

Most nationalised banks running short of messengers?

By Atiqul Karim

Most of the busy branches of the nationalised banks are running short of messengers. This is a lot of hardship to the customers at different branches during the normal business transaction period. It is being reported from a reliable source. A correspondent was taken by surprise to see the shortage of work in a particular branch of the Sonali Bank in an absence of a dealing officer who was otherwise busy to perform the job of a messenger apart from his normal duties. After waiting for about half an hour, which had no indication at all, this correspondent succeeded in paying the dues of his wife at the counter.

A cross section of the employees working at the Dhaka University Registrar Office branch of the Sonali Bank, one of the busiest branches in the city, informed that during the normal office time, most of them have to go to concerned officials or their bosses in connection with office work which according to them, should be done by messengers or peons.

This practice of managing jobs without peons has been going on for long in different branches of other nationalised banks including the Sonali Bank it is learnt. On enquiry the branch manager of the Sonali Bank Registrar office yesterday informed this correspondent that what the employees told were no lies at all. Only one peon manages the affairs in the ground floor of the bank at present, he added.

"Most of the time I have to go to different officials with office matters in absence of the peon, which hampers my normal work," the bank manager alleged.

In absence of at least four to five peons in the bank counter, who went on retirement earlier, the said branch is running short of peons for long, he further said.

Despite repeated requests, the General Manager (Personnel) of the Sonali Bank is yet to take steps for appointment of peons in the bank counter, one employee said on condition of anonymity.

To alleviate the sufferings of the customers, the management of the Sonali Bank should take immediate measures to ensure smooth functioning in the said branch by appointing adequate number of peons.

Emirates signs world-wide interline accord with Air NZ

Emirates, the international airlines of the UAE, has signed a worldwide interline agreement with Air New Zealand, effective March 1, which will allow agents to book passengers of both airlines on through fares from Australia and New Zealand to the Gulf, Middle East or Europe and vice-versa, says a press release.

The agreement provides for fare-sharing over 24 Emirates sectors and 18 Air New Zealand sectors, giving passengers of each airline access of the worldwide networks of both carriers.

The agreement also provides for joint marketing of both carriers' services. Passengers of each partner airline will be actively encouraged to use Emirates and Air New Zealand jointly to fly to and from the Middle East and Europe.

Petr Hill, Emirates' Senior General Manager Commercial Operations (West Asia & Pacific Rim), said: "The interline agreement between Emirates and Air New Zealand will provide a major boost to traffic between New Zealand, Australia and the Middle East."

This worldwide agreement enables Emirates and Air New Zealand to now offer joint competitive fares to Emirates' destinations via our joint gateways. Revenue sharing over this number of sectors means we can provide connections to multiple points in the Middle East or Europe with stopovers for duty free shopping in Dubai.

For passengers from Australia, the agreement with Air New Zealand provides alternative connections to Emirates' gateways, direct from Brisbane. This will supplement connections from other Australian cities and from Brisbane, via Sydney, on Qantas, Emirates' other interline partner. Together, Air New Zealand and Qantas provide connections from all Australian capitals.

Strong demand for all teas at Ctg auction

CHITTAGONG, Mar 8: The weekly tea sale held here yesterday was marked by strong demand for all grades of teas, market sources said, reports BSS.

The few cleaner broken and fannings on offer were a strong feature following competition from the internal buyers and generally sold at dearer levels.

Poland and other foreign buyers operated for the large broken.

Large and bold broken

were readily absorbed at generally lower rates declining by Taka one to Taka two per kg. Medium broken were about steady while smaller broken were generally a dearer market especially the cleaner types which occasionally appreciated by up to Tk two. Popular types were generally a dearer feature selling between Tk 48.50 and Tk 51.00 per kg. Fannings were a fairly good market at irregular rates. The few good liquoring types available were generally dearer up

to Tk two per kg following competition. Plain fibrous types were mostly easier. Popular types were a strong feature selling between Tk 46.50 and Tk 54.80 per kg.

Taka three thousand five hundred chests of dust category on offer met with a strong demand. Others also sold well at firm to slightly easier rates following quality.

Once again internal buyers lent a useful support.

There were 12,062 chests of teas on offer.

Dollar's image fades as currency of choice in troubled times

NEW YORK, Mar 8: The dollar's exalted position as the undisputed currency of choice in troubled times has faded as surely as its value against the German mark and Japanese yen, reports AP.

"The prestige of the United States is being tested here," said Hille Waxman, chief foreign exchange dealer at Bank Leumi Trust Co in New York. "It should be of concern to the administration. It should be of concern to Congress."

Money traders say the dollar's decline this week to all-time lows against the mark and yen reflects a loss of confidence for the US currency.

Americans travelling to Europe and Japan already have found their dollars buy less than a week ago. Saudi Arabia plans to raise the price of oil exported to the United States, partly because of the dollar's weakness. Prices of German cars, Japanese CD players, Swiss cheese and French wine inevitably will rise to reflect the dollar's reduced purchasing power.

The longer-term consequences of the dollar's decline, while harder to measure, may reflect how the United States is no longer an unchallenged economic superpower. The value of a currency is related to the perception of a country, Waxman said. "I believe the market is saying the role of the United States moving into the next 50 years is different than it used to be. It

will play a more diminished role."

Declines in the dollar's value against the mark also signal the German currency's emergence as a safe haven in its own right.

In the past week alone, the dollar has declined more than

Italian Senate approves '95 mini-budget

ROME, Mar 8: The Italian Senate Tuesday overwhelmingly approved a supplementary budget presented by Prime Minister Lamberto Dini to cut the government's budget deficit, reports AFP.

The vote was 179 in favour, 91 against and seven abstentions. The lira, under heavy downward pressure for weeks, responded with a slight rise in late trading, going to 1,192.5 to the German mark from 1,200.

The 1995 mini-budget calling for tax increases and spending cuts must still be approved by the Chamber of Deputies. A vote there is expected Thursday, and the budget could survive despite a threat by former premier Silvio Berlusconi and his parliamentary supporters to vote it down.

The blueprint aims to trim 20 trillion lire (12.5 billion dollars) from the deficit.

6 per cent against the mark. Meanwhile, the mark soared Tuesday to post-World War II highs against the British pound, French franc, Spanish peseta, Portuguese escudo and Swedish krona.

"If I was thinking long-term money and where you would put it, I would say Deutsche marks and Swiss francs," said Michael Zentz, a capital markets analyst at Pegasus Economic Group in New York.

Zentz and others credited the Bundesbank, Germany's central bank, for its tight, conservative monetary policy that has led to confidence in the nation's economic stability.

Conversely, investors have fled the dollar for a variety of reasons, including the US government's apparent inability to deal with big trade and budget deficits, as well as the difficulty President Clinton confronts in working with the Republican Congress.

Last week, the Federal Reserve and other world central banks jointly sought to halt the dollar's decline by purchasing an estimated \$5 billion of US currency with marks and yen to reduce the supply. But the intervention did nothing to discourage dollar selling.

"It's a very psychologically driven market we've been seeing the past couple of days," said Chris Rude, a senior economist at Swiss Bank Corp in New York. "And right now people are wondering where the leadership is."

BR to import passenger carriages from Iran next yr

Bangladesh Railway will import passenger carriages from Iran next year spending about Taka 50 crore, reports BSS.

An agreement to this effect has recently been executed between the government of Bangladesh and M/S Wagon Pars Co of Iran for procurement of sixty-six passenger carriages. Most of the carriages will be of "shovan" class and the procurement which includes spare parts will cost 12.38 million US dollars, a press release of BR said today.

The delivery of the carriages is likely to be started from April 1996 and will be completed by August.

Funding for the procurement will be made from the government's own resources and with the delivery of the carriages, the facilities and comfort of the travelling passengers will be greatly increased, the press release added.

MA Rahim, General Manager, project, BR, and Seyed Hossain Seyed Hashmi, Chairman, Wagon Pars Co, signed the agreement on behalf of the respective sides.

Two Bangladeshi garment cos take part in Stockholm Fashion Fair

Two Bangladeshi garment manufacturing and exporting companies - Rishal Garments Ltd and F H Textiles participated in Stockholm Fashion Fair held last month, reports BSS.

The three-day fair which ended on February 19 in the Swedish capital is one of the two similar shows held every year there.

Over 20 thousand visitors mostly traders, chain stores executives and designers visited the springtime fair where nearly 600 pavilions from 25 countries were set up, a message from Stockholm received here yesterday said.

Bangladesh has been quite regularly participating in the Stockholm Fashion Fair under arrangements of the Export Promotion Bureau. This is for the first time two private companies put up their pavilions without government support. Bangladesh embassy in Stockholm, however, provided necessary support and guidance, the message said.

Chinese airlines may have 2216 planes by 2013

BEIJING, Mar 8: China's passenger airlines expect to have a total of 2,216 planes by 2013, more than five times the current fleet size, the official Xinhua News Agency reported Tuesday, reports AP.

By 2013, China will have 1,748 large and medium-size passenger planes and 468 smaller ones, the report said, compared with the current fleet of about 400 planes of all sizes.

China's civil aviation market is one of the world's fastest-growing.

According to a long-term forecast released this week by the China Aviation Industrial Corp, passenger load will grow by 12.3 per cent annually until 2013.

The number of civil aviation airports, now 104, is expected to grow to 120 by the year 2006 and to 160 by 2010.



MA Rahim, General Manager, Project, Bangladesh Railway, and Seyed Hossain Seyed Hashmi, Chairman, Wagon Pars Co of Iran, seen signing the agreement on behalf of their respective sides.

Leeson fears for his life?

LONDON, Mar 8: With Barings bank newly risen from the ashes, the man behind its collapse began resuscitating his own fortunes on Tuesday, saying he fears for his life and that money couldn't be further from his mind.

Nick Leeson, the trader who has swapped the high life in Asia for a Frankfurt prison cell, is fighting back.

Speaking via a London publicist - who did the rounds in interviews on Tuesday - Leeson also put his former bosses on notice he will not go down quietly should he face trial in Asia.

"It's like a tidal-wave hitting you. You're angry, you are numb, you're shocked. It's very emotional experience to be hung out to dry worldwide," Max Clifford, Britain's best known publicist, told Reuters.

"He is genuinely worried, in my opinion, he is in fear of his life if he goes back to Singapore," said Clifford.

"The main point is to try to make the world aware that this is a Barings Bank scandal and not a Nick Leeson scandal."

In short, Leeson could soon be naming names as he stages his bid to become the comeback kid of world money markets.

Widely decried as an upstart Londoner who single-handedly broke the bank, Leeson is making his case from jail after being intercepted in Frankfurt as he wended his way back to London.

His appeal is directed at a British public transfixed by stories of greed run amok in the carousel world of high finance.

Clifford says he is not offi-

cially representing Leeson but "helping" him as he fights extradition to Singapore, where his gambles on Japanese stock prices brought Barings down.

Clifford said he is not in the habit of signing contracts with clients, but that it was Leeson who first opened the liens of contract to ask that his story be fairly told.

"He phoned me a few times," said Clifford. "He wanted help in getting across his side of the story."

"And I know from his lawyer he's very happy about what we've achieved so far."

"If you ask the person in the street, nine out of 10 would say Barings is the real villain," Clifford said. "A week ago, he was the only villain. As a public relations exercise, we've achieved exactly what he wanted."

But the story far from ends here. Indeed, Clifford conceded Leeson's saga may yet be worth millions and called the Barings bankruptcy "the greatest story in the world."

Papers are merrily gossiping about which Hollywood star might play Leeson in an irresistible, rags-to-riches tale of one London trader let loose in the world of Asian funny money.

But first things first. Leeson has hired a top lawyer to try to bypass Singapore, where white-collar crime can reap long prison sentences, British judges, by contrast, have been criticised as going soft on financial fraud, doling out token sentences in easy-going jails.

Indeed, Leeson's trump card could well be he knows fully well what went on in the run-up to the spectacular col-

lapse. It is Leeson, said Clifford, who can best answer the questions - what did Barings know and when did they know it?

"There are a lot of powerful people who have got a lot to lose by him coming out and saying everything he knows," said Clifford, setting the stage for a tantalising finale to the blockbuster film of "the greatest story in the world."

AFP adds: The British government has begun to gather evidence to back a possible request for the extradition from Germany to Britain of Barings trader Nick Leeson, according to today's Financial Times.

In order to succeed, the government's serious fraud office must demonstrate either that Leeson, blamed for the collapse of Barings, set out to defraud Barings in London or that bank executives in London were involved in a fraud, said the paper.

It has emerged that the office's decision to involve itself in the Barings case followed several days of consultation between Bank of England officials, senior Barings executives and fraud officials and city of London police, the paper said.

It added that the belief there may be a criminal case to answer in Britain grew within these groups after it emerged that Leeson had allegedly built up losses of 50 million pounds (75 million dollars) by the end of 1994 in a hidden trading account.

But the serious fraud office plans to make a request for extradition to the German authorities only if it thinks there are 'cast iron grounds' for a prosecution in the UK, the report said.

Asian stock markets close lower

HONG KONG, Mar 8: Asian stock markets closed mostly lower Wednesday, with prices diving in Tokyo because of worries about the US dollar's plunge, reports AP.

The Nikkei Stock Average of 225 selected issues fell 333.97 points, or 1.97 per cent, closing at 16,621.31. On Tuesday, the benchmark index had shed 85.44 points, or 0.50 per cent.

The Nikkei at one point touched 16,541.67, a new low for the year.

The Tokyo Stock Price Index of all shares listed on the Tokyo Stock Exchange's first section closed at 1,336.13, down 17.15 points, or 1.27 per cent. On Tuesday, it had lost 8.37 points, or 0.61 per cent.

Traders said shares were falling because of the yen's rise and a 365-point fall in Nikkei-225 futures prices on the Chicago Mercantile Exchange overnight. Another factor pushing down the Nikkei was arbitrage selling by dealers.

The territory's currency is linked to the US dollar, whose weakness thus is matched by a drop in the Hong Kong dollar against other currencies.

Although the key index ended near its intraday low Wednesday, it did rebound slightly in late trading "on bargain hunting."

Elsewhere: WELLINGTON: New Zealand shares finished down in moderate trading, with brokers expecting the market to remain weak in line with major overseas markets. The NZSE-40 capital index lost 12.04 points to 1,949.86.

TAIPEI: Share prices fell in continued thin trading as the weak US dollar and falling regional markets cast a pall over the local bourse. The Weighted Index plunged 54.69 points to 6,426.07 points.

MANILA: Share prices dropped in light trading as the fall of the Dow Jones Industrial Average discouraged investors. The Philippines' unified composite index of 43 selected is-

sues lost 35.62 points to 2,411.78.

SYDNEY: Australian share prices mostly dropped, reacting to continued declines in the US dollar and weakness in local bonds. The All Ordinaries index shed 8.0 points to 1,883.2.

SEOUL: Share prices rose for the sixth straight day, led by companies expected to benefit from a strong yen. The Korea Composite Stock Price Index added 3.95 points to 940.08.

KUALA LUMPUR: Share prices dropped for the third consecutive day because of volatility in the currency markets. The KLSE Composite Index lost 12.18 points to 935.05.

JAKARTA: Share prices plummeted in moderate trading as investors were discouraged by the dollar's drop and speculation that the rupiah would be devalued. The stock exchange's composite index fell 9,922 points, closing at 437,302.

India's last bastion of resistance to market reforms fades

CALCUTTA, Mar 8: The revolution wrought in India's only Marxist-ruled state doesn't look like the one promised when the Communist Party of India won power 18 years ago, reports AP.

The leaders of West Bengal have locked up their red banners and are following the lead of the rest of India in welcoming private investors. No longer is it bad to be rich. Perestroika in India's most densely populated state - and one of its poorest - is proof that even the most stubborn critics of Prime Minister PV Narasimha Rao now see his economic reforms as the only route to progress.

But West Bengal remains a showcase of Third World underdevelopment. Here, all the difficulties of Rao's three-year-old effort to wrench India into the global industrial mainstream are compressed into one place.

Calcutta is a model of unattractiveness for international business, a synonym for filth and urban decay. It is an overcrowded metropolis of 13 million people where streets are overrun by the homeless, where traffic crawls over potholed roads, and where telephones remain dead for weeks.

More than any other Indian city, Calcutta resisted Rao's market-friendly reforms. Saying they were upholding the rights of the working man, the Communists even refused to let computers into West Bengal government offices

until a few years ago. Elsewhere in India, it was easier to shuck five decades of socialism and deregulate business. Seeing a potential boom in a country of 900 million people, IBM, Coca-Cola, General Motors, Kellogg and other corporate giants opened shop.

Between six billion dollars and seven billion dollars in investment poured into the industrial states of western India like Maharashtra and Gujarat, where the cities are cleaner, telephones work and trade unions are weak.

By most standards, India's reforms are working. Industrial production is up and so are profits. Exports rose 17 per cent last year. Foreign currency reserves, which dipped to one billion dollars when Rao began the reforms, now stand at 23 billion dollars. After years of stagnation, 5.5 per cent growth looks attainable.

Until recently, West Bengal had looked on defiantly as the rest of the nation changed. "The realization is dawning that profit and competitiveness are going to be the hallmark of success," said Sanjiv Goenka, Vice President of the R P Goenka group, one of Calcutta's biggest companies.

Goenka recently fired 600 workers in one day without a murmur of protest from their union - something unthinkable a year ago, when unions would block the sacking of even

the most inefficient worker. Last September, Jyoti Basu, the state's 82-year-old elected leader, jettisoned Marxism for pragmatism and ordered the communist trade union to shed militancy. Without consulting his party, Basu opened the state to private investors.

Today, Japanese businessmen in dark blue suits jostle with rickshaws, trying to negotiate chaotic traffic in Calcutta's Dalhousie Square.

A year ago, Somnath Chatterjee was a Communist Party stalwart who was accusing Rao's reforms of spreading poverty instead of wealth. Now, he is in charge of wooing investment. He started by donning a business suit and going to the booming capitalist city-state of Singapore.

Chatterjee has renovated a 100-year-old British colonial building to create a plush office with marble floors, subdued lighting and potted palms where he meets foreign businessmen and clears projects on the spot.

"Now the obstacles have gone," said Chatterjee. "Businessmen don't have to run from office to office to set up a business in West Bengal." For 30 years, Chittabrata Majumbar, a chain-smoking trade union leader, exhorted workers to strike at the slightest provocation. Industry fled Calcutta because of the regular, often violent, labour unrest. Now, he is under more sober orders from Communist leaders. "The eight-hour day is a contract with the

employer. The working class should abide by it," said Majumbar, Vice President of the Center of Indian Trade Unions, India's biggest Communist union.

When painters whitewashed a portrait of Karl Marx off the wall of Calcutta's town hall, it made headline because Majumbar failed to call a strike.

Calcutta's new image is beginning to be noticed. "There is a lot of improvement. We saw we could make money," said Purnendu Chatterjee, a partner of the New York-based George Soros group.

Soros is spending 1.2 billion dollars on an ambitious petrochemical project and an oil refinery in Haldia, 60 kilometres (40 miles) from Calcutta.

Malaysian Renong Overseas Crop has expressed interest in building a 1.2 billion dollar, 700-kilometre (435-mile) toll road in the state. Three Singapore based companies want to build hotels, shopping malls and hospitals.

Die-hard Marxists initially resisted the changes. "But we cannot remain isolated and turn our state into a desert," said Anil Biswas, who edits the party's daily newspaper. "We are making policies in a capitalist society. How can we object to free market policies?"

Delhi urged to check inflationary spiral

NEW DELHI, Mar 8: An eminent Indian economist has called on the union government to take steps to check inflationary spiral to avoid rupee devaluation, reports Xinhua.

B B Bhattacharya, professor of monetary economics at the Delhi-based Institute of Economic Growth, said in a pre-budget interview with the United News of India yesterday that there was an urgent need for steps to check the inflationary potential of the economy.

He said the inflation rate in India could spiral to 25 to 30 per cent if international oil prices start rising or in case of a monsoon failure.

So far inflation rate in India has been hanging at more than 11 per cent. He also said, "If prices are not controlled at ten to 11 per cent it will be difficult to prevent depreciation of the rupee."