

Bush unveils \$674b plan to stimulate economy

REUTERS, Chicago

President George W Bush Tuesday unveiled a \$674 billion plan to boost the US economy by scrapping taxes investors pay on dividends and speeding income tax reductions.

The president's plan was denounced as a windfall for the wealthy by Democrats who said it would provide no immediate help to the economy and swell the budget deficit.

"He (Bush) says it will give the economy a shot in the arm. I think it will give the economy a shot in the foot," said Senate Democratic Leader Tom Dashchle of South Dakota.

Saying urgent action was needed, Bush called for the acceleration of across-the-board rate cuts, a \$400-per-child increase in the tax credit for families with children, and more generous incentives for small businesses to invest in new equipment. The rate cuts would be retro-active to Jan 1.

"The role of government is not to manage or to control the economy from Washington, DC, but to

remove obstacles standing in the way for faster economic growth ... and those obstacles are clear," said Bush, whose re-election in 2004 could hinge on how well the US economy rebounds.

Bush's proposal, unveiled in a speech at the economic Club of Chicago, set off a major debate in Washington over how best to deal with a US economy struggling with a 6 per cent unemployment rate and Americans wary of investing in a three-year bear market.

The White House Council of Economic Advisers predicted the plan would create 2.1 million jobs over three years and that US Gross Domestic Product, a measure of economic growth, would rise by an extra 0.4 percentage points this year and 1.1 points in 2004. Democrats were not so sure.

"To use the need for an immediate economic stimulus as an excuse to enact costly new permanent tax breaks for the wealthy is a cynical and disheartening ploy," said Democratic Sen. Edward Kennedy of Massachusetts.

The White House projected the

plan would boost the deficit by \$359 billion from 2003-2007, but said if the impact of faster economic growth is counted in, the deficit impact would fall to \$166 billion. Many economists already expect this fiscal year's deficit to hit \$300 billion or more, eclipsing the current record of \$290 billion in 1992.

Bush said American consumers were driving the nation's economic recovery but said "there are warning signs I won't ignore" like mounting personal debt, a growing tax load and rising unemployment, which "clouds our economic future."

The White House said the plan will give 92 million taxpayers an average tax cut of \$1,083 this year. Up to 35 million people who get income from dividends could benefit, thereby increasing consumer spending and investment.

Bush's package, which must be approved by a narrowly divided Congress, will cost \$674 billion over 10 years, with about \$98 billion in tax cuts this year.

"We cannot be satisfied until every part of our economy is healthy and vigorous," Bush said, noting the

unemployment rate is projected to rise "even further in the short run."

Commerce Secretary don Evans criticised a competing \$136 billion Democratic proposal as short-term aid, saying the White House was offering a long-term plan families could count on.

About \$3.6 billion would be provided to states to help create so-called personal re-employment accounts for people having a hard time finding work. But Bush decided against offering \$10 billion in grants to cash-strapped states.

The big ticket item on Bush's list - and most controversial -- was eliminating the tax on dividends. Bush said seniors with retirement income in stocks would benefit.

The dividend tax elimination will cost \$364 billion over 10 years and the Bush administration believes it could lift stock prices by 10 per cent.

Democrats estimated that 25 per cent of the dividend tax break would go to people making more than \$1 million a year, and that the vast majority of American stockholders will get less than \$50.



PHOTO : CDF

Credit and Development Forum (CDF) organised microcredit summit campaign umbrella meeting and a workshop at Bangladesh Agriculture University, Mymensingh on Tuesday.

US defends its stance in WTO drug talks

REUTERS, Washington

A US trade official Tuesday indicated the United States was unlikely to substantially alter its position to reach a new international agreement aimed at ensuring all poor countries have access to cheap medicines.

World Trade Organisation talks on the issue collapsed last month after the United States balked at expanding the list of diseases that would be eligible for drug patent waivers beyond HIV/AIDS, malaria, tuberculosis and similar grave epidemics.

WTO members will make another attempt at striking a deal on

the issue in February. However, the US trade official, who spoke on condition of anonymity, indicated the United States might not have much more to offer than its already announced moratorium on dispute settlement actions.

"We've announced what we think is a good unilateral solution," the aide said, adding that the strong drug patent protections were important to the United States because of its large pharmaceutical industry. "We're not going to gut the TRIPS agreement," he said, referring to WTO intellectual property protection rules.

CDF organises microcredit meeting in Mymensingh

Credit and Development Forum (CDF) organised micro credit summit campaign umbrella meeting and workshop on 'Sustainability of Small MF-NGOs: Multifaceted Strategies' at Bangladesh Agriculture University, Mymensingh on Tuesday, says a press release.

More than 80 MF-NGO leaders from six districts around Mymensingh were present. Dr DSK Rao, regional organiser of Microcredit Summit Campaign for Asia-Pacific, Md Abdur Rouf Bhuiyan, executive director of CDF, Dr M Mozahar Ali, director of GTI, and Md Tarequul Hoque, manager of CDF, were present in the occasion.

The meeting was moderated by Md Abdur Rouf Bhuiyan, executive director of CDF.

the appellate authority and we believe it will make a favourable determination," the spokesman said.

"We are encouraged that the ... (committee) has agreed to review the issue of importation of corn-soybean blend for food aid deliveries, especially since it has been proven to be safe for human consumption."

The ministry official said CARE and CRS appeal would be considered on January 28.

He said the groups had also sought approval to import crude soy oil, adding approval had been granted because genetic character is lost once it is made into oil.

India to consider US groups' plea on soy-corn

REUTERS, New Delhi

India will consider an appeal by aid groups to allow a planned shipment of soy blended with corn which had been rejected because it was unclear if it had been genetically modified, officials said Tuesday.

India's Genetic Engineering Approval Committee in November turned down an application by US-based aid groups CARE and the Catholic Relief Society (CRS) to import the shipment to make food for impoverished school children.

Officials from the Environment Ministry, which overseas the committee, said the consignment was not approved because it lacked proper certification.

"Our contention is they should certify that it does not contain StarLink or any other genetically-modified and harmful variety," a senior ministry official told Reuters.

StarLink -- spliced with a gene deadly to the corn borer pest -- has been approved in the United States for animal feed but not for human consumption due to concerns it might cause allergic reactions.

The Indian official said the application only said the food had been tested for human consumption.

A US Embassy spokesman in New Delhi said the soy-corn blend was safe for human consumption and contained no Starlink DNA.

"There is no rejection, they have deferred approval and it is going to

CURRENCY

The following is yesterday's forex trading statement by Standard Chartered Bank.							
Selling		Currency		Buying			
TT/OD	BC			TT Clean	OD Sight Doc	OD Transfer	
59.2500	59.3000	USD		58.3500	58.1786	58.1090	
62.6806	62.7335	EUR		59.9488	59.7727	59.7012	
95.8961	95.9771	GBP		92.9924	92.7193	92.6083	
34.6020	34.6312	AUD		32.8802	32.7836	32.7444	
0.4996	0.5000	JPY		0.4829	0.4815	0.4809	
42.6597	42.6957	CHF		41.4300	41.3083	41.2589	
6.8253	6.8310	SEK		6.7038	6.6841	6.6791	
38.1716	38.2038	CAD		37.1372	37.0281	36.9838	
7.6042	7.6107	HKD		7.4737	7.4517	7.4428	
34.1794	34.2082	SGD		33.3619	33.2639	33.2241	
16.2636	16.2773	AED		15.7579	15.7116	15.6928	
15.9257	15.9391	SAR		15.4365	15.3912	15.3727	
Exchange rates of some currencies against US dollar							
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit	

SHIPPING

Chittagong port

Berthing position and performance of vessels as on 08.01.2003.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Eltanin	Sugar(P)	Mumb	Mutual	23/12	10/1	1270
J/2	Amanat Shah	Sugar(P)	Mumb	CLA	4/01	17/01	x
J/3	Jon Jin	Sugar(P)	Kaki	Sstl	25/12	12/1	828
J/4	Chit Sam	Wheat(P)	Kaki	Sstl	02/01	12/1	800
J/5	GIEM	C.Clink	Lumut	OLM	20/12	8/1	849
J/6	Altair-SS	TSP(P) BAG	QINZ	Unique	31/12	10/1	1926
J/7	Banga Lanka	Cont	Mong	Baridhi	03/01	9/1	53/X-300
J/8	Under Dredging & Peeder	Pitting 2	W.E.F.	23/12/02			
J/10	Dolly	GI (Y.PE)	Pira	Mutual	19/12	9/1	1221
J/11	Floniana(72)	HRC (P)	Para	Litmond	5/1	9/1	5528
J/12	Kota Singa	Cont	Sing	PIL(BD)	5/1	9/1	370-177+400
J/13	Banga Borti	Cont	P.KEL	BDship	02/01	10/1	181/208+500
CCT/1	Haneburg	Cont	Sing	PIL(BD)	4/1	9/1	
290/2							
CCT/2	Asimont	Cont	P.Kel	Seaborne	3/1	10/1	
333/159+818							
CCT/3	Qc Honour	Cont	P.Kel	QCSL	3/1	8/1	
411/505/195							
RM/14	Taraman Bibi	Repair	Mumb	Mutual	23/11	10/1	
RM/15							
CCJ	Hanei Sun	C.Clink	Tarj	BSL	22/12	8/1	
GSJ							
S/GSJ							
TSP	Pearl of Ajman	R Phos(G)	Hamr	Seacom	14/12	9/1	
RM/3							
RM/4							
RM/5							
RM/6	Nfidimar	HSD	Sing	SOSL	5/01	10/1	
DDJ	Prajadya Dwitya	F.Oil	Sing	SCSL	7/01	10/1	
DDJ/1	Danglar Shikha(EBB)	Repair	Sing	BSC	1/12	--	

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading por
tGladiator-1 (Liner)	8/01/03	Sing	Prog	GI	-
Kota Berjaya (Cont)	28/12	8/01	Sing	Pil (BD)	Cont L/Sing
Dimitris-Y	8/1	Sing	Rainbow	R-Seed	-
Inwa	9/1	Yang	MTA	GI(Y.Maize)	Cont
Qc Lark (Cont)	29/12	9/1	P.Kel	QCSL	L/P.Kel
AFT Section Maxita	7/1	Sing	OTBL	For Demolition	Cont
Britoil-8	7/1	Indo	OTBL	D/VI. A S Maxita	Cont
Tug Titan-4	7/1	Indo	OTBL	D/VI: 3 H Barge	Cont
3 Hopper Barge	7/1	Indo	OTBL	For Demolition	Cont
An Guang Jiang (Liner)	10/1	Yang	Bdship	GI	-
Banga Barta (Cont)	28/12	10/1	--	Bdridhi	Cont L/P.Kel
Baga Bijoy(Cont)	31/12	9/1	--	Baridhi	Cont L/Col
Eastern Star (72)	6/1	9/01	--	Royal	GI(St.C)
An Guang Jiang (Liner)	10/1	Yang	Bdship	GI	--
Banga Barta (Cont)	28/12	11/1	Hal	Baridhi	Cont L/P.Kel
Xpress Resolve (Cont)	2/01	10/1	CBO	Everest	Cont L/Col
Banga Bodor(Cont)	1/1	1/1	--	Bdship	Cont L/Sing
Kota Naga(Cont)	31/12	10/1	Sing	Pil(BD)	Cont L/Sing
Mardios(Cont)	4/1	11/1	P.Kel	RSL	Cont L/Sing
Monetery	10/1	--	PSL	GTP(P)	Cont
Diana-Z	10/1	--	PSAL	C.Link	Cont
Qc Pintail (Cont)	7/1	11/1	Hald	QCSL	Cont L/Mong
Dawsl(Liner)	12/1	Yang-	Everett	GI(St.C)	Cont

Vessels awaiting employment/instruction

Banglar Doot	-	-	Royal	R/A(26/12)
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Movement of vessels for 09.01.2003

Outgoing		Incoming		Shifting	
K/8	B.Lanka 6.0	1300	B Borak-	5.2CCTI-1430	DDJ-1-B.Shikha 5.0-J/12-1230
J/10	Dolly 6.0		K Berjaya	7.6-J/11-1430	
J/11	Floniana 6.3	1300	E. Star-	6.5-J/8-1430	
J/12	K. Singa 6.0	1300			
CCTI Haneburg 7.2					

STOCK