

# Oil prices decline

LONDON, Oct 23: Oil prices slipped on Tuesday as traders took profits in anticipation that US statistics to be published after markets closed would show higher oil stocks, reports reuter.

US crude oil stocks were expected to rise by between one and two million barrels as refinery maintenance cuts into demand, oil analysts polled by Reuter said.

"We're seeing, crude (refinery) runs down, so you'll see more added to stocks," said Peter Beutel, Energy Director with Pegasus Economic Inc.

At 1720 GMT, light US crude oil futures for November delivery had fallen by 66 cents to 23.38 Dollars a barrel, with selling ahead of the contract's expiry at the end of trading depressing the price.

Oil industry analysts said there was room for a further fall in prices after the market rallied last week to post-Gulf war highs.

"If the inventory data comes in bearish, you will see a continued correction," said William Brown, Senior Vice-President at Kidder, Peabody and Co Inc.

In London, North Sea Brent crude oil futures for December loadings were down 27 cents at 22.40 Dollars.

Business was thin with prices weighed down by ample supplies of North Sea oil for loading in early November, traders said.

# Taiwan to resume oil imports from Kuwait

TAIPEI, Oct 23: Taiwan's state-run Chinese Petroleum Corp. (CPC) is to resume crude imports from Kuwait in January after 16 months of suspension as a result of the Gulf crisis, CPC officials said Wednesday, reports AFP.

Representatives from Kuwait Petroleum Corp arrived here Tuesday for talks on the resumption of oil deals in which the CPC would import 30,000 barrels of crude from the oil-rich Emirate per day in 1992, officials said.

CPC, which monopolises oil imports, refining and domestic sales, had purchased 75,000 barrels of crude per day from Kuwait but suspended the imports following the invasion of the country by Iraq in August 1990, they added.

Saudi Arabia is Taiwan's largest crude supplier, selling to this oil-scarce island, 1,40,000 barrels of crude per day, trailed by Indonesia with 55,000 barrels.

CPC imports 99 per cent of the crude Taiwan needs — or 4,31,000 barrels a day — to generate 51.5 per cent of the power consumed the island.

# Finnish trade unions agree to cut wages

HELSINKI, Oct 23: The Finnish Confederation of Trades Unions SAK on Tuesday reached an agreement with employers that will mean a cut in workers' purchasing power and lower labour costs for industry, reports AFP.

The centre-right coalition government hopes that the new deal will restore confidence in the Finnish economy, hit by a steep fall in trade with the Soviet Union and experiencing its worst recession in decades.

Under the agreement, which will run from the beginning of 1992 to October 1993, workers' purchasing power will go down 4.1 per cent in real terms and industry's labour costs will fall 6.5 per cent.

The agreement, reached after marathon negotiations, was based on proposals from former Social Democrat Prime Minister Kalevi Sorsa and was seen as helping stave off a devaluation of the Finnish Markka.

Representatives of the Social Democrat-led SAK, other unions, and the Employers Association had agreed the deal in principle on Monday.

But the SAK executive asked for clarification of some items, and finally endorsed the accord Tuesday morning.

# Businessman charged with 58 theft cases in London

LONDON, Oct 23: Turkish Cypriot businessman Asil Nadir, founder of collapsed conglomerate Polly Peck International, has been charged on 58 new counts of theft, the serious fraud office said here Tuesday.

Nadir, who is already facing 18 charges of theft and false accounting involving a total of 25 million pound (43 million dollars), is due to appear before a London court.



PARIS: Shown at the end of Emanuel Ungaro's 1992 spring/summer ready to wear collection here were these yellow, fuchsia and emerald jackets with multicolour appliques over black satin bra-like tops with yellow green and orange hearts and stars and shown with matching colour, leaf and mousseline masks.

# French farmers on rampage

PARIS, Oct 23: Angry French farmers took over motorway toll booths on Tuesday, defying a ban by President Francois Mitterrand to end their protests over produce prices, reports Reuter.

They let motorists drive through free, witnesses said.

They said farmers were occupying four tolls in the Lyon area. Police did not immediately intervene.

Mitterrand issued a stern warning earlier in the day to farmers who have harassed government ministers attacked trucks carrying foreign meat burned tyres and smashed windows over the last few weeks in protests against their falling incomes.

# Japan lifts most sanctions against South Africa

TOKYO, Oct 23: Japan lifted most of its economic sanctions against South Africa on Tuesday in what it called a response to steps by Johannesburg towards ending apartheid, reports AFP.

"Japan welcomes the positive development seen in South Africa to establish a democratic society free of racial discrimination," said Misoji Sakamoto, Chief Cabinet Secretary and Acting Foreign Minister.

"We will further enhance our efforts to help create a truly democratic and free system in the country," he said in a statement.

Reviving South Africa's economy was an important way that Japan could help to help improve the welfare of its people, he added.

# Tin producers to lobby US on stockpile dumping

CANBERRA, Oct 23: Australia is to lead a delegation of tin-producing countries to the United States to express concerns about Washington's stockpile sales into a depressed market, it was announced here Tuesday, reports AFP.

The Association of Tin Producing Countries (ATPC) also announced a 9.1 per cent cut in the Permissible Export Tonnage (PET) for members in calendar year 1992 on the previous year.

Australian Resources Minister Alan Griffiths, elected Chairman at the ATPC conference of ministers here this week, will lead the delegation early next year.

A statement released by the conference Tuesday said ministers had expressed concern over the "continuing programme and mode of disposals of tin from the strategic stockpile of the US Defence Logistics Agency (DLA)."

The conference agreed an ATPC ministerial delegation "will urge the US to suspend sales until market conditions improve or at least limit sales to levels agreed under the memorandum of understanding with ASEAN countries."

That level has been set at an annual 3,000 tonnes.

The statement said overhanging stocks had remained high and the tin market was likely to continue to face the threat of oversupply during 1992.

Under the PET, the ATPC's seven member-countries will be limited to a total of 87,091 tonnes in 1992, with Australia's share at 5,985 tonnes.

Although Brazil is not a member, it has agreed to limit production to 34,000 tonnes from its agreed 1991 production of 39,010 tonnes and consider further cuts.

# Japan to probe into counterfeiting of products

TOKYO, Oct 23: Japan plans to send a mission overseas this year to investigate alleged counterfeiting of Japanese brands, official sources said Tuesday, reports AFP.

Officials said an annual survey by the International Trade and Industry Ministry showed that sales of products with fake Japanese brands were still at a "high level" overseas, particularly in Southeast Asia.

The survey was based on information provided by Japanese companies doing business in foreign countries.

It found that fake Japanese brand goods were made primarily in Thailand, Indonesia, Singapore, Taiwan and other Southeast Asian countries.

Industry sources said that counterfeiters overseas produced everything from daily necessities to cameras and radio-cassette players.

Noting that an increase in fake Japanese goods overseas could damage the image of Japanese products Tokyo has requested an improvement of the situation in bilateral meetings, officials said.

# Jakarta allows state-related projects to go ahead

JAKARTA, Oct 23: Indonesia has announced that two state-related projects will be allowed to go ahead in fiscal 1992-93 (April-March) and raise funds offshore for projects, reports Reuter.

To slow foreign commercial borrowing and ease pressure on a growing current account deficit, the government this month postponed four projects this year worth nearly 10 billion Dollars.

"Coordinating Economics Minister Rudianto Prawito told reporters an oil pipeline in West Java and seven, a power plant project in East Java, would be allowed to make foreign commercial loans next year, he did not say how much they were worth nor whether any 1993-94 projects had been postponed.

In its earlier guidelines, the government set a ceiling of one billion dollars for commercially raised foreign loans for state-related projects in 1992-93 and 1.2 billion in 1993-94.

Rudianto said the oil pipeline project for East Java would be allowed to borrow offshore in 1993-94 along with three highways, a clean water project in East Java, and moorings for a refinery in central Java.

He said approval to raise money abroad in 1994-95 would be given to a telecommunications project, expanding Balikpapan Refinery and improving facilities at Cilacap Refinery Complex.

The ceiling for offshore loans in 1994-95 is 1.4 billion dollars.

# Gorbachev let money go to 'friendly' foreign companies

MOSCOW, Oct 23: Soviet President Mikhail Gorbachev authorised the transfer of hard currency to save "friendly" foreign companies from bankruptcy, Russian Justice Minister Nikolai Fedorov alleged Tuesday, reports AFP.

At the beginning of a debate on the role of the Russian Communist Party during the failed August 19 putsch against Gorbachev, he said that he had proof that the party had established commercial relations with some French, Austrian, Italian, Greek, Cypriot, Portuguese and Swedish companies.

These "friendly" companies were known for their links with the communist parties in their countries.

The documents he held showed that the central committee of the party had authorised "the drawing of big sums in hard currency from the Federal Budget during many years to cover the debts of these friendly companies," Fedorov said.

Fedorov alleged that Gorbachev "himself, until recently, signed the authorisations" for the transfers.

# India seeks APEC membership

SEOUL, Oct 23: India has sought membership of the 12-nation Asia Pacific Economic Cooperation (APEC), which is fast emerging as a force to sustain the growth and development of the region through trade investment and financial resource flows, reports PTI.

Ministers from the APEC member nations, which include United States and Australia, will meet here in November to draw up a blue print of the region's common interests and to project them in multilateral forums like GATT.

# China-US trade talks begin

BEIJING, Oct 23: Assistant US trade representative Joseph Massey began talks with Beijing officials here Tuesday, the first since Washington launched a section 301 probe into Chinese trade practices a US spokeswoman said, reports AFP.

Massey arrived Monday and was scheduled to have four days of meetings with officials including those at the ministry of foreign economic relations and trade, US embassy spokeswoman Loraine Toly said.

The talks were aimed at pressing China to improve protection of intellectual property rights and reduce barriers to US imports.

Washington strapped up pressure on Beijing two weeks ago by launching an investigation into Chinese trade practices under section 301 of the Trade Act of 1974. The probe which must be completed within one year, could lead to retaliatory trade action. The US trade representative, Carl Hilla, said in announcing the move that Beijing's last proposal to improve market access does not measure up to US standards.

Massey was quoted as saying in May that market access and lack of protection for US copyrights were the two major issues in bilateral trade relations.

At the moment Chinese protection for American copyright holders is non-existent, he was quoted by the state run US Information Agency as saying.

He was referring to protection for the products of foreign authors, composers and computer software designers.

The United States wanted to see substantial progress by China in improving its trade practices, he said.

Unfortunately I have to say over the past several years, we've seen the reverse, he said.

China passed its first copyright law in June and has pledged to join International Copyright Conventions by the end of the year.

Massey attributed a one billion Dollar drop in US exports to China in 1990 to a proliferation of trade barriers.

The United States suffered a deficit of 5.9 billion Dollars in its trade with China in the first eight months of this year, a 13.5 per cent increase, according to US statistics.

# Japan's banker fired for scandal

TOKYO, Oct 23: The Industrial Bank of Japan (IBJ) sacked its Chairman Tuesday to put behind it a massive loan scandal linked to a mysterious restaurant owner arrested for her alleged involvement in a massive fraud, reports AFP.

Kaneo Nakamura, quit to take responsibility for deals that Japan's top long term credit bank had made since 1987 with a woman who has been indicted on fraud charges involving false deposit receipts from a credit union.

I have decided to resign in order to make my responsibility clear in the affair which has damaged IBJ's corporate image as well as the credibility of Japanese banking industry as a whole Nakamura, 68, told a press conference.

His exit nearly put paid to loan scandals involving Japanese bank and a controversy over payouts made by major brokerage houses to favoured clients for investment losses that have rocked the financial community here for three months.

On October 3, then finance minister Byutaro Hashimoto and five members of three leading banks, including Fuji Bank Chairman Tazuo Hashida, announced their resignations in connection with the scandals.

The executives included Tokai Bank Vice Chairman Ekichi Arai and two board members of Kyowa Saitama Bank.

Nakamura served as IBJ Chairman since June last year after six years as President of the prestigious 90-year-old bank, a key player in Japan's postwar reconstruction.

Along with Nakamura, who was retired to a mostly ceremonial post as an IBJ advisor, senior managing directors Shinji Yamamoto and Mahito Makai also quit their posts, the bank announced.

All executives from managing director and above will face salary cuts ranging from 20 to 50 per cent for a period of six months from November, the announcement said.

The sack up was approved at a special board meeting of IBJ, one of the worlds top 10 commercial banks in terms of assets.

IBJ President Yo Kurosawa earlier told a parliamentary committee that IBJ and its subsidiaries extended 240 billion Yen (1.8 billion Dollars) in loans to the restaurant owner Nui Onoue.

Onoue used as collateral 290 billion Yen worth of debentures the bank sold her since March 1987.



M A Lutful Matin, Additional Secretary and Chairman, Petro Bangla inaugurating the 35th branch of IFIC Bank Ltd at Petro Centre at Kawan Bazar, Dhaka, on Tuesday. ASF Rahman, Vice Chairman, Kazi Mesbahuddin Ahmed, Acting Managing Director, M Fazlur Rahman, Advisor and Rezaul Karim, Senior Executive Vice President of IFIC bank are also seen.

# Share prices fall in Tokyo

TOKYO, Oct 23: Tokyo share prices sagged in moderate but listless trading Wednesday, while the US Dollar closed unchanged from the previous day's finish after a three-day rise, reports AP.

The 225-issue Nikkei Stock Average fell 154.72 points, or 0.62 per cent, closing at 24,799.94. On Tuesday, the average lost 62.15 points, or 0.25 per cent, after gaining 1,156.14 points in the previous five trading days.

The Tokyo Stock Price Index of all issues listed on the first section closed at 1,877.09 points, down 7.18 points, or 0.38 per cent.

Volume on the first section was estimated at 450 million shares, down from Tuesday's 484 million. Declining issues outnumbered advances 516 to 456, with 174 unchanged.

"It's quite common for the market to go through correction for a couple of days after a continued advance," said a Nikko Securities dealer, speaking on condition of anonymity.

# Civilian products rise in China's military units

BEIJING, Oct 23: The output value of civilian products in China's military industries will reach more than 60 per cent of the industries' total output value, according to an official from the Commission of Science, Technology and Industry for National Defence, reports Xinhua.

Addressing a seminar on international cooperation in the peaceful use of military industrial technology, General Huai Guomo, Vice Minister of the commission, said that China's military-civilian conversion activity is recognised and initiated according to the necessity of the national economic development.

As early as 1985, the Chinese government decided to de-mobilise one million army men and reduce the military industrial production accordingly.

# Training course on VAT tomorrow

Star Economic Report

A training course on Value Added Tax (VAT) system will be held at the auditorium of the Women's Voluntary Association, Dhanmondi, Dhaka.

Sponsored by the Rapport Bangladesh Limited, the training course will be inaugurated by Barrister Nazmul Huda, Minister for Information at 9.30 am tomorrow (Friday) as the chief guest. Nurul Islam Khan, Chairman, National Board of Revenue (NBR) will attend as the special guest.

# Price Barometer: Essentials

October—23	
RICE	(Taka per kg)
Aman (Very fine)	20.50-21.00
Aman(fine)	15.50-17.00
Pajon	14.00-15.00
Uthi	14.00-15.00
VEGETABLES	(Taka per kg)
Brinjal	12.00-16.00
Brinjal (White)	14.00
Brinjal	12.00-16.00
Lady's finger	20.00-24.00
Peal	15.00-17.00
Karola	21.00-23.00
Lahak	10.00-12.00
Pot Shak	9.00-11.00
Pot	6.00-7.00
Green Banana (Four Pieces)	6.00-10.00
OTHER FOODGRAIN	(Taka per kg)
Flour	13.00-14.00
Wheat	11.00-12.00
Sun	8.50-9.00
Sun	17.00-18.00
FISH	(Taka per kg)
Rubi(big)	120.00-140.00
Katla(big)	90.00-100.00
Hilsha	45.00-46.00
Pangas	90.00-100.00
Shrimp(big)	75.00-80.00
Singi	75.00-80.00
Koi	70.00-80.00
EGG (4pc)	
Hen	13.00
Duck	13.00
Firm	14.00
PULSES	(Taka per kg)
Mash	29.00-30.00
Mash	30.00-31.00
Mush	29.00-30.00
Chola	23.00-24.00
Mator	24.00-26.00
Kharai	15.00-16.00
MEAT	(Taka per kg)
Beef	Meatless Day
Mutton	Meatless Day
OIL	(Taka per litre)
Mustard	50.00-52.00
Soyabean	36.00-37.00
Coconut (Colombo)	80.00-85.00
Vegitable Ghee	50.00-52.00
SPICES	(Taka Per kg)
Onion	19.00-20.00
Garlic	40.00-48.00
Chillies	80.00-90.00
Turneric(Round)	48.00-54.00
" (Long)	52.00-56.00
Green chillies	55.00-65.00
Cinger	12.00-14.00
Cinnamon* (10gms)	3.00-3.50
Cardamom* (large)	3.00-4.00
Pepper (50gms)	7.00-7.50
MILK (Two Ltrs)	
Dano	265.00-266.00
Red-Cow	262.00-263.00
Elkon	254.00-255.00
MISCELLANEOUS	(Taka)
Tea (Dust)	80.00-90.00
Salt	8.00-9.00
Sugar	28.00-28.00
Molasses	22.00-24.00

Source : Department of Agricultural Marketing

# World heading towards clash over model of capitalism

PARIS, Oct 23: With communism crumbling in its last bastions, the world can get down to the real battle between two rival forms of capitalism — American-style unbridled free enterprise or the German-model "social market economy," reports Reuter.

That is the thesis of French economist Michel Albert, whose new book "Capitalism versus capitalism" is currently the talk of Paris.

The book is a vibrant eulogy of what Albert calls "The Rhine Model" — a form of consensus capitalism which he says Germany largely shares with Japan.

In 300 polemical pages, he argues that the ultra-liberalism of Ronald Reagan and Margaret Thatcher leads to disaster by sacrificing the future to the present. But he also says the Anglo-American model may be gaining the upper hand.

"The catastrophic model is Reagan-style new capitalism, which creates a dual society," he says.

Albert, President of the state-owned Assurances Generales De France insurance company, says Anglo-Saxon capitalism — based on deregulation, privatisation and tax cuts — favours short-term individual profit over long-term collective advantage.

"Capitalism is the free setting of prices by the market and the private ownership of the means of production. But the law of the market does not have to be transformed into the law of the jungle," he argues.

Speculators, corporate raiders and asset strippers are the main beneficiaries of the Anglo-Saxon model, he says, while the German-Japanese system rewards long-term growth, stability and social welfare.

He notes that the British and Americans tend to live on credit while the Germans and Japanese make substantial savings.

Citing poverty, crime and homelessness statistics, and the visible collapse of public services, he portrays America and Britain as societies where in the 1980s the rich got richer while the poor got poorer and far more numerous.

Germany, on the other hand, has managed to marry successful capitalism with a high degree of social protection, health care, education and training, Albert says.

The gap between the salaries of top industrialists and those of their shop-floor employees in Germany is only a fraction of the Gulf in the United States, he notes.

While an American Corporate President earns 110 times the average salary in his company, Japanese bosses make do with 17 and German industrialists with 23 times as much, according to a study he quotes.

Albert, a former State Planning Commissioner under centre-right President Valery Giscard d'Estaing, attributes Germany's successes partly to the role of the major banks in owning and financing industry, and partly to worker involvement in the boardroom.

Both lead to long-term investment in steady growth and a skilled workforce rather than the search for quick profit.

Perhaps surprisingly after a decade of socialist rule, Albert sees France as hesitating Mitterrand's two models.

Despite President Francois Mitterrand's nationalisation of big chunks of French industry, banking and insurance in 1981-82, France in some ways became a more unequal society in the 1980s with speculators profiteering from a bourse and property boom while the new poor festered in decaying suburbs, he says.

Albert sees the European Community as the prime battlefield in the war between the two forms of capitalism, and he is not particularly optimistic.

The community's 1992 single market risks turning into a mere "supermarket" — a free trade zone with little political or social control, he says.

Albert sees a dangerous race among the 12 EC countries to become a fiscal paradise for investors, depriving the state of revenues it needs to provide social welfare.

He fears that unless there are moves soon to create a united states of Europe, free-market capitalism will erode the welfare state throughout Europe, increasing social divisions and leading to a plague of poverty, crime and homelessness.