US to export

capitalism to

Soviet schools

United States will export capi-

talism to the Soviet Union

this year as 1,000 Soviet

schools bring in juntor

achievement counselors to

teach little Muscovites about

the business world, reports

Komplektov told reporters

that junior achievement in-

structors will journey to the

Soviet Union to bring their

corporate savvy to Soviet youth.

been teaching young

Americans the ins- and -outs of

business since 1919 by helping

students start up and run

Gorbachev lauded the junior

achievement plan and said in a

statement read by the ambas-

sador that he hoped the pro-

gramme 'will open the world

of business to our children

and help them to learn how to

live in the world of the mar-

Soviet President Mikhail

their own model companies.

Junior achievement has

Soviet Ambassador Victor

WASHINGTON, Oct 5: The

LONDON, Oct 5: Finance ministers of the Group of Seven (G-7) countries will meet to discuss the problems of the Soviet Union on October 11 in Bangkok, European Monetary sources said, reports Reuter.

The sources said the US had suggested a meeting in Washington tomorrow but this had been rejected by the other members as they were due to meet in Bangkok on October 12 any way to discuss the usual wide range of economic issues.

The G-7 meeting precede the annual gatherings of the international Monetary Fund (IMF) and World Bank. The ministers are expected

to discuss food aid to the Soviet Union as well as the latest reports on the Soviet economic situation.

Yesterday, British Prime Minister John Major said the European Community had agreed a substantial package of emergency humanitarian assistance for the Soviet Union to be approved at a meeting in Luxembourg next Monday of EC finance ministers. This is expected to be

matched by the non- European members of the G-7 group.

### Good demand for tea in India

CALCUTTA, Oct 5: There was good demand for all categories of tea on offer at this week's auction with prices showing signs of firming up, reports PTI

In the CTC tea category, the USSR entered the market but operated selectively. All sold at fully firm to dearer rates, while good Assams were slightly lower.

The USSR was active in this category too which saw only fair interest from Iran shippers. Brighter sorts attracted selective interest from continent buyers. Whole leaf grades were steady.

Clean and good Whole Leal grades of Orthodox tea sold at fully firm to dearer rates with remaining Whole Leaf grades becoming irregular. Better Brokens were firm to occasionally dearer while the remainder sold at barely steady

Fannings were firm to dearer there was some export interest in tippy and liquoring varieties. In the dust tea category

Gold liquoring dusts generally sold at steady rates. Plain and medium varieties were barely steady.

#### Wall Street faces old obstacle

NEW YORK, Oct 5: In what has become a familiar exercise over the past couple of years, Wall Street is battening down for another round of adverse news on corporate carnings, reports AP.

Most analyst agree that profit reports due out over the next few weeks for the third quarter for the year will continue to show the effects of the recession.

That has been the dominant theme in the estimates and projections issued by a variety of companies, including several in high technology, since the July-September quarter ended last Monday.

But while individual disappointments may still cause a jolt, some vocal analysts argue that the biggest surprise may be how calmly the market takes them.

"Earnings prospects will get better soon, which soften the disappointment of the last of the bad comparisons," says Greg Smith, investment strategist for Prudential Securities, in a current com-

mentary "I believe there's a good chance that even bad thirdquarter earnings many be greeted with contained dismay by investors, because of the argument that it is the last bad

earnings comparison." Then, for most companies, earnings comparisons starting in the fourth quarter of this year and all through next year

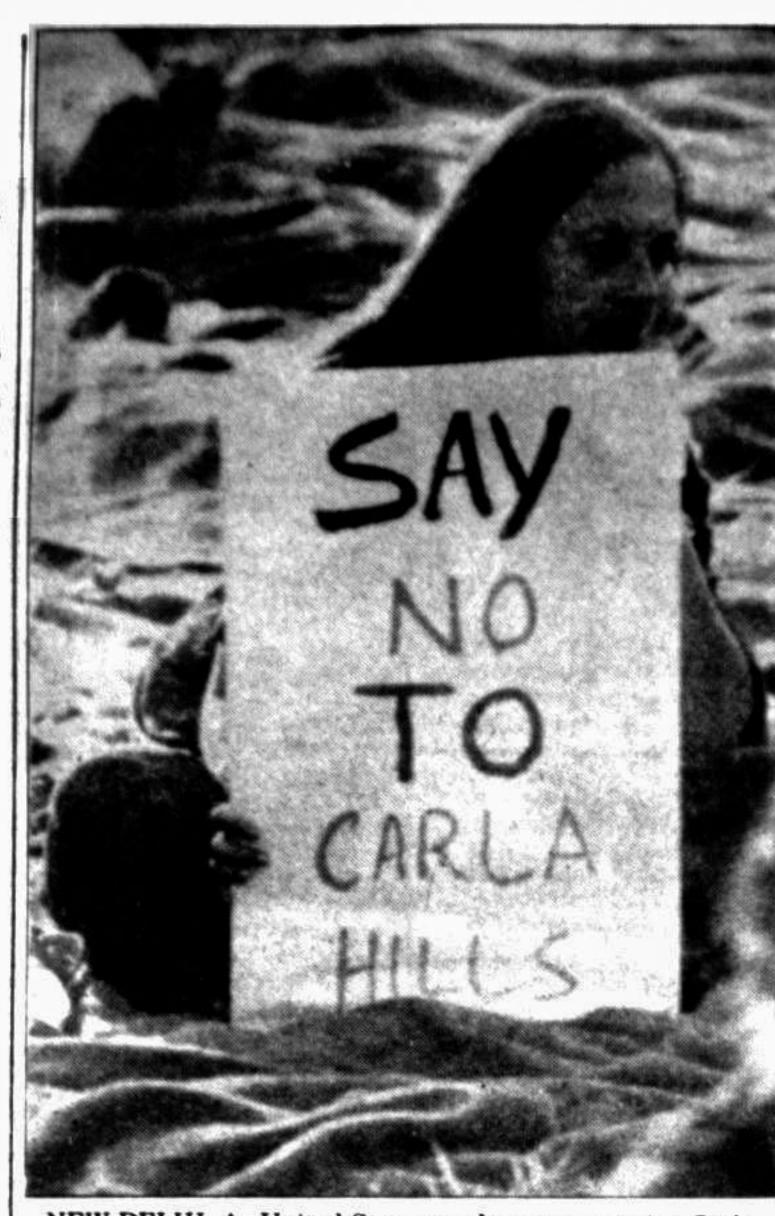
and 1993 should be positive." To some observers, this prospect goes a long way toward explaining why stocks have been able to hold so

persistently at levels that look very high by most standard gauges. "Many concerned investors

point to the fact that Standard and Poor's 500-stock index is selling at 20 times latest 12month carnings, vs. a historic average of 14 times," says Jack Shaughnessy, research director at Advest Inc. In Hartford, Conn.

"This is inappropriate, because equity markets sell on future earnings and are currently accorded a multiple of less than 14 times our 1992 estimate excluding nonrecur-

ring items." Similarly asserts Michael Sherman at Shearson Lehman Brothers Inc. Many pundits who are warning of an imminent collapse due to the overvalued state of the stock market are misreading history.



NEW DELHI: As United States trade representative Carla Hills arrived in the Indian capital a young lady holds a placard during a small sit-in protest against Hills' visit. The US has cited India under Super-301 and Special-301 of its trade act for New Delhi's policies of excluding foreign insurance companies and barring foreign investment. - AFP/UNB photo

## Bush worried over slow economic recovery

WASHINGTON, Oct 5: President George Bush has expressed concern about the strength of the US economy's recovery from recession but insisted that matters could be a lot worse, reports Reuter.

Bush at a news conference on Friday appeared on the defensive at times about the economy, blaming the democratic-led Congress for failing to approve his growth pack-

Since becoming President in January 1989 Bush has shown a mastery of handling foreign policy crises from the Gulf war to the disintegration of the Soviet Union.

But the economy entered a recession under his watch, in July 1990, and is making a slow recovery that is worrisome to the White House.

Democrats, who would like to take back the presidency in the 1992 poll, are seizing on the issue as evidence of Bush's disinterest in domestic affairs.

"Thank god this recession hasn't been as deep as previous recession," Bush said. He said evidence of this was that the so-called "misery index" of unemployment and inflation added together was relatively

"Thank god, even when people are hurting, that misery index is lower than at some of the times in the recent past - within the last 15, 20 years. It's not doing badly,"

Bush was heartened by Labour Department statistics showing the unemployment rate casing to 6.7 per cent in September from 6.8 per cent

## ANC fears loan burden

JOHANNESBURG, Oct 5: The African National Congress (ANC) said on Friday a future Black government in South Africa would be entitled to review loan obligations inherited from President FW De Klerk's White minority administration, reports Reuter.

The ANC's policy-making national working committee, headed by ANC President Nelson Mandela, endorsed a statement on the issue by the organisation's Secretary General Cyril Ramaphosa.

He told diplomats on Monday a post-apartheid government would review the purposes for which loans were made before deciding whether to honour them. Ramaphosa later said re-

ports suggesting an ANC-led government might renege on debt commitments have misrepresented his views. "The (committee) discussed

the matter and wishes to reaffirm that the Secretary-General's statements on the issue of loans accurately reflected the ANC position," the ANC said in a statement. Ramaphosa, former leader

of the powerful National Union of Mineworkers, said on Monday the purpose for which loans were made would be rel-

"We are not keen to take over a burden imposed on the country under an apartheid government. We would have to discuss whether we would honour foreign loans."

# Rumours boost Yen

TOKYO, Oct 5: The Yen has firmed against the US Dollar and the Deutsch Mark amid reports partly confirmed that Japan will let its currency appreciate to reduce external surpluses, dealers said here, reports AFP.

After going below 130 Yen in the morning for the first time since February, the Dollar closed Friday at 130.20 Yen in a nervous market. The US unit closed at 131.15 Yen the day before and at 133.11 Yen Wednesday.

The Deutsch Mark lost two per cent against the Yen within two days to close Friday at 78 Yen.

Fuelled by official Japanese statements reported by the local press and inflated by rumours, the market is buying

It is counting that Japan will respond favourably to pressure from its partners in the Group of Seven (G-7) leading industrialised nations to let the Yen strengthen to

On Friday, the finance ministry announced that the current account surplus had increased for the fifth consecutive month.

boost its trade surplus.

The surplus - measuring trade in goods and services along with certain financial transactions such as gifts and grants - rose more than six times from 850 million Dollars a year to 5.48 billion Dóllars in

# Abu Dhabi won't reopen UK BCCI

LONDON, Oct 5: The ruler of Abu Dhabi yesterday effectively shut the door on a relaunch of BCCI in Britain, dashing the hopes of thousands of small depositors who had been lobbying for a rescue of the scandal-hit bank, reports Reuter.

BCCI's majority shareholders, the ruler of Abu Dhabi Shetkh Zaid Bin Sultan Al-Nahayan and the Emirate's government and investment authority, said they saw little prospect of putting together a rescue package.

There is little real prospect of restructuring the bank as originally evissaged, the share-

#### Gorbachev backs down on private land referendum

MOSCOW, Oct 5: Soviet President Mikhail Gorbachev withdrew his support for a referendum on private land ownership, saying individual republics should decide on the issue, the Interfax news agency reported, says Reuter.

The decision reflects the growing power of the republics since August's failed coup by Communist Party hardliners.

Given the pro-market bias of many republican governments, it makes more likely the introduction of private

Many Soviet and Western economists believe that private farming, along with more efficient food distribution, is the key to easing acute food shortages, expected to worsen this

Gorbachev originally supported the idea of a referendum on the issue at a meeting of the Supreme Soviet legislature last year. But Interfax said he now thought the vote could lead to divisions between rural and urban areas.

"The city might vote for private property and rural areas against, or vice versa, and then tension will emerge", the agency quoted him as saying at a meeting of farm industry representatives.

### Expansion of foreign exchange business urged

Quazi Baharul Islam, Managing Director, Agrant Bank, urged upon the Branch Managers and the Zonal Heads to gearup their efforts to expand the foreign exchange business of their respective branches. He was addressing the Branch Managers and Zonal Heads of he Bank handling foreign exchange of Dhaka, Narayanganj and Chittagong Zones on Thursday at the Board Room of the Bank's Head Office, says a

press release of the Bank. While reviewing the performance of the branches in respect of financing of export, import and overall foreign exchange business, he advised them to put up their individual efforts according to the potentialities of the branches to make their success more pronounced. He also reviewed the various aspects of the recovery of overdue, stuck-up and classified advances of their branches in details and emphasised the need for immediate recovery of the same for

the steady growth of the bank. The meeting was attended, among others, by all the General Managers of the Bank, Head Office Executives of concerned division and Zonal Heads' of the respective Zones. holders, who own 77.4 per cent of the bank, said in a

statement issued in London. The Bank of Credit and Commerce International (BCCI) was shut down by banking regulators in many countries on July 5 to end what investigators said was the biggest fraud in the history of world

The Bank of England demanded the bank be wound up in Britain, but the courts gave Abu Dhabi until December 2 to come up with a radical restructuring to keep the bank

Thursday's statement spells the end to attempts to relaunch the bank.

But the majority shareholders indicated that they wanted to seek a middle path which would avoid immediate liquida-

BCCI still carns money from a number of outstanding loans and according to the new plan floated on Thursday, these would continue to be managed to carn cash and increase the chance of paying back depositors whose accounts have been frozen.

The Bank of England said: "We note the statement and we will be considering the implicattons of this developments for the interests of BCCI's UK depositors.

Abandonment of a rescue plan means most of BCCI's staff in Britain will lose their jobs. Three million pounds (5.25 million dollars) have been set aside for redundancy packages and a specialist agency will advise on jobs, the statement

BCCI staff will be given a

MOSCOW, Oct 5: The

International Monetary Fund

granted the Soviet Union asso-

ciate membership on Saturday,

which opens the way for it to

tap the IMF's technical re-

Michel Camdessus said he and

Soviet President Mikhail S

Gorbachev exchanged official

letters on associate member-

ship during a meeting at the

effect immediately and the

first team of IMF experts will

arrive on Monday to begin pro-

viding technical assistance in

budget planning, banking,

management techniques and a

whole spectrum of economic

activities designed to turn the

both the weak central govern-

ment and individual republics,

Camdessus told a news confer-

The agreement extends to

country into a free market.

The agreement will take

IMF Managing Director

sources, reports AP.

Kremlin.

three-month moratorium on repayments on some 49 million pounds (86 million dollars) in loans they must repay

to the bank. The Abu Dhabi authorities had invested hundreds of millions of dollars in capital and set aside up to five billion dollars for a worldwide restructuring of the Luxembourgbased bank.

But their plans were thwarted when the Bank of England closed down its opcrations in July.

Regulators allege that at least four billion dollars was lost to fraud in BCCl around the world and that drug money

#### Poland to abolish state farms

WARSAW, Oct 5: The Polish parliament on Friday voted to abolish state farms, one of the relics of the Communist economy which is being phased out under free market reforms.

reports Reuter. The Sejm (lower house) voted 198 to 13 with 30 abstentions to pass the bill which has to be approved by the senate and signed by President Lech Walcsa.

Under the law some 500,000 state farm workers will be able to form companies to work the farms of individually rent some of the 4.5 million hectares (10.8 million acres) of arable land they oc-

Most of the 2,500 state farms, which were heavily subsidised under Communism after their creation in the 1950s, are bankrupt.

USSR gets IMF associate membership

industrialized nations ap-

proved associate membership

in the IMF for the Soviet

Union at their July Summit

meeting in London as a first

step to integrate the former

Communist superpower into

United States, Britain,

Germany, France, Japan, Italy

and Canada rejected

Gorbachev's request for full

membership which would have

enabled the Soviets to borrow

A meeting between President

Mikhail Gorbachev and IMF

Chairman Michel Camdessus

has been put off, postponing

become an Associate Member

of the institution, Interfax

Interfax said Gorbachev told

news agency reported today.

Moscow's application

Earlier, Reuter report adds:

But the leaders from the

the world economy.

money from the IMF.

Leaders of the seven major

was laundered through some BCCI branches.

Lord Justice Bingham, head of an official inquiry into the closure of the BCCl, said he planned to go to the United States this month to meet representatives of the Justice Department and the Federal Reserve Board, the US central

#### Depositors may get compensation

Another report adds: The British government may consider extra compensation for depositors of the BCCI if banking regulatory authorities are found to be negligent, a member of parliament said.

Keith Vaz of the opposition Labour Party, said this was the message he received at separate meetings this morning with Chancellor of the Exchequer Norman Lamont and the Treasury's Economic Secretary, John Maples.

Vaz has championed the cause of thousands of small depositors, lobbying for a rescue of the scandal hit bank.

Their hopes were dashed yesterday when the ruler of Abu Dhabt effectively shut the door on a UK relaunch of BCCI

Vaz, speaking to reporters after the meetings, said the government had" left the door open to looking at compensation when the issue of negligence is settled."

But he said this probably would not happen until after publication next June of a report by an official inquiry into BCCI's closure headed by Lord Justice Bingham.

its reporter that the meeting

between the two men had

days to allow the Soviet re-

been put off for at least 10

publics to sign a treaty setting

down their economic links

Then many questions will

under new federal structure.

be clearer and consequently

the topic of the meeting will

be better defined," he told the

ponement had been decided

The meeting would have al-

lowed the two men to ex-

change the official letters nec-

essary to establish the special

associate member status

agreed on by the seven leading

industrialised nations at their

agreed in principle this week

on the basis for an economic

Twelve Soviet republics

London summit in July.

agreement at

Gorbachev said the post-

mutual agreement.

ket economy." Komplektov also read comments from Arkady Volsky, one of Gorbachev's top economic advisers, saying, " it is not only desirable, but neccasary to immerse ourselves in concepts we once rejected."

The ambassadors' announcement was made in a room of the Soviet embassy in which was hanging a huge portrait of one the world's greatest Marxist thinkers and principle leaders of the Bolshevik revolution — V I Lenin.

The programme will begin in 1,000 Soviet high schools and colleges, and will later be expanded to elementary schools, said junior achievement Chairman James Hayes, the publisher of Fortune magazine.

The programme is scheduled to kick-off in Moscow in the first week of December in connection with a US-Soviet business conference there. Some 50 junior achievement students, teachers and business consultants will attend the Moscow conference.

#### Manila demands Marcos' \$ 356 m from Swiss Bank

MANILA, Oet 5: The Philippines demanded that Imelda Marcos returns 356 million Dollars deposited in Swiss Banks accusing the exiled former First Lady of unparalleled greed while her country wallowed in poverty, reports Reuter.

"The Marcoses unconscionably emptied the different government financial institutions to enrich themselves at the expense of the starving Filipno people," solicitor general Francisco Chavez said in a case filed with the government Ombudsman.

Imelda Marcos, who has lived in exile in the United States since 1986, said in a statement she would fight the charges.

### Power failure hits production in Patuakhali

PATUAKIIALI, Oct 5: Frequent power failure has been affecting life and living of the town-dwellers and hampering production in mills, factories, workshops and hospitals in the locality, reports UNB.

Residents complained that the town and its adjoining areas plunge into darkness paralysing normal life almost everyday giving rise to the anti- social activities.

Besides, students and hospital patients, rice mills, flower mills, small workshops, tailoring shops and cottage industries have been worst affected.

Mill owners said, they are incurring huge loss as production falls in their industrial units for erratic power supply. Moreover, voltage fluctua-

tions have damaged valuable electric and electronic gadgets at the residences.

#### writes off Tk 105 cr more farm loan Janata Bank has written off

Janata Bank

Taka 105 crore advanced as agricultural loans to 177,488 borrowers, a bank press release said Saturday, reports

It said, a meeting of the Board of Directors of the Bank took the decision after reviewing the cases of borrowers who took upto Taka 5,000 as agricultural credit.

The bank has so far written off Taka 140 crore agricultural loans, which is 90 per cent of the amount eligible for exemption, the press release mentioned.

#### Japan suggested to give more aid payments totalled 27.3 billion economies.

TOKYO, Oct 5: Japan should give more foreign aid and send more disaster relief teams abroad, the Foreign Ministry said in its annual report on aid

today, reports Reuter. Tokyo's immediate target was to deliver on international pledges to pay 50 billion dollars in Official Development Assistance (ODA) in the five years ending March 31, 1993, the ministry white paper said.

However, Foreign Ministry officials said a tight national budget and uncertain currency rates meant Japan might not be able to achieve the target. A long-term commitment to

raise Japan's ODA disburse ments to 0.7 per cent of gross national product (GNP) also seemed improbable now given Japan's high economic growth, they said.

Japan's accumulated ODA

dollars between 1988-89 and 1990-91.

Its aid totalled 0.31 per cent of GNP in 1990. compared with 0.19 per cent for the United States, Britain's 0.28 per cent, and former West Germany's 0.42 per cent, Foreign Ministry figures show.

The white paper said Japan must help needy countries in Africa and Latin America while sticking to its policy of giving top priority to Asian neigh-

It showed Japan's aid payments to Asia fell slightly in calendar 1990 while those to the Middle East and Europe

Last year Japan focused on helping Middle East countries through the Gulf crisis and East European nations setting up democracies and market

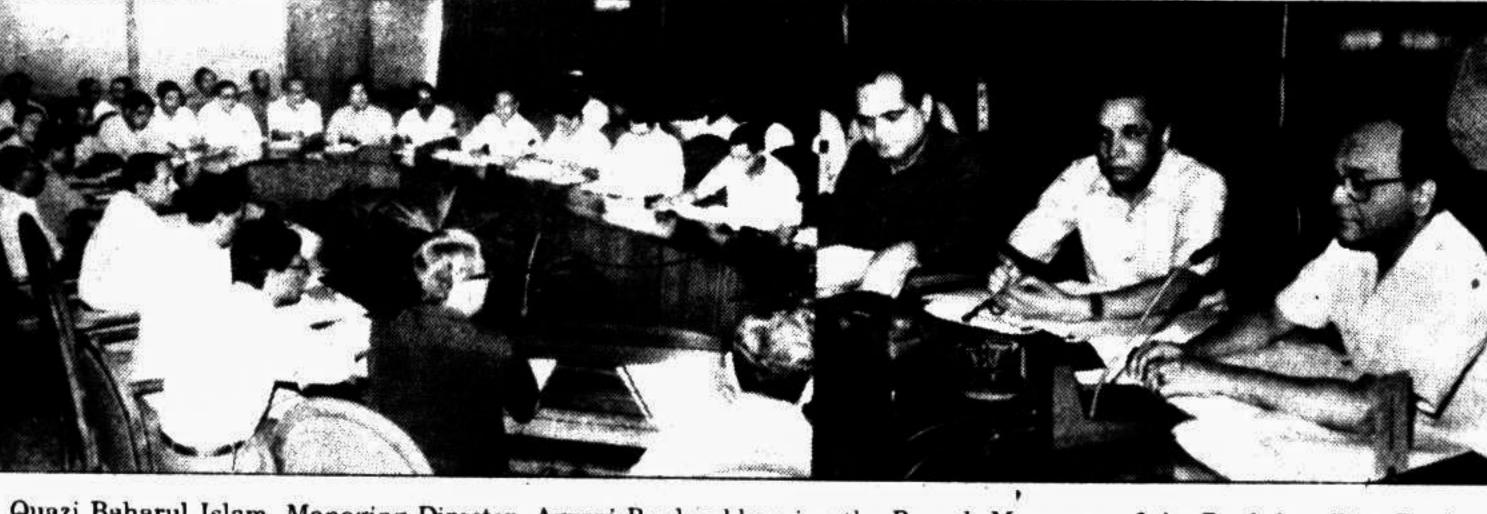
Japan was the world's sec-

ond largest aid donor in 1990 paying out 9.2 billion dollars, according to Foreign Ministry figures. The United States was first with 10.1 billion dollars. in 1990 Washington con-

centrated two years of contributions to international bodies and the dollar appreciated against the yen, in which Japan's aid is measured. The white paper said Japan

should increase the proportion of grants in its ODA to improve the quality of its aid. But in some cases yen loans were better because they encouraged aid recipients to help themselves, it said.

Japan should send bigger medical and disaster relief teams abroad and improve transport to back up relief missions, the paper said.



Quazi Baharul Islam, Managing Director, Agrani Bank addressing the Branch Managers of the Bank handling Foreign Exchange of Dhaka, Narayanganj and Chittagong zone on Thursday at the Board room of the Bank Head Office, Dhaka.

# ASEAN meet to talk plans on regional trade expansion

KUALA LUMPUR, Oct 5: Economic Ministers of the Association of South East Asian Nations (ASEAN), among the world's fastest growing economies, will discuss plans to expand regional trade at annual talks beginning Monday, officials said Friday, reports

Rafidah Aziz, Malaysia's Minister for International Trade and Industry, said the meeting would discuss an Indonesian plan for an ASEAN Common Effective Prescrential Tariff (ACEPT), a That proposal for an ASEAN Free Trade Area and a call by the Philippines for a

treaty on economic cooperation. "The proposals are not mu-

tually exclusive," Rasidah said, adding that they well all intended to improve upon an existing ASEAN Preferential Trading Arrangement (PTA) under which the ASEAN countries have cut tariffs on thousands of products but failed to substantially bolster trade

among them. The ASEAN grouping Brunet, Indonesia, Malaysia, the Philippines, Singapore and Thailand was formed in 1967 to promote economic cooperation and has launched a host of economic projects without successfully integrating their economies, analysts said. "We have been more suc-

cessful on the political front mainly in solving other people's political problems, not our own," Rafidah said, citing the recognition ASEAN had won for its efforts in resolving the Cambodian conflict. "Now is the time for ASEAN

to look into its own economic housekeeping. So far we have been quite slack in realising our leaders call for bold and innovative initiatives," she said. Rafidah said that although trade under the PTA grew

from 121 million Dollars in 1987 to 578 million Dollars in 1989, the value of transactions accounted for only 3.2 per cent of intra-Asean trade. She said the Indonesian

serve as an interim measure leading up to Thafland's plan for a free-trade area. The Thai proposal, promoted by Prime Minister Anand Panyarachun for implementation on a sector-by-sec-

dorsement from Singapore, Brunci and Malaysia.

creation of a single common market immediately. "We would like to see these six fragmented ASEAN markets proposal for an ACEPT could merging gradually into a larger market," he said. Thai Commerce Minister

Amaret Silaon said ASEAN leaders should seize the opportunity presented by a proposed summit to be held in Singapore in January to estabtor basis over the next 10 to lish a free trade area or "fall 15 years, has already won enbehind the rest of the world." "In my opinion, the top pri-

Bangkok earlier this week that

his proposal did not mean the

ority over the next few months Anand told a conference in before the summit is to ensure

tance of the idea of a free trade area or something close to it," he said. Malaysian officials said the rule of origin for items traded would call for a local content of at least 40 per cent for prod-

ucts traded within the free trade area. Philippine Trade Secretary Peter Garrucho, who will attend the talks, said Mantla was supportive of both the ACEPT and free trade area proposals.

that there is a universal accep-

Rafidah said the ministers would also study the report of a working group