭/০২/২০০৭ইং তারিখ অফিস চলাচলান্বাস সময় পর্যন্ত জয় করা যাইবে। দরপত্র আগামী ০৮/০২/২০০৭ইং তারিখ বেগুন ১.০০ টাকিকর মধ্যে উন্নোব্রিত করা যাইবে। আগুন