



## Chemical fertiliser crisis persists in Dinajpur

**DINAJPUR, Apr 18:** Acute scarcity of chemical fertiliser has been prevailing in the district due to its short supply and malpractice in distribution system, reports UNB.

The farmers apprehended that the target of Irri-Boro production would not be achieved in the current season due to the prevailing scarcity.

They said most of the Irri and Boro paddy plants have become yellowish and growths hampered due to shortage of fertiliser.

The affected farmers have been staging rallies and demonstrations including gherao programmes in the town demanding of fertiliser. But the administration failed to supply sufficient fertiliser to the agitating farmers.

Meanwhile, the farmers physically assaulted one union parishad member for selling fertiliser in the black market and took away fertiliser from another UP member and distributed the same among themselves.

## 40 pc Russians earn less than \$50 per month

**MOSCOW, Apr 18:** Between 30 and 40 per cent of Russians earn less than 50 dollars a month viewed as the average minimum subsistence level across the country, a senior labour ministry official said yesterday, reports Reuter.

Vyacheslav Bobkov, Director of the all-Russian centre for living standards, said Russia hoped to reduce this percentage next year by subsidising those on low incomes from the regional and federal budget.

The centre is part of the labour ministry.

But, Bobkov said the success of plans for a so-called poverty subsidy, already agreed in principle by the lower house of parliament, would depend on broad economic recovery and on sharp rises in minimum pensions and wages.

"The success of the plan will depend on the overall social and economic development of Russia," he said by telephone.

The government has so far vetoed big rises in minimum wages because of the budgetary implications. Meeting a tough 1995 budget is a precondition for Russia receiving a 6.8 billion dollar standby loan from the International Monetary Fund.

## Clinton signs new expenditure control bill for US capital

**WASHINGTON, Apr 18:** US President Bill Clinton signed a bill yesterday that imposes strict new spending controls for Washington, DC and strips away mayoral powers as part of a financial rescue package for the debt-heavy city, says AFP.

"The health of the city and security of its citizens have been threatened by the financial crisis," Clinton said at a White House ceremony attended by Washington Mayor Marion Barry.

"I applaud all those who have come together to begin the road back," Clinton said.

The bill allows the city to borrow hundreds of millions of dollars from the Federal Government to pay off debt and keep operating, but it also includes a five-member control board to oversee the city's finances.

The board would have veto power over spending and authority to reject union contacts and eliminate city services while keeping the city from toppling into bankruptcy with a 722 million dollar deficit.

## Mexico begins daily report on monetary figures

**MEXICO CITY, Apr 18:** As part of its effort to restore confidence in the peso, Mexico's central bank has begun issuing daily reports on government finances it previously kept secret, reports AP.

Banco de Mexico issued its first report Monday, releasing figures on the nation's money supply, current account and intervention in exchange markets.

The release of information is designed to quell fears that the government is expanding its money supply.

## BSB okays Tk 34.16 cr for project at Gazipur

**Bangladesh Shilpa Bank** Monday sanctioned Tk 34.16 crore for a new industrial project at Gazipur, BSB officials said, reports UNB.

The spinning mill with 25,920 spindles will produce an estimated 34,04,768 kg yarn per year.

The sanction was given in a meeting of BSB Board of Directors with its Chairman A T M Alamgir MP in the chair.

They said the BSB credit is part of the project's total cost of Tk 58.60 crore.

The industrial unit will employ 644 people and con-

tributed Tk 15.57 crore to gross domestic product (GDP) annually.

During its lifespan, the project is expected to help save an amount of foreign currency equivalent to Tk 375.80 crore.

The meeting also decided to sanction loan for the import of all machinery required for a running project at 30 per cent margin from Japan and Europe.

For other purposes of such projects, credit/equity will be provided at 50:50 ratio.

## Asian stock markets close lower

**HONG KONG, Apr 18:** Asian stock markets closed mostly lower Tuesday, with share prices falling in Tokyo as the US dollar slumped further against the Japanese yen, reports AP.

Tokyo's 225-issue Nikkei Stock Average fell 79.04 points, or 0.48 per cent, closing at 16,225.11. On Monday, the average had gained 256.66 points, or 1.60 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was down 4.98 points, or 0.38 per cent, to 1,297.95. It had climbed 14.58 points, or 1.13 per cent, on Monday.

Traders said share prices fell on small-lot selling as investors continued to watch movements on the foreign exchange market.

In late afternoon, the dollar was trading at 81.12 yen, down 1.04 yen from late Monday in Tokyo and also below its late overnight New York level of 82.05 yen.

In Australia, share prices closed sharply higher as strong gains in gold and oil stock lifted overall sentiment and prompted solid overseas buying.

Sydney's All of Ordinaries index closed at 2,040.5, up 19.8 points, or 1.0 per cent, from its Thursday close of 2,020.7. The market was closed Friday and Monday for public holidays.

**HONG KONG:** Share prices closed lower on profit-taking after the Easter holidays. The Hang Seng index, the market's key indicator of blue chips, fell 17.02 points, or 0.2 per cent,

closing at 8,644.97. On Thursday, the index had surged 152 points.

**TAIPEI:** Share prices closed lower for the eighth straight session despite some bargain-hunting. The market's Weighted Index fell 5.51 points to 6,106.56.

**WELLINGTON:** New Zealand share prices closed higher on reports that the US-based International Paper Co has acquired 253 million shares of local forestry concern Carter Holt Harvey Ltd. The NZSE-40 Capital Index rose 21.21 points to 2,114.32.

**MANILA:** Share prices fell for the second straight day on profit-taking. The Philippines' unified composite index of 43 selected issues fell 10.32 points to 2,477.63.

**SEOUL:** Share prices closed lower in decreased trading. The Korea Composite Stock Price Index fell 1.83 points to 917.06.

**KUALA LUMPUR:** Malaysian share prices closed mixed in light, lethargic trading. The KLSE Composite Index gained 1.67 points to 964.30.

**SINGAPORE:** Share prices closed lower in thin trading. The 30-share Straits Times Industrials Index fell 2.64 points to 2,051.09.

**BANGKOK:** Thai share prices closed lower, pushed down by selling in the finance sector. The Stock Exchange of Thailand index fell 16.3 points to 1,177.83.

**JAKARTA:** The stock exchange's Composite Index fell 2.873 points, closing at 414.962.

## IJC meeting opens today

The twenty-third session of the Committee On Projects (COP) and the International Joint Council (IJC) begins here today, says BSS.

The three-day meeting of IJC, the governing body of International Joint Organisation (IJO) will follow the meeting on COP.

Jute Minister Hannan Shah will inaugurate the IJC meeting on April 22.

## Italian envoy makes farewell call on Majid

The Italian Ambassador to Bangladesh Dr Claudio Pacifico made a farewell call on Agriculture and Water Resources Minister M Majid Ul Haq at the Bangladesh Secretariat here yesterday, reports BSS.

They discussed matters of mutual interest especially the development programmes of the agriculture sector in Bangladesh.

The minister thanked the ambassador and the government of Italy for providing Bangladesh with heavy earth moving equipment just after the devastating cyclone and tidal surge in 1991.

Italy provided heavy earth moving equipment and cranes costing over Taka seven crore as gift which are now being used in different infrastructure development works in Bangladesh.

They also discussed the agricultural rehabilitation programme specially in three selected thanas.

The minister sought cooperation of Italy for expansion of trade and export in Europe.

They also hoped that the relation between Bangladesh and Italy would further strengthen in the years to come.

## Iran removes highest exchange rate for rial

**TEHRAN, Apr 18:** Iran has scrubbed its highest official dollar exchange rate for the Iranian rial, the Governor of the Central Bank announced yesterday in a move acknowledging the currency's two-year plunge, says AFP.

Governor Mohsen Nurbakhsh told the government Daily Iran that the rate of 70 rials to the dollar only really used for imports of basic products had been abandoned on March 21.



Commerce and Information Minister M Shamsul Islam presiding over the Parliamentary Standing Committee meeting on Commerce Ministry at Sangsad Bhaban on Sunday. — PID photo

## Japan's bid to bolster yen as world currency faces obstacles

**TOKYO, Apr 18:** Japan's desire to bolster the yen as a key world currency faces many obstacles, including the huge yen debt held by many Asian nations and the US dollar's entrenched position in world trade, analysts said yesterday, reports AP.

Malaysia, for example, has a huge yen debt. The last thing I think they want to do is take on more yen," said Betsy Daniels, a banking analyst with Morgan Stanley in Tokyo.

The yen has risen 17 per cent in value against the dollar since the beginning of the year, increasing the costs of repayment for Asian countries who hold loans from Japanese banks.

Since many of these countries use dollars in their international trade, such as China, Thailand and Indonesia, this raises their repayment costs.

The Japanese government has so far said it will do nothing to ease Asian countries' debt burden, which has reached more than six billion dollars.

Tokyo has raised the idea of bolstering the yen as a key world currency to match the country's economic ascension and counter the effects of the falling dollar, which has dramatically boosted the price of Japanese exports.

Takafumi Kaneko, a Deputy Director of Japan's Economic Planning Agency, said Friday that Japan wanted to develop "intimate relations with Asian central banks" to develop the yen as a key international cur-

rency.

He cites US economic decline and the lack of support for the dollar as a major reason.

This presumably means Japan would like more Asian central banks to hold their current accounts in yen and for business transactions to be conducted in yen.

But Dick Beason, an economist with James Capel in Tokyo, said this all points to maintaining the yen as a strong currency, which is not the effect that the Japanese government should be striving for at this time.

## US dollar mixed in Europe

**LONDON, Apr 18:** The US dollar was mixed as trading resumed in Europe Tuesday morning after the four-day Easter holiday, reports AP.

Gold was up from Monday's New York prices.

Dollar rates compared with kite Monday in New York: 81.43 Japanese yen, down from 82.05; 1.3650 German marks, down from 1.3665; 1.1255 Swiss francs, down from 1.1265; 4.7890 French francs, up from 4.7795; 1.5343 Dutch guilders, up from 1.5323; 1.699.75 Italian lire, up from 1.691.00; 1.3690 Canadian dollars, up from 1.3673.

The British pound was quoted at 1.6195 dollars, down from 1.6230 dollars late Monday.

"I don't think this has been very well thought out," Beason said. "This is not the policy the Japanese government should be pursuing now."

For the yen to take on the stature of a key trading currency, Asian countries have to be able to sell more of their product in Japan, which would in turn put more yen in their pockets, Daniels said.

She said one reason the dollar dominated is that the United States represented one of the biggest markets for developing Asian countries, which was not the case with Japan.

"Japan has to open its doors to imports so these countries can repay the yen to repay their debts," Daniels said.

Malaysia and Thailand could use about 40 per cent of their trade with Japan, but only about 20 per cent of their currency reserves are in yen, she said. Much of their currency reserves remain in dollars.

"The dollar is still far more comfortably accepted," said Mark Faulkner, an analyst with S.G Warburg Securities. "The yen is rally not in a position to take over the dollar's position, not even in its own backyard."

Another reason the dollar is so entrenched in Asia is that the currencies in Hong Kong, Malaysia and Thailand, among others, are linked to the greenback in one way or another.

The analysts agree, however, that the dollar may eventually be knocked off its throne.

## Thailand keen to invest in telecom sector

Thailand is showing keen interest to invest in the telecommunications sector of Bangladesh, according to an official handed here yesterday, reports BSS.

The Ambassador of Thailand to Bangladesh Sunthorn Avitayameth said this while he called on Minister for Post and Telecommunications Tariquul Islam at his secretariat office.

Post and Telecommunications Minister Tariquul Islam informed the Thai ambassador that the approval for the installation of one lakh forty thousand digital telephone project was in the final stage. Bangladesh is seeking finance in this project he said adding that Thailand can participate in the project.

They also discussed matters of mutual interest.

## Dollar's slide won't top G-7 meet agenda, says Rubin

**NEW DELHI, Apr 18:** International coordination to stop the slide of the US dollar will not be the top agenda item at next week's meeting of industrial nations, the US treasury secretary said Tuesday, reports AP.

Robert E Rubin said the meeting of the finance ministers of the Group of Seven will focus more on "the post-Mexico era," an apparent reference to how countries in financial distress can be helped.

But the currency question will come up, "I cannot conceive of finance ministers getting in a room and not discussing foreign exchange matters," he said.

Rubin's remarks to a small group of reporters reflected a continuing disagreement with Japan on how to control the currency market and where the responsibility lies.

## US to give \$200m to Egypt for electricity network

**CAIRO, Apr 18:** The United States has agreed to provide up to 200 million dollars in aid, to Egypt to modernise its electricity network, the US Agency for International Development said yesterday, reports AP.

USAID Director John Wesley and Egyptian Electricity Minister Mohammad Maher Abaza signed the agreement Sunday to provide up to 50 million dollars per year for the next four years, a member of the USAID power and telecommunications division, John Hunt, told AFP.

He added that Egyptian International Cooperation Minister Youssef Boutros-Ghali and US Ambassador to Egypt Edward Walker had first concluded the agreement in September and the first moneys were already being distributed.

The grant will be used to modernise the electrical control station at the high dam as well as build two new control stations in the southern Egyptian province of Minya and near the northern town of Dananour.

## China sets up special police to protect tax collectors

**BEIJING, Apr 18:** China's tax administration has set up a special police unit to protect tax collectors, who are running into increasing violence as a fledgling tax system goes into force, the China News Service said yesterday, reports Reuter.

The powers and duties of the new police to detain people and inspect their accounts have yet to be decided by the state council, China's cabinet, it quoted Yang Chongchun, Deputy Director of the Tax Administration, as saying.

Tax evasion is a serious problem in China, costing the state 100 billion yuan (12 billion) in losses each year, the semi-official news agency said.

Cases of taxpayers using violence or other threats against tax collectors were being reported, giving rise to the need for a protective force, it said.

Stricter management helped China reap 2.37 billion yuan (280 million) in personal income tax in the first quarter a dramatic 81.5 per cent rise over the 1994 period, the Xinhua news agency said on Saturday.



Indonesian Vice-President Try Sutrisno (front C) poses with finance ministers of the Asia Pacific Economic Cooperation (APEC) shortly after the opening of the second APEC ministerial meeting in the Indonesian resort island of Bali on Saturday. — AFP/UNB photo

## New York Times says Studies show major US economic divisions

**NEW YORK, Apr 18:** Economic class differences in the United States are more pronounced than in any other industrialised nation, the New York Times reported Monday, says Reuter.

Citing economic and statistical research yet to be published, the Times reported that in 1989, last year for which statistics were available, the wealthiest one per cent of American households — with assets worth 2.3 million dollar — owns "nearly 40 per cent of the nation's wealth."

The top 20 per cent of households, with assets of 180,000 or more, owns 80 per cent of America's wealth, the newspaper said.

In contrast, the richest one per cent of the British population owns about 18 per cent of the wealth.

On the lower end of the scale, the studies showed the lowest earning 20 per cent of households earn 5.7 per cent of America's after-tax income.

In Finland, the lowest 20 per cent earns 10.8 per cent of after-tax income.

In terms of income, the top 20 per cent of American households earn 55,000 dollars or more and bring in 55 per cent of the after-tax income, the paper reported.

The author of two of the studies on wealth in western countries is New York University Professor Edward Wolff.

## Sufferer warns of compulsive gambling in stock market

**MILFORD, Connecticut, Apr 18:** Judah Harris used to see himself as an unlucky investor but says he now realises he was a compulsive gambler, one who placed bets with stockbrokers rather than at casino gaming tables or horse tracks, says AP.

Harris tells about lying to his friends, family and employers, so he could spend the day in a broker's office, watching the stock market. Often, he says, he would "double up" his investments late in the day, just as hooked horse players do on the last race.

Having run through more than 600,000 dollars in bad bets on the big board and gone through bankruptcy, the 60-year-old attorney wants other stock market players to be forewarned.

"A gambling casino is more forthcoming than most stock brokers," Harris says. "At least the casinos says openly what you're doing is gambling."

Harris once lost 60,000 dollar in one day in a frantic

binge of option trading. He says brokers never urged him to slow down, beyond having him sign the required form stating that options are risky investment.

He hit bottom two years ago. "I was called into my employer's office and told I'd been seen in a brokerage house during work time. I had lost jobs in the past — and most of two inheritances — because of problems related to gambling."

He saved his job by agreeing to join Gamblers Anonymous and get professional counselling.

That's when he met Dr Marvin Steinberg, a psychiatrist who heads the Connecticut Council on Compulsive Gambling. In the past year, Harris and Steinberg have travelled around the country, talking with counselling groups about problem gambling in the stock market.

"Steinberg recently sent a questionnaire to Connecticut

stockbrokers, asking whether they and their clients every use the market to gamble irresponsibly. He got replies from 57 brokers.

Steinberg said his findings have led him to believe broker tend to have more severe gambling problems than do their clients. "Many brokers who have been targeted as 'bad' or 'rouge' brokers are unrecognized problem gamblers," he said.

Paul Ashe, president of the National Council on Compulsive Gambling, says his organization, which includes groups in 22 states, last year received more than 18,000 telephone calls from problems gamblers. Many had lost all their money in the stock market.

"One man who came to me after committed suicide because of stock market losses," said Ashe, who serves as executive director of the Florida Council on Compulsive Gambling.

A former investment banker, Ashe says, the fast turnover and speculative nature of commodity and option trading provides a perfect setting for problem gambling.

Chris Anderson, executive director of the Illinois Council on Problem and Compulsive Gambling, is himself a former stockbroker who gambled recklessly in the market.

"I lost my family and my home" he says. "I know a lot of stockbrokers who are problem gamblers, especially those who are floor traders in the options market here in Chicago."

Anderson said the investment industry cringes whenever gambling is linked with the stock market.

"There's complete denial" he said, "but all you have to do is pick up a newspaper and read about the recent tremendous losses bond funds have suffered in connection with the derivatives market. All they were doing, in this case, was betting on which way interest

rates would go; if that isn't gambling, what is it?"

The nation's stockbrokers and brokerage houses are scrutinized by the National Association of Security Dealers, a self-regulatory organization that includes 5,300 firms and 490,000 licensed stockbrokers.

The NASD disciplines brokerage houses and stockbrokers who "churn" investor accounts — a practice whereby series of quick stock purchases and sales are made in order to generate commissions — and watch for other infractions.

In 1993, the NSD levied 33 million dollars in fines against its members ordered restitution of almost 11 million dollar to mangled investors expelled 41 firms and barred 404 stockbrokers.

But Ashe and Steinberg say the industry, while it regulates illegal and unethical activity, doesn't do enough to discourage self-destructive investors like Judah Harris.

They note the New York Stock Exchange has no policy on problem gambling. Margaret Draper, a spokeswoman for the NYSE, says the exchange leaves the matter up to the brokerage houses to deal with as they see fit.

Harris and Anderson said their experience has been that brokerage firms are so eager to earn commissions they take little notice of irresponsible investing.

Harris has a record of his 1989 options trades with a Hartford broker. It shows he made 145 trades, ringing up \$16,050 in commissions for the brokerage house.

In retrospect, Harris says, he has only himself to blame. "I used to think people who played the horses were idiots. I considered myself to be an investor, and felt I was operating on a high plane, higher than my job, even. But I know now that it was self-delusion"