

# Bush may offer scaled-back trade package to Pakistan

REUTERS, Washington

US President George W Bush is expected to offer a scaled-back package of trade benefits to Pakistan next week after lawmakers objected to Islamabad's more sweeping request, congressional sources said on Friday.

Bush is eager to reward Pakistani President Pervez Musharraf, who has provided critical support to the US-led war against terrorism. But sources said the trade package assembled ahead of Bush's Feb 13 meeting with Musharraf would provide for limited increases in Pakistani textile imports, far less than what Islamabad was seeking.

Pakistan had asked Washington to suspend tariffs and quotas on textile and apparel products through the end of 2004. These products account for nearly 86 per cent of total exports to the United States, and industry groups warned that without tariff relief up to half of the 3.5 million to 5 million jobs in Pakistan dependent upon textile and apparels could be lost.

But legislation that would allow Bush to fulfil

Musharraf's request has stalled due to stiff opposition from lawmakers from textile-producing states. They warned that a flood of low-priced products from Pakistan would lead to massive US job losses.

In lieu of tariff cuts, Bush was expected to use his executive authority to expand Pakistan's quotas, thereby allowing more of its textiles into the US market, congressional aides said after a private briefing from administration officials.

But Pakistan's supporters say raising quotas would have little impact on the country's struggling producers.

"It doesn't matter how much quota you have if you don't have orders," one lobbyist said. "American buyers need a strong financial incentive to go back to Pakistan i.e., lower prices."

According to the Pakistan Textile & Apparel Group, US tariffs averaging 17 per cent and about \$300 million per year to the cost of Pakistani textiles in the US market.

Musharraf, a former army commando who seized power in a bloodless coup in 1999, has been a key ally in the US effort to drive the Taliban

from power in Afghanistan and punish the al-Qaeda network suspected to be behind the Sept 11 attacks.

Pakistan has provided military intelligence about Afghanistan to the United States, opened its airspace to US warplanes and tightened its border to stop routed forces fleeing the war.

Musharraf also responded to US pressure this month to defuse tensions with India as the two nuclear-capable neighbours massed troops on their border.

Bush tried last year to push through tariff and quota relief for Pakistan. But the administration backed down after lawmakers from textile-producing states such as Georgia and North Carolina threatened to oppose one of Bush's top legislative priorities -- trade promotion authority.

The Republican-controlled House of Representatives approved the trade bill in December by a single vote. The Democrat-led Senate has yet to take up the measure, which would allow Bush to negotiate trade agreements that Congress could approve or reject, but not amend.

## UBS Warburg takes over Enron trading operation

AP, Houston

Enron Corp's once-envied trading operation officially got a new owner and a new name Friday.

UBS Warburg's deal to resurrect Enron's trading business under the Swiss investment bank's control was completed on Friday. The new business, UBS Warburg Energy, will begin trading this month.

"Combining the leading energy trading platform and more than 600 talented staff with UBS Warburg's risk management skills and AA+ credit rating will make UBS Warburg Energy a formidable competitor," said John P Costas, chief executive officer of UBS Warburg.

Lawrence "Greg" Whalley, who resigned as Enron's president and chief operating officer last week, will be managing director and head of the new operation.

About 650 traders and support staff are preparing to get back into the trading groove for their new employer, said UBS Warburg spokesman David Walken.

About 800 people staffed Enron's trading operation, but UBS Warburg determined fewer were needed for the new venture, Walker said.

## Green Delta holds annual business conference

The 16th annual business conference-2002 of Green Delta Insurance Company Limited was held at the conference hall of Shaibal Holiday Complex in Cox's Bazar on Thursday, says a press release.

Azam J Chowdhury, Chairman of the company addressed the meeting as chief guest while Nasir A Choudhury, Managing Director presided over the meeting.

In his speech, Azam explained the corporate object of the company and advised all concerned to gear up their activities to uphold the image and reputation of the company.

He expressed his satisfaction at the performance of the company during 2001 and hoped for better business performance in the year 2002.

The Managing Director dwelt on the future plans and programmes of the company to face the challenges of the year 2002 boldly and effectively.

Branch managers of the company also spoke on the occasion.

# Enron probe expanding to Wall Street players

AP, Washington

Powerful Wall Street players are being pulled into the congressional investigation of Enron's collapse -- analysts who recommended buying stock as the company foundered, investment firms that both financed Enron bond sales and invested in the company, and credit-rating agencies that didn't warn investors promptly.

As Congress and law enforcement agencies dissect the biggest bankruptcy in US history, curtains are being lifted from financial institutions that operate away from public view.

One view of the accounting industry, as ink-stained wonks with green eyeshades, has been replaced by images of massive document shredding at Arthur Andersen, Enron's auditor, and by criticism of accountants for turning a blind eye to companies cooking the books.

Some lawmakers are warning that a crisis of confidence by ordinary investors in the nation's financial system is hammering the stock market, which had a terrible week as more revelations surfaced about the Enron disaster.

Rep Billy Tauzin, a Republican whose House Energy and Commerce Committee is investigating Enron, said the energy-trading company had promised bond-sale business to Merrill Lynch & Co and First Union Corp in exchange for their investments in some of Enron's questionable partnerships. Merrill Lynch, the nation's biggest brokerage firm, helped Enron raise nearly \$400 million for one of the partnerships from pension funds and other big investors.

Lawmakers also are questioning the role of analysts, some of whom became celebrities and stars of financial television networks as the bull market of the past decade drew in millions of ordinary investors. The problem, as critics see it, is that financial analysts may give biased advice because they hold substantial positions in company stocks they recommend and their investment firms do lucrative financial work for the same companies.

"We can't afford the crisis of confidence the Enron cloud has cast upon the markets this week, with so many people from Main Street to Wall Street wondering how many Enrons are out there," Rep Richard

Baker, chairman of a House Financial Services subcommittee that also is delving into the debacle, said Friday in a telephone interview. The market recovered somewhat

on Friday, with the Dow Jones industrials average gaining more than 100 points after dropping nearly 300 over the previous five sessions.



Muhammad Sajid-ul Haq, Managing Director of United Commercial Bank Ltd, addresses the inauguration of a course on "Development of customer services and human relation" in the city on Saturday. Additional Managing Director of the bank Hamidul Huq and Principal of UCBL training institute AHM Nurul Islam Choudhuri are also seen in the picture.

## CURRENCY

## Islamabad, Kabul agree to revive gas pipeline

REUTERS, Islamabad

Afghanistan's interim leader Hamid Karzai said on Friday he and Pakistani President Pervez Musharraf had agreed to revive a plan for a trans-Afghan gas pipeline from Turkmenistan to Pakistan.

"Both sides have agreed that the construction of this pipeline will be very beneficial for both the countries as well as for the entire region," Karzai told a news conference after talks with General Musharraf.

"We both have agreed on this," he said, calling the project "very essential".

Karzai was in Islamabad on his first official visit to Pakistan after his UN backed interim administration took office in December, following the collapse of the Taliban government in the face of US-led military strikes.

Turkmen President Saparmurat Niyazov, seeking new export outlets for his country's abundant gas reserves, said on Friday he hoped the fragile peace in Afghanistan would allow work to resume on the major regional natural gas pipeline.



Azam J Chowdhury, Chairman of Green Delta Insurance Co Ltd, addresses as chief guest the 16th annual business conference of the company at Shaibal Holiday Complex in Cox's Bazar on Thursday. Nasir A Choudhury, Managing Director, and Farid A Choudhury, Addl Managing Director, are also seen in the picture.

## STOCK