

Japan appoints new finance minister

TOKYO, Feb 1: Japan on Friday appointed a "Mr Clean" finance minister who immediately vowed to punish wrongdoers in the scandal-ridden finance ministry, says AFP.

"It was decided to appoint Hikaru Matsunga as finance minister," Chief Cabinet Secretary Kanezo Muraoka told a news conference after the appointment by Prime Minister Ryutaro Hashimoto.

The premier later said he chose Matsunga "as I felt that strict investigation would be carried out" of the Finance Ministry, which is reeling from a bribery scandal.

Matsunga, 69, a senior member of the ruling Liberal Democratic Party (LDP) and Chairman of the Lower House Budget Committee, replaces Hiroshi Mitsuoka, who stepped down Wednesday over the scandal.

He takes up his new job as the country seeks to revitalise the world's second biggest economy under pressure from the United States and other major trading partners and as the finance ministry grapples with crisis.

Two ministry officials were arrested Monday for allegedly accepting lavish entertainment from banks in return for tip-offs and lenient treatment, triggering the departure of Mitsuoka and the Vice Finance Minister.

Ramos orders all gov't agencies to cut expenditure by 25pc this yr

MANILA, Feb 1: Philippine President Fidel Ramos has ordered all government agencies to reduce their expenditures this year by at least 25 per cent to avoid a budget deficit prompted by the currency crisis, says AP.

Specifically, Ramos ordered government agencies to defer expansion plans and hiring. But the order, made Monday, does not cover automatic appropriations for personnel or interest payments on debts.

Ramos said his order for a cut in expenditures includes state universities and colleges whose funding comes from the national budget.

The Philippine leader ordered government agencies to suspend new infrastructure projects, acquisition of new vehicles, foreign travel, attendance at overseas conferences, training and workshops, celebration of cultural and social events, advertisements in media, additional employee benefits, and donations.

Ramos said economic difficulties caused by the peso's steep depreciation require "continued prudence in government fiscal management to maintain economic stability and sustain the country's growth momentum."

The government hopes to post a budget surplus of at least 1 billion pesos (24 million dollars) this year.

It has achieved budget surpluses in the past three years of 1,564 billion pesos (38 million dollars) in 1997, 6.26 billion pesos (153 million dollars) in 1996, and 11.07 billion pesos (268 million dollars) in 1995.

WB chief hold talks with Thai leaders on easing economic crisis

BANGKOK, Feb 1: World Bank chief James Wolfensohn flew out of Thailand today after a series of talks with top officials aimed at easing the impact of the economic crisis on the burgeoning ranks of unemployed, reports AFP.

The last appointment of his whirlwind visit was a meeting with Prime Minister Chuan Leekpai and Finance Minister Tarrin Nimmanaheminda to discuss their efforts to deal with the country's financial firestorm.

The hour-long meeting with Chuan and Tarrin at Bangkok's International Airport covered the economic crisis and its main social impact: poverty and unemployment.

It marked the end of Wolfensohn's two-day visit aimed at underlining the bank's support for Asian nations grappling with the unprecedented economic turmoil gripping the region.

He met Chuan in the VIP lounge at Don Muang Airport as the Prime Minister flew in from Switzerland, where he was guest speaker at the world economic forum conference in Davos.

No details of the talks — which took place before Wolfensohn flew to Singapore on the talks — which took place before Wolfensohn flew to Singapore on the second leg of a nine-day tour of crisis-hit Asia — were immediately available.

But that television reports today quoted Chuan as saying the Asian "contagion" could spread to Europe unless further measures were taken to keep it under control.

Clinton to allocate \$86m more to fight child labour

Vasantha Arora writes from Washington

The US led anti-child labour campaign in South Asia will get a boost with President Bill Clinton's allocation of an additional 86 million dollars to help enforce child labour laws at home and abroad.

Senator Tom Harkin, a long-time advocate for the eradication of child labour in India, Pakistan, Bangladesh and Nepal, told a press conference here January 29 that this amount would support an international programme for hiring additional investigators, boosting educational funds for migrant children and increasing global support for an international foundation against forced child labour.

Clinton had briefly referred to the initiative during his State of the Union address on January 27 but provided few details, saying only that he would "send legislation to Congress and ask other nations to join us to fight the most intolerable labour practice of all — abusive child labour."

Harkin said allocation, which is expected to be made in the 1999 fiscal budget, means an increase of 30 million dollars in the U.S. contribution to the International Programme for the Elimination of Child Labour (IPEC). The United States gave the organisation three million dollars last year. "It is an increase of 900 per cent over last year," the senator added.

The Labour Department would get four million dollars to hire 36 new investigators to enforce child labour laws and five million dollars would go towards setting up a pilot job training programme for youths.

Describing the increased amount as "a strong commitment by the United States to ending the scourge of abusive child labour around the globe and in our own backyard," Harkin said it "builds upon the law I worked to pass last year authorising the Customs Service to prevent goods made with forced child labour from entering the U.S."

Harkin, who has visited carpet manufacturing units in India, Nepal and Pakistan, said, "Not long ago, I witnessed first hand nine- and ten-year-old children working in a carpet factory in Nepal. Instead of going to school, these children were literally on their knees making carpets that will end up in the United States and Europe. And this is just a glimpse into the dark world of abusive child labour."

Harkin also went on to mention that the IPEC works towards elimination of exploitative child labour by strengthening South Asian nations to address the issue and by creating a global movement to combat the problem.

He said the US contribution would also support IPEC initiatives

in eight countries, including Pakistan, Nepal, India and Bangladesh. The senator said he had observed IPEC programmes during his recent fact-finding mission to these South Asian countries.

"In Bangladesh, the funds go towards the monitoring of garment factories where child labour is largely prevalent; in Pakistan, some of the IPEC funds are used for educational centres for former child soccer ball stitchers; in Nepal, IPEC funds are used to prevent child prostitution and in India it supports rehabilitation programmes of former child workers."

Harkin also commended the U.S. administration for urging other countries to crack down on child labour abuses, but he said Americans must lead by example. Labour Secretary Alexis Herman, who was present at the press conference, said the initiative allows the department to make fighting child labour a priority and to help children who are stuck in the workrooms instead of studying in the classrooms.

Gene Sperling, chairman of the president's National Economic Council, said the allocation of 86 million dollars is the latest push by the administration to crack down on child labour. Last year, the U.S. imposed a ban on import of products made using child labour.



Aminul Islam, Chairman of the Board of Directors of House Building Finance Corporation of Bangladesh, handed over a cheque to Prime Minister Sheikh Hasina for PM's Relief Fund. The cheque-money was the allocated amount of the corporation's iftar party.

Toyota plans to market hybrid car in US, Europe

TOKYO, Feb 1: Japan's Toyota Motor Corp. plans to launch sales of its Prius, a hybrid compact car powered by a combination of electricity and gasoline, in the United States and Europe, following growing demand at home, a spokesman said, reports AFP.

The nation's largest carmaker has already started designing a North American model of the environmentally friendly car with initial shipments expected to "as early as 2000," the company spokesman said.

"As the US 'big three' are also to launch green cars, we cannot delay our entry into the market there," the spokesman said.

Toyota plans to export the popular model from its Takaoka plant in Aichi prefecture, central Japan, with no plans to produce the model overseas for the time being.

Discussions on sales of model in Europe are also under way, the spokesman said.

"We want to conclude our sales plan in Europe as soon as possible because interest in environmentally friendly cars is growing there," he said.

The Nihon Keizai Shimbun said Toyota planned to debut the Prius simultaneously in the US and European markets in the year 2000.

With the launch, Toyota hopes to take the lead in the highly competitive, "green car" market, the daily said.

Russia - EU free trade area likely in future

DAVOS, Switzerland, Feb 1: Russia and the European Union could set up a free trade area in the future, to the mutual advantage of both, Russian Prime Minister Viktor Chernomyrdin said here yesterday, reports AFP.

"Russia could become an area of free trade between Russia and the EU, on the principles of equality and mutual advantage," Chernomyrdin told the world economic forum annual meeting here.

He stressed that Russia is now firmly entrenched in the "mainstream trends of the political development of the world," and there is "no need to create new economic models" or seek new economic systems.

Russia needs more access to external markets, Chernomyrdin said. "That is why according to the world trade organisation and the Organisation for Economic Cooperation and Development are important. We have every reason to hope to do so."

Chernomyrdin stressed the turnaround in the Russian economy last year, when it achieved economic growth for the first time in several years, but said that planned tax reforms must be approved by the Duma if the reform effort is to be successful.

"We would like to be more successful in reorganising our taxes and we are not happy at

ICC offers hologram to combat forgery

PARIS, Feb 1: The Counterfeiting Intelligence Bureau of the International Chamber of Commerce is offering its members a highly sophisticated hologram as a defence against forgery of such items as payment and identification cards, share certificates, or branded products, says a press release.

The hologram has been developed exclusively for the use of ICC members, and can be obtained at a reasonable price because there are no initial design and origination costs involved. Charges will depend on client requirements, quantities involved, and whether any customisation of materials or image is involved.

State-of-the-art technology is used in the CIB hologram, which relies on a new technique known as multigram®, specially developed for the CIB by Applied Holographics — a world leader in optical technology. Multigram® is a complex multifaceted image that provides high security standards while remaining visually attractive.

Peter Lowe, Director of the CIB, said: "Holograms are now as common and recognisable as the watermark that long-established method of authenticating banknotes and other papers of exchange value. The CIB hologram is one of the most subtle ever devised and would be extremely difficult, if not impossible, to copy." The CIB Director said that, to his knowledge, there has not been a single verifiable case of a well-designed authenticating hologram being accurately copied.

Low added: "The CIB is constantly on the look-out for more effective ways to combat all types of counterfeiting. It's a real technological race between the good guys and the bad guys. We are constantly coming across fakes that have been made almost impossible to detect without exhaustive scientific tests because crooks — and particularly organised crime — are able to abuse new technology."

Last month, the CIB announced an alliance with anti-counterfeiting groups from leading industrial countries to coordinate their response to the increased involvement of organised crime in making and selling fake goods. The alliance includes groups based in France, Germany, Italy, the Netherlands, Sweden, the United Kingdom and the United States.

Year 2000—a problem for computers!

The year 2000 will hopefully usher in a new era of prosperity for the nations. Many dreams will come true. However, a small problem of the computer systems around the globe with the year 2000 may prove disastrous, unless, of course, computers are made a little more intelligent, according to a World Bank press release.

The problem results from the pervasive practice of representing a year as a two-digit number in computer-based operations. Unaided, no computer can know that "00", representing the year 2000, should be considered larger than "99", representing the year 1999. Consequently, it will fail to perform comparisons or arithmetic

operations. Obviously, the transition to the year 2000 in the Gregorian calendar would be difficult for the computer-based systems around the globe unless aided by new programmes.

This problem is likely to be present in all kinds of digital electronic equipment and computer software that incorporate a timing function and/or calculations. Such systems include both administrative and financial systems that are critical to the orderly conduct of public and private business, and process control systems vital to transport, energy production, life, and safety. Parts of the infrastructure of society, including the telecommunica-

tions network, are also very vulnerable.

"Although the year 2000 problem is not technically complicated, its pervasiveness makes it the most challenging project the Information Technology community has ever faced," says Pierre Landell-Mills, Country Director of the World Bank Bangladesh Field Office, in a letter to the government. He urged the government to address this issue, particularly, for "all critical systems that may be at risk as soon as possible."

He said, "Many ongoing and completed development projects where the Bank takes an interest as lender, are potentially at risk. Likewise, any

number of public and private systems that may be vital to every aspect of administration and business in your country, may be affected and could malfunction at some time between September, 1999 and February, 2000.

Locating and remedying all the problem points is a tedious and laborious task, but the correction is inevitable. On the other hand, necessary talent is in short supply. Therefore, it is imperative that all agencies, public and private, using computer systems for arithmetic operations related to date and time should embark on creating awareness and fixing the problem as soon as possible.

'No global recession from Asian crisis'

DAVOS, Switzerland, Feb 1: The Asian crisis will have just 0.5 per cent off US growth prospects this year, and in Europe the impact will be even less, Dresdner Bank board member said here yesterday, reports AFP.

"There is no recession looming given the strong performance in the USA and the accelerating economic activity in most of Europe," Ernst-Moritz Lipp, member of the BOARD of Managing Directors of Dresdner Bank said at the annual world economic forum here.

"If growth in the regions considered is less than previously expected, it will largely not be attributable to the Asian crisis."

Although Asian countries will have to cut imports from the European Union and the United States, the impact on trade will not be significant.

European exports to the most severely affected countries — South Korea, Indonesia, Thailand, Malaysia and the Philippines — made up just 2.5 per cent of total European exports in 1996, he said.

A worsening of Japan's economy is the biggest problem, he said, since 6.9 per cent of European and 19.2 per cent of American exports are shipped to the country.

Lipp played down the negative impact of vastly cheaper Asian currencies on the US trade balance.

Even if imports from Asia into the EU and the United States rise by half on a US dollar basis and fully substitute for domestic production, this would reduce their GDP by 0.3 per cent and 0.45 per cent respectively.

"Again, Japan is the factor to watch" as a prolonged weakening of the yen could damage growth in the west, he said.

The fragility of the banking system in Asia could spill over into western banking networks, he said.

But "for the time being fortunately we live in a very favourable financial environment. A global liquidity squeeze is nowhere in sight since inflation is fairly moderate in most of the industrialised world."

The capital bases of European and US banks were strong enough to absorb conceivable losses from Asian business.

"With the efforts undertaken by official and private creditors, it is highly unlikely that the crisis poses a systematic risk any longer."

Talk of global deflation was not very helpful, he said.

We should be happy that inflation has come down so far and not talk of the threat of a deflation right away."

A distinction should be made between deflation in some asset prices — equity and property in particular within Asia — and product prices.

Thailand launches emergency hotline for tourists

BANGKOK, Feb 1: Thailand has launched an emergency hotline for tourists in trouble as part of its bid to lure more foreigners and their currency to the troubled country, officials said, reports AFP.

The service is aimed at protecting visitors in case "the economic difficulties facing the country encourage some unscrupulous elements to target tourists," Tourism Authority of Thailand (TAT) Governor Sree Wangpaichair said.

"That would not be in the interests of tourism or the country, especially at a time when foreign exchange earnings from tourism are so vital to our economic recovery," he added.

The 24-hour service will be operated from 15 centres across the country hotels, shopping centres and tour operators have been sent details of the service.

The programme is also hoped to combat problems caused by the rise in visitor arrivals which the government hopes its amazing Thailand campaign will woo.

Foreigners fall victim in "risky situations" such as going to nightclubs visiting prostitutes, getting cheated by ghost guides or leaving their goods in unattended hotel rooms.

"Speedy responses to tourist complaints is one of the priority issues being addressed in amazing Thailand campaign years 1998-99," the TAT said in a statement.

The tourist authority well realises that ensuring the safety and security of tourists will be a critical factor in the success of the campaign, it added.

Asian crisis to cut Aussie's GDP growth

MELBOURNE, Feb 1: The impact on Australia of the Asian currency and economic crisis could be more than twice as bad as the federal government was predicting, the head of one of the nation's biggest banks said Sunday, reports AP.

Westpac chief executive Bob Joss said government predictions that the crisis will cut half a percentage point from Australia's gross domestic product understated the situation.

"Our economists feel that it'll knock about one percentage point off growth, so instead of four per cent growth we'll have three per cent growth," Joss said in a television interview.

"I think it could be even worse than that."

The impact of the Asian crisis had already been felt on Australia's financial markets, with the recent falls in the Australian dollar an example, but the real effect on the economy were yet to come, Joss said.

"The way these things work is that the immediate impact is in financial markets, so we've seen huge impacts."

"But you don't see the real economic impact where it starts to impact orders and sales and business decisions."

"That will come all the way through the year; but for example, the impact on our dollar was quite immediate and substantial," he said.

Westpac's manager of economic strategy and planning, Bill Evans, said the one per cent fall would come mostly from lower export growth and also through lower business investment.

ROK to hold talks with IMF on lowering high interest rates

SEOUL, Feb 1: South Korea's Finance Minister said today the government would hold talks with the International Monetary Fund (IMF) on lowering sky high interest rates in the domestic money market, says Reuters.

I feel very sorry for companies, suffering from recently soaring interest rates under the IMF programme, Lim Chang Hwan said in a panel discussion hosted by state-run KBS television.

He said the IMF had agreed to discuss the issue.

Maintaining benchmark interest rates at above 20 per cent in the bond market was one of the conditions of the nearly 60 billion IMF bailout package agreed last month.

The IMF wanted to keep rates high to attract badly needed foreign exchange into the country and stabilise the local currency market. The won lost more than half its value against the dollar last year.

But the high interest rates have been crippling for many Korean companies struggling to pay debts in an environment of slow growth and tighter credit.

In an agreement reached between the Korean government and 13 leading international banks in New York last week, Korean banks can exchange their short term non-trade credits for new government guaranteed loans with maturity to three years.

As I'm sure the currency will be stabilised in line with the New York deal, we will discuss with the IMF how to stabilise the hike in interest rates Lim said.

Shipping Intelligence

Chittagong Port
Berth Position and Performance of Vessels as on 01.2.98

Berth No.	Name of Vessels	Cargo	L. Port	Local Agent	Date of Leaving
J/2	New Cignus	GI/S. Coils	Kaus	Prog	28/1
J/4	Seahorse	GI (Copro)	Sing	Seacom	22/1
J/6	Baltimar Nepture	gi(Copro)	Sing	Aaas	23/1
J/7	Banglar Kiron	-	-	Bac	27/1
J/8	Feng Yang	GI	S. Hai	Baridhi	14/1
J/9	M. Regina	Cont	Sing	Pil (BD)	30/1
J/10	Nandu Jiang	C. Clin	Sing	Ustc	26/1
J/11	Padma	-	-	Ral	27/1
J/12	D. Container (Cont)	Cont	Sing	Qsal	26/1
J/13	Qctcal	Cont	Sing	Qsal	27/1
CCT/1	Kota Bintang	Cont	Sing	Pil(BD)	27/1
CCT/2	Manaslu	Cont	Sing	Baridhi	25/1
CCT/3	Sea Elegance	Cont	Sing	Pil (BD)	25/1
RM/14	Kuruyong	Cement	Sing	Delmure	9/12
TSP	Banglar Asha	C. Clin	Dong	Litmond	28/1
RM/4	Banglar Melawas Dua	-	-	Bac	R/A
RM/6	Banglar Shourabh	-	-	Bac	R/A
DQJ	Banglar Jyoti	-	-	Bac	R/A
DD	Banglar Urmi	Repair	-	Bac	R/A
DDJ/1	Tanary Star	Idle	Para	Paal	-
DDJ/2	Seahulk Energy	Idle	Sing	B. Bay	28/1
RM/8	Sarah-1	Idle	Yang	Cross	30/12
RM/9	Banglar Kallol	Repair	B. Abb	Move	17/12

Vessels Due at Outer Anchorage

Name of Vessels	Date of arrival	L. Port	Local Agent	Cargo	Loading Port
Eastern Explorer	1/2	Sing	B. Bay	Survey Purpose	-
Skyliark (31/1)	1/2	-	Ctpl	D. A. Phos	-
Joste (48/22/1)	1/2	Col	Cal	GI(St. Coil)	-
Sidor Kovpach	1/2	Ilyi	Litmond	Mop	-
Myohyang-2	2/2	Sing	Psal	Cement	-
Xpress Resolve 25/1	1/2	Sing	Rsl	Cont	Sing
QC Pintal 21/1	1/2	Sing	Qsal	Cont	Sing
Banglar Gourab (24)	21/12/2	Mong	Bac	-	-
Rio Ventura	2/2	-	Psal	C. Clink	-
Juan Liang Cheng	1/2	-	Bdship	Scraping	-
Agri	1/2	-	Ancl	Urea	-
Ikan Selayang	2/2	-	Aass	Wheat, D. Peas	-
Tug Ocean Mercury	3/2	-	li	-	-
Alam Tenaga	2/2	-	Rainbow	Wheat/Peas	-
Dan Yang	4/2	-	Bdship	GI	-
Asian Harp (Roro/24)	3/14/2	-	Bba	Vehi	-
Ultima 21/1	4/2	Col	Baridhi	Cont	Col
Nei Jiang	4/2	-	Bdship	GI	-
Bosnoon	3/2	-	Rainbow	GI(W. Cement)	-
Winner	4/2	-	Psal	Cement	-
Penguin	4/2	Yang	Cross	GI	-
Hai xiong 28/1	4/2	Sing	Pil (BD)	Cont	Sing
Esco Agro	5/2	-	Prog	St. Coil	-
Sin Hai 21/1	6/2	Sing	Qsal	Cont	Sing
Banglar Robi 26/1	5/2	Sing	Bscl	Cont	Sing
Kuanyin	5/2	-	Ebpj	Urea	-
Dewan-1	7/2	Col	Ami	GI/Cl	Kara
Kota Chaya 28/1	7/2	-	Pil (BD)	Cont	Sing

Tanker Due:

Name of Vessels	Date	Kurwa	Mstpl	Sko
Nol Aries	3/2	-	-	-
Vanino	3/2	-	-	-
Nidia	4/2	Sing	Ecl	Hsd

Vessels at Kutibdia

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Ismaya	-	-	B. Bay	9/1
Orizont	-	Sing	B. Bay	25/2
Seabulk Besty	-	-	B. Bay	R/A (5/1)
Seabulk Carol	-	-	Tmil	R/A (23/1)

Vessels at outer Anchorage:

Ready on:

New Cignus	GI/S. Coils	Kaus	Prog	28/1
Optima	Cont	Col	Baridhi	30/1
Banglar Melawas Dua	Cpo	Sing	Seaglorly	31/1
Mirdama	Cont	Sing	Ssl	31/1
Banglar Moni	Cont	Sing	Bac	1/2
Greke Oldendorff	M. Seed	Sing	Rainbow	1/2

Vessels Not Ready:

Raffu	Relce(P)	Kaki	Angelic	14/1
Tempest <td>Cement <td>Sing <td>Hsl <td>R/A (1/1)</td> </td></td></td>	Cement <td>Sing <td>Hsl <td>R/A (1/1)</td> </td></td>	Sing <td>Hsl <td>R/A (1/1)</td> </td>	Hsl <td>R/A (1/1)</td>	R/A (1/1)
Ho Chi Minh <td>M. Seed <td>Ukrra <td>Aass <td>19/1</td> </td></td></td>	M. Seed <td>Ukrra <td>Aass <td>19/1</td> </td></td>	Ukrra <td>Aass <td>19/1</td> </td>	Aass <td>19/1</td>	19/1
Freedom-K <td>Cement <td>Sing <td>Jaycee</td> <td>21/1</td> </td></td>	Cement <td>Sing <td>Jaycee</td> <td>21/1</td> </td>	Sing <td>Jaycee</td> <td>21/1</td>	Jaycee	21/1
Sea Harvest <td>Cement <td>Lanc <td>Ustic</td> <td>1/2</td> </td></td>	Cement <td>Lanc <td>Ustic</td> <td>1/2</td> </td>	Lanc <td>Ustic</td> <td>1/2</td>	Ustic	1/2
Hy Ok Sin <td>Cement <td>Pada</td> <td>Rml</td> <td>1/2</td> </td>	Cement <td>Pada</td> <td>Rml</td> <td>1/2</td>	Pada	Rml	1/2

Vessels Awaiting Instruction

Ya Feng	Cement	Hand	Delmure	R/A (13/1)
Lat thmar	-	Sing	B. Bay	23/1
Sea Gull	-	-	B. Bay	31/1

Vessels Not Entering:

Alvin	C. Clink	Sing	Rml	23/1
Cotland	Scraping	Lhok	Simni	11/1
Hai Mao	Scraping	Mong	Mbi	28/1
Sotoon	Scraping	-	Simni	29/1
New Zealand Star	Scraping	Sing	Umtl	31/1

Movement of Vessels for 2.2.98

Outgoing	Incoming	Shifting
J/2	New Cignus	CCT/2
CCT/2	Manaslu	J/10
CCT/3	Sea Elegance	CCT/3
RM/4	B.M. Dua	J/7

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.