

Barkat contradicts govt figure of the poor

STAR BUSINESS REPORT
Noted economist Abul Barkat yesterday contradicted the government's estimate of the number of poor in the country, saying the country's 83 percent population is now poor, not the 32 percent the government claims.

"When commodity prices go up in the market, the employment does not increase and the real income reduces, then the lower-middle income group should be regarded as the poor class."

"From this consideration, the country's 12.43 crore people are poor out of the total 15 crore population. This 83 percent people are always deprived," he said.

Barkat, also the chairman of the Economics Department at

Dhaka University, said the yardstick of measuring poverty by 2,122 kilocalorie or Tk 67 (1 dollar) a day is flawed.

There is an international standard that people who consume less than 2,122 kilocalorie of food or earn less than one dollar a day are poor.

"I think anything that prevents people from living a complete life should be a yardstick to measure poverty," he said.

Barkat lectured on "Understanding Poverty: The Case of Bangladesh" at the Asiatic Society of Bangladesh in the city.

He said: "It would take 200 to 300 more years to eradicate poverty nationally given the steps the constitution has stated to take to ensure poverty alleviation and the trend we can see in reality."

Barkat said Bangladesh economy has fallen into the 'Criminalisation trap' and it is reproducing poverty. "If we cannot change the scenario, the poverty alleviation will not be possible."

The powerful people have created a cycle of black economy. "This economy creates Tk 75,000-Tk 80,000 crores of taka annually, which is one-fifth of the national income."

Barkat, also the chairman of Janata Bank Ltd, suggested the policy makers adopt strategies based on homegrown development philosophy for reducing poverty.

Prof Sirajul Islam, president of the Asiatic Society of Bangladesh, and Prof Mahfuza Khanam, general secretary of the society, also spoke.

Sugar price falls in Ctg, but no impact on retails

DWAIPAYAN BARUA, Ctg
Sugar prices fell sharply in different wholesale markets in Chittagong due to an ample supply of the sweetener following regular imports since Ramadan.

But the customers are not getting any benefit from the price fall, as the retail price of the item is still as high as it was a month ago.

Over 1.82 lakh tonnes of sugar -- both raw and refined -- have been imported through Chittagong Port in September while the country's monthly demand is around 1.25 lakh tonnes.

Around 1.48 lakh tonnes of raw sugar and 34,254 tonnes of refined sugar were imported last

month, according to the data from Chittagong Customs House.

Wholesalers of different markets in Khatunganj said sugar prices came down by Tk 8 per kilogram in a month. The wholesale price of a maund of sugar was Tk 2,060 yesterday, down from Tk 2,100 on Thursday and Tk 2,400 a month ago.

But the sweetener was priced at Tk 64 to Tk 65 a kg at Karnaphuli CDA Market, Reazuddin Bazar, Kazir Dewry and different other kitchen markets in the port city.

No retailer could give any logical ground for such a high price. A shopkeeper at Karnaphuli CDA Market said they were selling the item at higher prices because they bought the item at higher rates.



PARTEX HOLDINGS
MA Hashem, chairman of Partex Group, inaugurates the first showroom of Partex Fashions at Kakrail Super Market in Dhaka recently.

New MD for Uttara Bank

STAR BUSINESS DESK
Shaikh Abdul Aziz has recently been appointed managing director of Uttara Bank, the bank said in a statement.

Prior to the appointment, Aziz was the additional managing director of the bank.

A postgraduate in applied chemistry from Dhaka University, he started his career with the same bank



Housing fair kicks off in Ctg on Oct 12

STAFF CORRESPONDENT, Chittagong
A four-day housing fair begins in the port city on October 12.

Bangladesh Real Estate Directory (BD-RED) is the organiser of the ninth BD-RED Abason Fair 2011 at Engineers' Institution.

M Manjur Alam, mayor of Chittagong City Corporation, is scheduled to attend the inauguration of the fair, BD-RED said in a press meet yesterday.

Fifty two organisations, including realtors and building material suppliers, will take part in the fair.

Md Yeasen Khan, chief executive of BD-RED; Anichha Haque, adviser to the realtor, and Nazrul Islam, managing director of Nazrul Group, spoke at



IBBL
Commerce Minister Faruk Khan hands the 11th ICAB National Awards-2010 to the Managing Director of Islami Bank Bangladesh Ltd Mohammad Abdul Mannan at Sonargaon Hotel in Dhaka recently. The Institute of Chartered Accountants of Bangladesh (ICAB) gave the award to the bank in Best Published Accounts and Reports-2010 category.



GREEN MARKETING
Shila Chowdhury, executive director of Green Marketing Ltd, attends the launch of some new furniture at its Baridhara showroom in the capital recently. Kawsar Hossain Chowdhury, managing director, was also present.

Steve Jobs, not just a geek but a god for designers

REUTERS, Sydney/Paris
Even before he died, Steve Jobs had secured his place in the pantheon of industrial design and as one of its most influential figures of the last century.

The Mac, the iPod and iPhone, born out of his vision of marrying high technology to an elegant and simple form, are already recognised by designers as among the most iconic products of the digital age.

Creations from the founder of Apple not only changed the way people communicate, watch films, listen to music and shop on the Internet but large Mac screens and graphics-friendly Mac software also make life easier for architects, publishers, artists and fashion designers.

"One of the truly great designers and mentors," said British architect Norman Foster, known for working on major projects such as the Millennium Bridge in London, the Millau Viaduct in southern France and Swiss Re's headquarters in London dubbed "The Gherkin."

"Steve Jobs encouraged us to develop new ways of looking at design to reflect his unique ability to weave backwards and forwards between grand strategy and the minutiae of the tiniest of internal fittings," Foster added.

The iPod, Apple's big game-changer launched a decade ago, has a special place on the wall of fame of global consumer icons, alongside the Volkswagen Beetle, the Coca-Cola bottle, the Swiss Army pocket knife or the Olivetti portable typewriter.

Every country or culture can have its own consumer design icons -- Italy's Vespa motor scooter or America's Cadillac -- but only relatively few go truly global and endure.

Stocks return to the red

STAR BUSINESS REPORT
Stocks returned to the red last week with low turnover as most of the investors refrained from buying new shares due to a lack of confidence.

The benchmark general index, DGEN, closed at 5,727 points, after declining 182.40 points or 3.09 percent in the week.

Most of the small investors decided to stay away from the market amid high risks, said a small investor.

"The government has failed to give security to our money," he added.

The daily average turnover on the DSE declined by 20.41 percent to Tk 332 crore, declining from the previous week's Tk 418 crore.

"It's a matter of concern that the turnover is very low as institutional investors are yet to be fully active in the market," said Prof Mahmood Osman Imam, who teaches finance at Dhaka University.

Investors manipulate the market by buying heavily into small-cap companies to hike prices, while the market experiences low turnover, said Imam, also a member of the index development committee of

the DSE.

He suggested the interest rates of margin loans of some small investors should be waived for the development of the capital market.

Some groups possibly are trying to push the market to such low levels that they can purchase shares at lower prices, said a market analyst.

The regulator should find out who would want to play foul in the market, he added.

The latest move of the stakeholders to float a market stabilisation fund has failed to bring back investors' confidence as difficulties might arise in operation and management of the fund, said another market analyst.

Also the latest move has failed to create trust among the investors, said the analyst.

As a result, when the prices rise, the investors tend to sell their shares to come out of the market, he added.

A total of 36.68 lakh transactions were executed last week, which is 28.31 percent lower than the previous week.

The week witnessed four trading sessions instead of five as Thursday was a public holiday on the occasion of Durga Puja, the largest religious

festival of the Hindu community. In total, three sessions lost, while one closed flat.

Out of the 265 issues traded, only 58 advanced, 204 declined, and three remained unchanged.

All the financial sectors retraced this week -- banking sector lost 3.69 percent, non-bank financial institutions 4.32 percent, general insurance 3.25 percent and life insurance lost 3.20 percent.

Grameenphone, which represents the telecommunication sector, was the biggest loser among all the sectors last week; it lost 6.23 percent following Bangladesh Telecommunication Regulatory Commission's news that the company will have to pay Tk 3,034 crore in unpaid revenue and tax.

However, it is yet to be decided how much the company will actually have to pay.

Pharmaceuticals and power declined by 2.23 percent and 2.67 percent, while cement gained 1.77 percent as Lafarge Surma Cement advanced 8.4 percent following price adjustment for rights issue.

Lafarge Surma Cement topped the week's turnover list with 15.73 lakh shares worth Tk 68.54 crore changing hands.



CHEVRON
Geoffrey Strong, president of Chevron Bangladesh, hands a cheque to Nazmul Haque, executive director of Institute of Development Affairs (IDEA), a non-government organisation, at a programme in Dhaka recently. IDEA will implement an alternative livelihood programme of Chevron for the communities residing near Chevron's Bibiyana gas plant.



MTB
Md Hashem Chowdhury, deputy managing director of Mutual Trust Bank, launches a booth at a hajj camp at Ashkona in Dhaka recently. The bank established the booth for the hajj pilgrims to help them convert local currencies into other currencies as per their requirement.

India's rich, richer than the French. Its poor, much poorer

ANNIE BANERJI
As India's politicians struggle to manage an outcry over the definition of poverty -- does earning more than \$0.65 a day really mean you are not poor? -- a new report shows the country's rich doing very nicely from fast economic growth.

Rubbing shoulders with Singapore and Hong Kong, India appears in the top five countries where the affluent now have more than \$1 million investable assets on average, according to the Global Affluent Investor study conducted by research company TNS.

"India and China have already surpassed major European markets like Germany and France. It's interesting to see that the entrepreneurial spirit of people in these markets is already paying off in terms of personal wealth," Reg van Steen, Director of Business and Finance, TNS, said.

But the report points to an important difference between the emerging Asian powers and their Western peers -- wealth distribution.

"While 27 percent of the US are affluent this falls to around 1 percent in India and China," the report said. It defined households with more than \$100,000 of investable assets as affluent.

It will take some time for the number of rich in India and China to catch up with the U.S. where the report found 31 million affluent households, 10 times as many as India and China each have.

"It is necessary perhaps to think in a different way, and to see that a country like India, like Schrödinger's cat, exists in at least two forms simultaneously: rich and poor," wrote British historian Patrick French.

US affluent classes dwarf China and India

REUTERS, London
The United States has 10 times more affluent households than China or India, research shows, undermining arguments the global economy can be sustained by consumption in emerging markets.

A survey of affluent households around the world -- defined as having wealth of more than \$100,000 -- by research firm TNS found 80 percent of such people live in Western countries.

While the number of affluent households in China and India is 3 million each, the US has more than 31 million, the survey shows.

The results challenge hopes that the boom economies of Asia can supplant an ailing US as the world's consumer of last resort, and keep global growth ticking over.

Reg van Steen, a director of business and finance at TNS, said researchers had to drop the wealth threshold to \$40,000 for Brazil to make it possible to find a large-enough sample.

"What really surprises is China has surpassed Germany, France and the UK when it comes to the number of affluent. (But) it will take some time before