PARIS. Oct 19: Bangladesh is to receive a 50,000 Dollars grant from the United Nations Educational, Scientific and Organisation Cultural to allow the (UNESCO) authorities to teach primary school children how to prepare for natural UNESCO catastrophes. announced Friday, reports AFP

The grant, raised following an appeal issued after a cyclone devastated Bangladesh last April will also fund the training of technicians needed for the construction of stormproof buildings and shelters in

Malaysia extends palm oil credits to 4 states

KUALA LUMPUR, Oct 19 Malaysia will provide credit facilities to help cash-strapped India import more Malaysian palm oil. Finance Minister Anwar Ibrahim announced yesterday, reports AFP.

The amount of credit to be extended would depend on its request. Anwar told reporters after meeting Indian Finance Minister Manmohan Singh

Anwar also said Malaysia would also consider awarding contracts in transportation and infrastructural projects to India to offset its huge purchases of Malaysian palm oil.

Anwar said Manmohan had expressed India's intention to step up purchase of Malaystan palm oil if given credit facili-

Anwar also said Malaysia had set aside some 250 million Dollars (92.6 million US) to help countries like India. Seychelles, the Soviet Union

and China import more Malaysian palm oil.

Police raid Control Securities in UK

LONDON, Oct 19 : Police raided the headquarters of Control Securities Plc (CSSL.L), a property and hotels group, to gather evidence in the fraud investigation of the Bank of Credit and Commerce International (BCCI), the Serious Fraud Office (SFO) said, reports Reuter.

Police were also searching the home of Control Securities Chairman Nazmu Virani, as well as the headquarters of the Virani Group, an SFO spokeswoman said.

BCCI, which was closed last July after allegations o widespread fraud, owned 5.5 per cent of Control Securities. A spokeswoman at Control Securities declined to com-

The BCCI closure forced Control Securities to make 3.8 million STG provision against BCCI exposure, pushing them into a 3.3 million STG loss for the year ended March 1991. This compared with pre-tax profit of 23.7 million Pound Sterling. BCCI, had rented two build-

ings owned by Control Securities.

Farmers teargassed in France

NEVERS (France), Oct 19: French police used tear gas to disperse a group of around 100 farmers late Friday as they attempted to set fire to the doors of the town hall of this central French town, official sources said, reports AFP. The demonstrators, who

were demanding increases in farm prices, regrouped at the prefecture where they again attempted to set fire to the doors, before the police intervened a second time to disperse them.

The Mayor of Nevers, Pierre Beregovoy, is the French Economy Minister.

Small groups of farmers continued to gather in the centre of the city until around midnight, but later dispersed.

In a separate incident around 300 farmers in the Cher department demon strated outside the home of local MP Alain Calmat at Bourges until he joined them in a march to the local prefecture.

Four hundred farmers from the southeastern region obstructed access to Marseillesproience airport for five hours to protest at the arrest of two of their colleagues imprisoned

for employing illegal or undeclared farm workers. And at the southern town of

Moissac, in the Tarn-Et-Garonne Department, around 300 farm workers broke up a dinner that French Tourism Minister Jean-Michel Baylet -President of the regional council - was to attend.

Farmers angry over falling prices, the threat of lower European Community subsidies and East European imports and in adequate help in times of trouble have been attacking administrative and tax offices and destroying imported meat in a nationwide campaign since a mass protest in Paris at the end of last month.

\$ 50,000 UNESCO Benazir warns against hasty privatisation

ISLAMABAD. Oct Pakistan opposition leader Benazir Bhutto warned yesterday against hasty privatisation by the government of Prime Minister Nawaz Sharif, which is trying to sell off more than 100 state-owned enterprises. reports AFP.

A government commission is due to meet here to choose buyers from 700 bidders vying to purchase factories and mills that the government is disinvesting under the privatisation programme

"Undue haste should not be exhibited in the scheme of privatisation, Bhutto said in an address to lawyers in nearby Rawalpindi.

"We must not allow the transfer of national assets worth billions of Rupees to friends and relatives with financial resources arranged through bank borrowings, she

in Moscow 18 Oct.

KUALA LUMPUR, Oct 19:

Malaysia Thursday announced

an amnesty for tens of thou-

sands of illegal foreign workers

in its labour starved construc-

tion and plantation industries.

Lim Ah Lek said that employ-

ers in the two sectors which

have drawn immigrants mainly

from Indonesia and the

Philippines were now free to

register their previously illegal

new five-year policy that would

be subject to annual review.

the manufacturing sector

would also be allowed to selec-

ers who fall into the skilled

semi-skilled, technical and

professional categories.

Bernama news agency re-

Mohammad pledged to ease

restrictions on foreign work-

ers earlier this year after hear-

ing complaints that the short-

SINGAPORE, Oct 19: India

is negotiating with the World

Bank and the International

Monetary Fund (IMF) for bil-

lions of Dollars of loans to sup-

port economic reforms.

Finance Minister Manmohan

"We have told the World

Bank we need annually for the

next three years a loan of about

three to four billion Dollars to

support the reforms," Singh

investment conference that

reforms, hailed by the IMF and

reaucracy, often accused of de-

terring foreign investment.

had no choice but to support

the reforms backed by all ma-

commitment is firm and irre-

vocable, bureaucracy cannot do

things which are out of line

with the government's think-

"If political leadership's

jor political parties.

ing." he said.

Earlier, Singh told an India

Singh said the Indian bu-

told Reuter in an interview.

the bank, had come to stay.

Singh said, reports Reuter.

Prime Minister Mahathir

These would include work-

tively hire foreign workers.

Lim said that as part of a

workers.

Human resources minister

The former Premier said the World Bank had proposed that a through study be con

ducted before selling the units. She said a World Bank scheme for privatisation envisaged the free distribution of shares of state-owned enterprises to all citizens above 18.

The scheme, she said, was reportedly implemented suc cessfully in Czechoslovakia and was currently under consideration in other Eastern European countries and in the United States.

"The hasty manner in which the government is following the policy of privatisation raises alarm". Bhutto said.

Bhutto strongly attacked Sharif and President Ghulam Ishaq Khan, in two public speeches Wednesday, asserting that Pakistan was in dire

straits

She referred to law and order problems, inflation, ethnic problems, corruption and a current multi-million Dollar scandal involving cooperative credit societies, and added that the present leadership is incompetent and corrupt."

All foreign aid to Pakistan has been cut off, she said, adding that the suspension of US assistance since last year in seriously undermining our conventional capability to defend ourselves.

Sharif must resign, she said. Otherwise, the President should dismiss him under the constitution, as he sacked Bhutto 14 months ago on charges of corruption and mismanagement.

Bhutto released a booklet titled the plunder of Pakistan published by her party. The booklet deals with the alleged financial misdeeds of the present government.

\$15.5 b French budget deficit

PARIS, Oct 19: The French government announced late Friday a budget deficit of 89.5 billion Francs (15.5 billion Dollars), equivalent to around 1.26 per cent of gross national product, for 1992, reports

In the 1991 finance bill the deficit envisaged was 1.20 per

Lacking a clear parliamentary majority, the government of Prime Minister Edith Cresson adopted the part of the 1992 budget relating to income under Article 49.3 of the constitution which permits the opposition to challenge it with a censure motion.

The opposition has indicated that it does not intend to challenge the budget, which Cresson described as "lucid and realistic".

Parliament is due to meet on Tuesday to discuss 1992 expenditure.

8 Soviet republics

sign economic

accord

Soviet republics have signed a

landmark economic pact they

hope will help them survive

the winter and which

President Mikhail Gorbachev

sees as the first step to turning

the Soviet Union into a con-

suspicious of forming cen-

trally-based political links

along the lines favoured by

Gorbachev but are resigned to

off shortages of food and fuel

this winter which republican

leaders fear could spark un-

portant right now, when we

have very hard and difficult

winter months ahead of us,

Russian President Boris Yeltsin

sets up a free trade zone and

establishes inter-republican

bodies controlling finance and

banking and coordinating food.

industrial and energy supplies.

diminished since August's

failed coop, sees the economic

pact as the precursor to a po-

litical agreement turning the

country into a loose confedera-

Interfax news agency that a

political treaty would be signed

in the near future, at least,

long before the end of the

elected Armenian President on

Wednesday, also appeared op-

timistic about prospects for a

"If the republics can man-

age to come to an agreement

on economic problems, they

will eventually come to agree-

ment on political issues, he

be surmounted before an ef-

fective political deal can be

decided to send delegations to

an interim Soviet parliament.

set up after the coup to super-

vise the creation of a confeder-

ation, which meets on Monday.

powerful republic, the

Ukraine, refused to sign the

economic pact. Three others

were also absent — Azerbaijan,

Plyushch said the republic was

likely to sign the treaty once it

had concluded individual eco-

nomic treaties with other re-

the Ukrainian parliament -

who have gained the upper

hand since the coup - oppose

a political deal, saying it would

mean a return to the old cen-

But nationalist deputies in

Ukrainian official Ivan

Georgia and Moldova.

The country's second most

But major obstacles have to

Only seven republics have

political agreement.

Levon Ter-Petrosyan,

He told the independent

Gorbachev, whose role has

The three-year agreement

said after signing the pact.

"This will be specially im-

Their first task is to stave

cooperating economically.

Most of the republics are

federation, reports Reuter.

MOSCOW, Oct 19: Eight

Preston cautious on private sector lending

BANGKOK, Oct 19: World Bank President Lewis Preston reacted cautiously to a United States proposal that the bank should start lending directly to

vatisation, reports AFP. "I would go very cautiously on lending to private compa nies in particular if private banks were not involved Preston told a news conference as the annual meetings of the International Monetary Fund and the World Bank ended here.

US Treasury Secretary Nicholas Brady brought up the issue when he addressed the meetings earlier this week. calling for changes in the bank's articles of agreement and arguing that the bank's "relevance" in support of development lending would be at stake if it failed to back the private sector.

Preston, who took up his post as the World Bank's new President last month, also re-

peated his calls for worldwide

cutbacks in military spending. And, stressing the importance of changes in the Soviet Union and in the world, he

Moscow opens oil exchange

MOSCOW, Oct 19: The Soviet Union opened its first national oil commodities exchange in Moscow this week. with Soviet and foreign firms investing in crude and oil products in scarce supply around the world, reports Reuter.

The exchange, which opened on Wednesday, makes available oil that Soviet producers have left over after meeting state quotas.

Oil prices rise in London

LONDON, Oct 19: Oil prices rose slightly on Friday as North Sea gales made loading of from British Oilfields too dan-

gerous, reports Reuter. Loading was stopped both offshore and at the main onshore terminal at Sullom Voe

On the London futures market, Britain's Brent Blend crude, a benchmark for internationally traded oil, stood at 22.15 dollars a barrel for December delivery at 1700

The prices had hit 22.65 Dollars as news of the halt to loading filtered through. But the market fell back as traders reassessed the situation, taking into account that the interruption would only be tempo-

The loadings, stopped on Thursday morning, might resume on Friday evening or Saturday morning, a spokesman for Shetaland Ports and Harbours said.

New York light crude oil futures for November rose 14

cents to 24.07 Dollars.

Pakistan signs accords for offshore oil drilling

KARACHI, Oct 19: Pakistan has signed two agreements with foreign oil companies for offshore oil drilling in the Arabian Sea, according to minister for petroleum and natural resources Nisar Ali Khan, reports AFP.

The minister said in an interview that the government was giving more incentives to foreign companies to achieve an oil production target of 1,00,000 barrels per day (BPD) by 1993. The minister did not name

the two foreign companies nor identify the precise areas in which they have been given the concessions.

The country spent more than 90 million Dollars between July 1990 and March 1991 to meet its petroleum needs, and over the last five months Pakistan has signed oil exploration agreements with 20 oil companies.

Pakistan is currently producing about 30 per cent of its total oil requirements. Khan But while 70,000 BPD are

being produced from 70 wells - out of 253 drilled during the past 44 years — the country still has to go on to the international open market to import 80,000 BPD of crude, as well as 1,00,000 BPD o petroleum products, the min-Pakistan's major oil fields

are in Southern Sindh province, from where 33,000 BPD of higher quality crude is obtained, while an additional 30,000 BPD are produced from wells in Punjab. Khan

The slow pace of drilling in Pakistan is partly due to the

high risk and the apathy of the domestic private sector, he said, adding that the average cost of drilling a well on land in Pakistan can run as high as 30 million Rupees (12.24 million Dollars).

The cost of offshore drilling is several times higher. Khan

Pakistan has had several experience in offshore drilling. but no success yet.

Ministry of Petroleum and Natural Resources' figures show that Pakistan domestic oil production averaged 70,000 BPD between July 1990 and March of this year, with production of gas, coat and electricity estimated at 10.8 billion cubic metres. 267.6 million tonnes and 8,508 megawatts respectively. Transmission lines during

this period were spread over 22,988 kilometres (14,250 miles), and more than 34,000 villages received electricity.

'US ignores BCCI allegations'

WASHINGTON, Oct 18: US prosecutors ignored repeated warnings about illegal activities in this country by the Bank of Credit and Commerce International (BCCI) and its customers, a Miami Attorney told Congress Friday, reports

James F Dougherty II, who represents an insurance group that has sued the bank, said he appealed directly to then -Attorney General Richard Thornburgh last December when he found evidence the bank was likely to destroy or move records of its activities.

"We received no response to that," Dougherty testified to the Senate Foreign Relations sub-committee on narcotics.

He said he had sent letters before and since to regional customs officials and to Federal prosecutors in Miami. Tampa and Washington. The only indication of interest from US officials came from Internal Revenue Service criminal investigators, who subpoenaed

WASHINGTON, Oct 19:

Construction of new houses

and apartments plunged 2.2

per cent in September,

heightening concerns that the

US economy is in for a second

dose of recession, reports AP.

some of his records, Dougherty

US officials had been criticized on grounds they had dragged their feet in probing BCCI. Public attention has been focused on allegations that BCCI illegally gained control of First American Bankshares, largest bank in Washington.

The subcommittee, headed by Sen. John Kerry, D-Mass, is conducting its own investigation of BCCI, which has been implicated in a worldwide network of illegal arms sales, drug trafficking and money laundering.

Dougherty and his associate. Richard Alan Lehrman, outlined evidence they have uncovered against BCCI and one of his customers. Munther Bilbeisi, a Jordanian who until recently lived in Hollywood

Bilbeisi has been indicated in Miami on charges of evading Federal taxes on money earned from smuggling coffee into the United States.

Economics, a Newton, Mass,

forecasting service, called the

latest report "worrisome," and

said "the economy could stall

out and give us the classic

But he said he did not be

lieve the economy would fall

back into recession. "I think

South failed to recoup its loss

showed the level of new con-

struction nationally in July and

August lower than first esti-

Home Builders' survey suggests

housing starts may be down in

Delano noted the inventory

of new homes on the market

has fallen to its lowest level in

Revisions in the report also

Seiders said the latest

of a month earlier.

October as well.

five or six years.

mated.

double-dip."

Donors agree to avoid unrest due to hasty reforms, says Saifur

Finance Minister M Saifur Rahman Saturday expressed his satisfaction at the closing remarks of the fund's Managing Director Michael Camdessus in which he called for cutting military spending by the industrial nations and divert resources to aid the developing countries, reports

The Finance Minister was talking to the reporters on his return from Bangkok after attending the annual meeting of the World Bank and the International Monetary Fund (IMF). The Finance Minister who led Bangladesh delegation at the WB-IMF meeting, earlier led the country's delegation to the Commonwealth Finance Ministers meeting held in Kuala Lumpur from October 9

Rahman said Bangladesh's concern about pushing the reforms much too far, found its echo in the speech of Camdessus who maintained that "growth has to be with a human face." Thereby it was judicious to avoid any risk of unleashing social unrest be-

The Finance Minister said both the bank and the fund highly appreciate our efforts to carry reforms despite various difficulties he particularly mentioned the VAT (Value Added Tax) which received wide appreciation.

cause of reforms.

Rahman said the host (Thailand) Finance Minister spoke highly of the new tax system introduced in Bangladesh and expressed their desire to follow. The Thai Finance Minister if likely to visit Bangladesh in a couple of months to study financial and macroeconomic reforms in-

cluding VAT, he added.

BARC projects evaluation workshop begins

Star Economic Report The workshop to evaluate

research projects coordinated by the Bangladesh Agricultural Research Council (BARC) has begun Saturday. The ten-day workshop re-

view the progress of 95 research projects of seven programme areas like crops. live-

stock, fisheries, agricultural engineering, soils, agricultural economics and rural sociology and forestry. About 150 agricultural sci-

tors are participating in the workshop. The first day workshop was conducted by Dr MA Hamid Miah, Member-Director

entists and project investiga-

World Bank's firm stand needed for new economic order'

BANGKOK, Oct 19: After 21 reports Reuter.

"We're not infallible. We a suave, urbane Pakistani who

But under Lewis Preston. the New York banker who took

wages artificially low. This is not good for Tourist arrivals decline in Macau

Soviet President Mikhail Gorbachev looks at Russian President Boris Yeltsin during the

press conference following the signing of the economic union treaty with the eight republics

Amnesty to foreign workers in Malaysia

age was hurting economic

growth which reached a

The giant Malaysian Trade

record 10 per cent last year.

Union Congress (MTUC), how-

ever, criticised Lim's an-

nouncement, saying the legali-

sation of immigrant workers

would only serve to keep

MACAU. Oct 19: The number of visitors arriving in Macau by sea decreased by 0.53 per cent in July as against the same month last year to 512,929, according to official statistics released yesterday. reports AFP.

The figures of the Macau government's statistics and census department also revealed a 1.92 per cent fall in the number of visitor arrivals by air, that is by helicopter from Hong Kong.

World Bank funds of about two

billion Dollars per year in the

past several decades, has used

soft credit largely to finance

farming, rural and labour-in-

raise it (AID) to three to four

billion Dollars. Out of this.

about 1.5 billion Dollars should

be used for fast disbursing type

quick disbursing loans to sup-

port its reforms and to meet

its chronic balance of pay-

the World Bank for a credit of

some 600 million Dollars to

start a fund to help Indians

who might lose their jobs due

to structural changes in the

able World Bank loan to sup-

port reforms in the financial

sector to make it more com-

petitive and efficient, he said.

India was also seeking a siz-

Singh said he expected the

India would discuss with

Singh said India needed the

of assistance.

ments deficit.

economy, he said.

India, a major recipient of IMF board to approve an

"We have asked the bank to

tensive industrial projects.

less as they are not represented by a union. Vethamuthu David, MTUC Secretary General, said. David said that the government move would add to rising social problems stemming

Malaysian workers because

employers will now opt for

foreigners who can be paid

- AFP/UNB Photo

from the large numbers of Indonesian and Filipino immigrants, many of whom live in squatter camps under squalid conditions. He said the MTUC would fi-

nalise plans next week for nationwide rallies to protest the presence of foreign workers. Lim said that the relaxed

rules governing foreign workers would also apply to domestic maids whose work permits would now be extended on a year-to-year basis.

Maids mainly from the Philippines and Indonesta were in the past granted two year work permits and were allowed to return to Malaysia only after spending six months back in their own country.

India seeks more aid for reforms Indian request for a stand-by 18-month credit of 2.2 billion Dollars at the end of this year. India has just completed

negotiations with the World

#Bank for a structural adjust-

ment loan of about 500 to 600 million Dollars. "As far as the IMF is concerned, we will explore in March the possibility of an extended fund facility so that over a period of three years we

have greater assurance of international support," he said. After the IMF's endorsement of India's economic reforms at this week's bank-fund meeting in Bangkok, lending by commercial banks to India

should be resumed Singh said. India's commercial borrowing of about 1.5 billion Dollars a year was suspended last year amid political uncertainty and a fiscal crisis sparked by the Gulf conflict.

Singh said he expected India to resume borrowing from the commercial loan market from January next year.

Gorbachev has said he cannot envisage a political confederation which does not include the Ukraine.

trally-run Soviet system.

The republics were on the verge of signing a new union treaty, giving them more sovereignty while leaving ultimate control with the centre,

when the plotters struck, oust-Home Builders. ing Gorbachev for three days.

the National Association of Daryl Delano of Cahners

Department said Friday that housing starts totalled a seathe economy is idling now and sonably adjusted annual rate of will move forward eventually. 1.03 million. That was down he said. from 1.06 million units in All regions of the country August and broke the first except for the South experienced a decline in housing five-month string of gains in 11 years. starts last month, and the The report followed other

Commerce

House building falls in US

government statistics showing flat industrial production; falling exports, formerly a source of economic strength: and weak spending by consumers, who account for twothirds of the nation's economic

"I really think it's panicbutton time," said David F Seiders, chief economist for

needed because the pervasive

role of government in some

These institutions are run

be quick to rise to new challenges_ as it has in Eastern Europe - but must be true to its charter and remain above the political fray.

rights.

into private business himself to over as President in August, Falling commodity prices of 1978 forced the bank to fotry to spur more investment in Qureshi is confident that the and rapid population growth cus its efforts on the urgent in a remarkably non-political the Third World, said a new bank will have the decisive have eroded per capita infashion", Qureshi said. task of economic stabilisation. focus on the private sector is

years in top positions at the World Bank, Moeen Qureshi is willing to share the blame for what he calls the bank's since of commission and omission.

make mistakes," said Qureshi. is leaving the bank next month. "The bank has been frustrated in its bid to stop the decline in real incomes in Africa and was slow to latch on to the impact its development policies were having on the environment.

leadership it needs to adapt to the emerging new world economic order. "As I look ahead, I believe the World Bank is very well positioned to play a much

stronger role, which is needed," Qureshi, now in charge of the bank's operations after a spell as Chief Financial Officer, said. He sees another tough decade ahead for developing nations. While the bank, for a time, will have to pay major attention to Eastern Europe Qureshi says the priority must be Africa.

comes in Africa over the past decade, despite sustained efforts by the World Bank and others. "Africa will be the biggest challenge internationally in the

next two decades, Qureshi said. She denied the bank has dragged its feet on Africa. He said former President Robert Macnamara was a voice in the wilderness when he launched a drive to alleviate poverty twenty years ago. If the impression had spread that the campaign had slowed, it was because the second oil shock

But in the past five years the bank had come a long way in designing specific povertyrelief programmes, for exam-

and putting up social safety We're not Johnny-comelatellies," Qureshi insisted. "We were the people who started the debate on poverty." Besides poverty alleviation, he says the environment and development

Qureshi, who plans to go

states had bred inefficiency and corruption. The bank's ple by improving food security quick decision to suspend loans to China after its violent suppression of pro-democracy demonstrators in June 1989 has created the impression in some quarters that the bank is increasingly used as an instrument of foreign policy. But Qureshi stoutly denies this." In of the private sector ought to all honesty. I've never had to be top priorities in the Preston do a single thing I didn't want to do at the behest of a share-

holder", he said.

country", he said.

That means attaching purely economic conditions to loans. He said it would be

human rights only in terms of economic performance of a

He believes the bank must

inappropriate to tie lending to cuts in military spending, or even to respect for human

> "The World Bank looks at and SNH Aurangeb, Member-Director of BARC.

in the Shetland isles. said concerns voiced by the private sector to boost pri-African and Latin American countries were unwarranted. The bank was not going to neglect the developing world, he GMT, up nine cents.