

ASEAN slates West to link trade with environment

KUALA LUMPUR, Oct 7: Economic ministers from the Association of South East Asian Nations, called on Monday for joint action to counter efforts by western nations to link environment with trade, reports Reuters.

The ministers, who began in annual meeting in Malaysia, said ASEAN should work to improve its information network to make its members more aware of environmental issues.

"ASEAN cooperation is necessary to tackle the issue of the environment," Philippine Secretary of Trade and Industry Peter Garrucho told reporters.

Linking trade with environmental issues was dangerous, he said. "Countries should be careful in linking specific issues with the environment."

Brunei's Industry and Primary Resources Minister Abdul Rahman Taib said the exploitation of forest resources was necessary. "If we do not get rid of certain trees, the whole area will be covered by thick vegetation and there will be no place for anything else," he said.

Malaysian Prime Minister Mahathir Muhammad said in his keynote address to the meeting that ASEAN members should speak out strongly and in one voice against such campaigns.

Japan's big four violate agreements

TOKYO, Oct 7: Japan's four largest brokerage firms compensated clients for trading losses in violation of agreements against such practices 26 times during the last fiscal year, a Finance Ministry official said Wednesday, reports AP.

The chief of the ministry's Securities Bureau, Nobuhiko Matsuno, told Parliament that 26 of the 78 cases of compensation last fiscal year by the four brokerage firms were made despite agreements between the brokerages and their clients forbidding such payments.

The fiscal year ended March 31, 1991. Between September 1988 and March 1990, Japan's "Big Four" brokerages — Nomura, Daiwa, Nikko and Yamaichi Securities — have acknowledged making additional paybacks totaling 930 million Dollars to about 200 favored investors.

Raw Jute

October — 7

Kutcha bales
FOB * Narayanganj/Daulatpur
Varieties (Tk. per 100 Kg)

| Varieties | FOB (Ready)* |
|------------|--------------|
| White | 1090 |
| Mesha | 1165 |
| 838 | |
| Bot. * (B) | 1045 |
| 1112 | 871 |
| Bot. (C) | 964 |
| 1005 | 804 |
| Bot. (D) | 871 |
| 911 | 737 |

* FOB = Freight on board
* Bot. = Bottom
Puca bales

| Varieties | FOB (Ready)* |
|-----------|--------------|
| Bandha | 3000 |
| White | 2800 |
| BW SPL | 2650 |
| BWA | 2450 |
| BWB | 2250 |
| BWC | 2000 |

| Varieties | FOB (Ready)* |
|-----------|--------------|
| Bandha | 3100 |
| Tosha | 2900 |
| BT SPL | 2700 |
| BTB | 2500 |
| BTC | 2300 |
| BTD | 2100 |

White Rejection (WRS)/
Tosha Rejection (TRS):
Hajjubi, Cut Ropes

| | |
|---------------|------|
| BWR | 1500 |
| BWH | 1200 |
| BTR | 1600 |
| BTH | 1250 |
| BCR | 1200 |
| White/Tosha: | |
| Cutting | |
| BWCA | 1200 |
| BWCB | 1100 |
| BWCA | 1400 |
| BWCB | 1300 |
| Mesha | |
| Spl. | 1800 |
| A | 1700 |
| B | 1650 |
| C | 1550 |
| Spl. Cuttings | 900 |
| Ord Cuttings | 800 |
| SMR | 1000 |

* FOB ready = Narayanganj
* FOB sight = Chittagong/
Mongla Ports. Indicative Price at which sales may be considered for EPC registration. The \$ prices are exclusive of any selling commission. O. D. (Sight non-traditional/appliable to export bills). One \$ = Tk. 37.3945
* MT = Metric Ton
Imports/arrivals of Kutcha bales at Narayanganj were ten to twelve thousand mounds while at Daulatpur at fifteen to twenty thousands mounds. (One mound is equal to 37.32417 Kgs.)
Source: Bangladesh Jute Association

World's two-third poor in Asia

MANILA, Oct 7: The number of absolutely poor people in Asia has been increasing even with the decline in the percentage of people in the region living in "abject" poverty, the United Nations Secretary-General said today, reports AFP.

UN Secretary-General Javier Perez de Cuellar said in a message read before an ongoing UN Conference here that there was "inadequate

progress that has been made toward eradicating the scourge of poverty in Asia and the Pacific."

The message was read before the four-day Fourth Asian and Pacific Ministerial Conference on Social Welfare and Social Development attended by delegates from 27 countries.

"While there appears to have been some decline in the percentage of the region's population living in poverty, there has been a significant increase in the numbers of people seeking out their existence on the margin of survival," De Cuellar said.

Algerian Dinar falls further

ALGIERS, Oct 7: The Algerian Dinar on Sunday fell to new lows after a 22 per cent devaluation announced last month, reports Reuters.

New rates set by the Algerian (central) Bank put the Dinar at 22.17 to the Dollar compared with Saturday's closing of 21.09.

Against the French Franc and British Pound Sterling, the rates were 3.91 (3.72) and 38.87 (36.98).

Algeria devalued the Dinar to meet conditions imposed by the International Monetary Fund (IMF) under an agreement to provide standby credit.

Brazil President seeks support on reform

SAO PAULO (Brazil), Oct 7: President Fernando Collor De Mello appealed to Brazilians on Saturday to support his plan to amend the constitution as a crucial step towards lifting Brazil from its economic crisis, reports Reuters.

Collor spoke in a nationally televised address on the third anniversary of the 1988 constitution to explain his plan to revise it and call for support.

On Friday, Collor sent to Congress a proposal to amend the constitution.

The measures include ending a right to jobs for life for civil servants, allowing more foreign investment and restructuring the Federal tax system that currently diverts almost half of revenue to state and municipal coffers.

The reforms could boost government revenue by seven billion Dollars in two years, newspapers reported.

In his address, Collor praised the constitution as innovative and advanced in its guarantees of citizens' rights but criticised aspects that dragged on economic growth.

"As it was approved, this constitution has difficulties, especially in regard to public spending and its chilling effect on internal and foreign investment," Collor said.

He also promised Brazilians there would be no new draconian plans to shock the economy into shape.

"In order to go back to growth we have to first stabilise the economy. This means we have to put an end once and for all to inflation,

and to combat deep-rooted poverty."

"Security must be identical for all," they said in a statement issued on Sunday in Poland's former royal capital, Krakow.

The three Ministers, Krzysztof Skubiszewski from Poland, Hungary, Geza Jeczenszki and Jiri Dienstbier of Czechoslovakia said the diplomatic links they had established with NATO following the demise of its communist equivalent the WARSAW Pact, were not enough.

"Diplomatic liaison must be considerably widened to create the conditions for the direct inclusion of Poland, Hungary and Czechoslovakia in the activities of the (NATO) alliance, the statement said. The three countries welcomed last week's proposal by the US and Germany offering them participation in NATO's non-military structures.

"Soviets need food aid in winter"

ST PETERSBURG (Soviet Union), Oct 7: US Agriculture Secretary Edward Madigan said yesterday he expected some areas of the Soviet Union would need humanitarian food aid this winter, reports Reuters.

Madigan, on a nine-day tour of the Soviet Union to assess its food needs, said the United States may have to offer assistance beyond "the regular bulk agricultural kind of shipments that we traditionally have sold to them", US Agriculture Department officials have said.

The IMF is a revolving fund fed by the capital subscriptions, or quotas, of its members, to be raised by some 50 per cent from 117 billion Dollars to 175.5 billion Dollars by year-end, if the quota increase is ratified in time by the membership.

Drawings on the IMF were boosted in the past year by the Gulf crisis to about 8.0 billion Dollars and outstanding credits totalled nearly 30 billion Dollars.

The IMF and its sister institution now have 155 members, and applications by Albania, Switzerland, the three Baltic States, the USSR and perhaps some of its republics — could further boost the figure next year, officials believe.

While the IMF has a short-to-medium term focus, the World Bank and its affiliates concentrate on the longer term.

New task for WB, IMF to guide USSR

BANKOK, Oct 7: The collapse of communism in Eastern Europe and the Soviet Union has raised new challenges for the International Monetary Fund (IMF) and the World Bank, due to hold their annual meetings in the Thai capital in the next few days, reports AFP.

They are now embarking on the task of guiding the Soviet Union on what may be a long and complex journey from a command economy toward a market-based system that the two institutions have helped foster in more than 150 countries over nearly half a century.

The IMF and the bank-officially known as the International Bank for Reconstruction and Development (IBRD) — were set up by 44 countries at Bretton Woods in 1944 and began operating in 1946-47, a few months after World War II ended in 1945.

With the Geneva-based General Agreement on Tariffs and Trade (GATT), they have served as the main pillars of the liberal post-war economic system based on multilateral cooperation and agreed rules of the game — designed to avoid a damaging free for all in world financial and trading relations.

The IMF's mandate includes surveillance of member countries' exchange rate policies, and of the impact of their eco-

nomics policies on their external payment position.

If imbalances occur the fund provides temporary finance to help a member country correct a deficit without hurting its partners.

The conditions for such support often ranging from belt-tightening to economic restructuring — have frequently been perceived as harsh, and have given the fund the reputation of a world economic and financial "gendarme."

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Most Asian currencies gain against US Dollar

HONG KONG, Oct 7: Most Asian currencies gained against the US Dollar during the week with the Yen picking up steam following remarks by Japanese Finance Ministry officials in support of a stronger currency, reports AFP.

The Japanese Yen, Malaysian Ringgit, Thai Baht, Philippine Peso and the Australian, New Zealand, Singapore, Hong Kong and Taiwan Dollars were all up against the Greenback.

Only the South Korean Won and the Indonesian Rupiah fell during the week.

The week up 3.62 Yen from the previous week's 133.82 finish at 130.20 Yen.

AUSTRALIAN DOLLAR: The Australian Dollar closed sharply lower Friday in choppy trading to end the week at 79.47 US cents, a shade firmer than the previous Friday's close of 79.40.

HONG KONG DOLLAR: The Hong Kong Dollar gained against the Greenback here Friday, closing the week at 7.7450-7.7460 compared with the previous week's close of 7.7480-7.7490.

The Hong Kong Dollar has been tied at around 7.80 to the US Dollars since October

Damage to Kuwaiti military areas estimated at \$ 1b

KUWAIT CITY, Oct 7: Kuwaiti Military installations suffered one billion Dollars worth of damage during the seven-month Iraqi occupation of the emirate, the Kuwaiti news agency reported today, says AFP.

The government has already begun repairs and hired the engineering services of the US Army to restore two air bases, Kuwait said, quoting the Under-Secretary of State for Defense, Shethk Sabah Nasser Saoud-Sabah.

Poland, Hungary, Czechoslovakia seek NATO membership

KRAKOW (Poland), Oct 7: Poland, Hungary and Czechoslovakia issued a joint appeal for full membership of NATO, saying all of Europe should enjoy equal security, reports Reuters.

"In Europe there is no place for different levels and types of security," Foreign Minister from the three states said during a weekend summit aimed at boosting mutual cooperation following the collapse of the Soviet bloc.

"Security must be identical for all," they said in a statement issued on Sunday in Poland's former royal capital, Krakow.

The three Ministers, Krzysztof Skubiszewski from Poland, Hungary, Geza Jeczenszki and Jiri Dienstbier of Czechoslovakia said the diplomatic links they had established with NATO following the demise of its communist equivalent the WARSAW Pact, were not enough.

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Asia can save \$150b by military spending cut

MANILA, Oct 7: Asian countries could save 150 billion Dollars in the next decade as a peace dividend "from the ending of the cold war by freezing military spending at current levels," a United Nations adviser said today, reports Reuters.

Mahbub ul Haq a senior official in the UN Development Programme (UNDP), said Asian nations should cash in on the end of the cold war by freezing military spending and diverting the money saved to improve health and education and to combat deep-rooted poverty.

Asian nations spend 65 billion Dollars a year on their armed forces and import 11 billion Dollars worth of weapons, he said.

Soldiers outnumber teachers in many countries: Afghanistan and Laos have twice as many soldiers as teachers, Vietnam three times as many, he said at the start of a five-day regional conference organised by the UN's Economic and Social Commission for Asia and the Pacific (ESCAP).

The ending of the cold war had opened a new opportunity for the major powers to switch

military assistance into economic aid and restrict sales of weapons, he said.

If the Asian countries manage to freeze their military spending increases in the 1990s — not to cut them by 3.0 to 4.0 per cent every year as industrial nations are beginning to do, just to freeze them — it will potentially create a peace dividend of around 150 billion Dollars over the next decade, Haq said.

Philippine President Corason Aquino, opening the 40-nation ministerial conference, said that with the ending of the cold war, countries of the region should shift from defence spending to put new emphasis on development.

We cannot ignore the fact that simultaneous with the robust growth performance of the tiger's economies in the Asia-Pacific basin is the spread of poverty, she said. The tiger economies are Taiwan, South Korea, Hong Kong and Singapore.

With poverty comes a chain of social problems: the breakdown of family systems, industrial and social unrest, crime and delinquency, she said.

The conference is expected to adopt a strategy to combat poverty, while improving education, health and other aspects of social development by the year 2000.

Haq said a freeze on defence spending would be enough to finance major development goals — universal access to basic education, primary health care for all, elimination of serious malnutrition and provision of safe drinking water.

To achieve these goals by the year 2000 would cost an extra 14 billion Dollars a year for the region, he said.

United Nations Secretary-General Javier Perez de Cuellar said in a message to the conference that Asia's economic boom over the past three decades had failed to curb widespread poverty, and the number of people living on the margin of survival, was growing.

Asia's economic dynamism was clouded by lagging social development and widely differing living standards and opportunities, he said.

The United Nations says more than 700 million of Asia's three billion people live in absolute poverty.

Higher taxes needed for US growth

WASHINGTON, Oct 7: Higher taxes may be needed to get the US economy on a stronger growth track along with adjustments to a budget deficit-control pact, the President of the National Association of Manufacturers said yesterday, reports Reuters.

"I think that we may have to raise taxes in some cases, said Jerry Jasinowski on CNN's newsmaker Saturday programme.

"I don't rule that out in some ideological way," Jasinowski said, adding, "I think we may also want to cut taxes in some areas."

Jasinowski did not specify what taxes might be raised or lowered.

Jasinowski said it was probably premature to talk about either taxes or changes to the budget deficit-control pact agreed between Congress and the White House until more evidence is available on the availability of credit.

President George Bush said on Friday that "all is not well" with the economy and suggested reductions in some taxes like capital gains levied on profits from stock and real

estate deals might encourage investors.

Charles Schultze, Chairman of the White House Council of Economic Advisers in the administration of former President Jimmy Carter, said on CNN that if money is to be redirected from defence to economic stimulation it must be done without violating the spirit of deficit control.

You've got to make sure that when you open up the budget agreement you open up the split between defence and civilian, you don't open the totals up, Schultze said. Because what we don't want is a big new surge in budget deficits.

The budget agreement specifies that cuts in spending aimed at slicing the huge gap between government spending and its income must be divided equally between some domestic programmes and military spending.

Schultze said the struggle out of a recession that began in mid-1990 should continue provided that the Federal Reserve Board continues lowering interest rates.

Jasinowski agreed, "I think we're going to see the beginning of a stronger recovery of this fall and it'll carry on into 1992, he said. But he added it was essential that the US central bank do more to cut interest rates, ease up credit."

His comments underscored a dilemma over international aid facing Chinese officials, who sought in the past to downplay disasters and demonstrate self-reliance by not asking for outside help.

China seeks more aid

BEIJING, Oct 7: China is appealing for more international relief aid for areas ravaged by summer floods, an official newspaper reported Saturday, reports AP.

The China Daily said Chinese and foreign sources have given 1.2 US billion Dollars in donations and goods worth more than 240 million Yuan (45.2 million Dollars) to aid flood victims in China.

Yao Shaoyu, a Civil Affairs Ministry official in charge of disaster relief, said more international aid would be a major boost to the relief effort.

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estate deals might encourage investors.

Tea industry in Tripura limping

AGARTALA, Oct 7: The techno-economic survey carried out by the Tea Board of India, has expressed grave concern over the future of tea industry in Tripura and flayed the private tea estate owners as well as the state owned Tripura Tea Development Corporation (TTDC) for the sorry state of affairs, reports PTI.

A team of experts from various fields who conducted the survey felt that the estates lack judicious planning, professional management, modern factories, financial planning.

The net result of such 'lackadaisical approach' has resulted in the lowest tea yield of 600 kg per hectare against the national average of over 3,000 kgs despite having the best climatic and rich soil, the study said. For the last two decades the total yield of the state has remained static with four million kg. In about 6,600 hectares, despite the tea industry being the largest agro-based industries in the state.

There has been low progress in Tripura tea plantation in respect of extension replanting and replacement despite availability of land, the study said. In many cases the team found that uprooting and replanting could have been given preference over rejuvenation and consolidation of ar-

cas with high vacancy rate and old bushes largely infested with termite and root diseases. The study carried out after a gap of one decade, it said.

Performance of Tripura tea companies with regard to productivity of the capital was low and showed a further decreasing trend over the years, the study said. It suggested for immediate steps to be taken for controlling unproductive expenses and reducing the unit cost of production.

The increasing debt-ratio was indicating of more restrictive working capital credit for the Tripura tea industry in future leading to more financial stringency unless positive steps were taken for improving productivity and reducing the cost of production, the study said. There was also need for improving the quality of the product it said. Tripura tea with a stigma attached to had no market even in the home state, the survey said.

The capital structure of the tea companies seem to be sufficiently geared with increased employment of secured loans over the years without improving profitability situation. "Such a situation would obviously envisage a possible debt trap in the near future with the increased cost of interest, the survey added.

Friday worth 56.88 US cents, a slight rise on the previous week's close of 56.67 cents.

PHILIPPINE PESO: The Peso improved from 27 Pesos to the Dollar on September 27 to 26.918 on Monday, back to 27 on Tuesday and then up to 26.999 Pesos to the Dollar this Friday.

SOUTH KOREAN WON: The Won fell from 742.00 Won to the Dollar a week ago to 748.8 Won Friday as demand for the Greenback to pay import bills overwhelmed Dollar supply amid sluggish exports.

SINGAPORE DOLLAR: The Singapore currency strengthened against the US currency

at an exchange rate of 1.6880 here Friday against last week's level of 1.6970. The OCBC bank's trade weighted index for the Singapore Dollar stood at 135.42, down from the previous week's 136.08.

TAIWAN DOLLAR: The Taiwan currency picked up steam to close Friday at 26.42 to the US Dollar, up 11 Taiwan cents from the previous week's finish of 26.53.

THAI BAHT: The Thai Baht further strengthened against the US Dollar here Friday, closing with a mid-rate of 25.47 Baht to the Dollar compared with 25.59 Baht

UAE orders to freeze BCCI executives' accounts

DUBAI, Oct 7: The United Arab Emirates has ordered its banks to freeze the accounts of 18 former BCCI officials detained in Abu Dhabi, and those of the collapsed bank's founder, banks said today, reports Reuters.

A central bank circular also ordered the freeze to include Ziauddin Akbar, the former Treasurer of the Bank of Credit and Commerce International shut down by world monetary authorities on July 5 for corruption.

Abu Dhabi, one of the seven UAE emirates and which owns 77.4 per cent of the collapsed bank, arrested the 18 officials last month.

The bankers said the Justice Ministry had ordered the freeze, but they did not expect the accounts in the UAE to contain much money.

BCCI founder Agha Hassan Abedi now lives in Pakistan the country of most of the disgraced bank's top management.

Akbar, who worked in the United States, was arrested in France in September. Among those held in the UAE include former Chief Executive

BIBM courses conclude

Two regular courses on "Export procedures, financing and documentation" and on "advanced course on bank management," conducted by the Bangladesh Institute of Bank Management (BIBM), concluded here Monday, reports BBS.

According to a BIBM press release 49 participants from different banks and export oriented industrial enterprises attended the "export procedures, financing and documentation" course, while the "advanced course on bank management" was attended by 20 officers from different banks and financial institutions.

The export course was designed to develop knowledge about the formalities relating to exports and procedures for export financing and handling of export documents for availing of financial assistance from the banks.

The advanced course on bank management was aimed at augmenting the overall knowledge, skills and expertise of the bankers to successfully take up higher management positions.

A. B. M. Mahbubul Amin Khan, Director, BIBM, presided over the concluding session of both the courses and gave away the certificates to the participants.

Shipping Intelligence

Chittagong Port