



MA Rouf, chairman of Mutual Trust Bank, opens the bank's 112th branch at Sreepur in Gazipur. Anis A Khan, CEO, was present.

MTB

US budget calls for massive cuts to social safety net

AFP, Washington

President Donald Trump on Monday unveiled an ambitious proposal to renew American infrastructure as part of a budget that calls for a stunning rise in debt and trillions in cuts to the social safety net and other spending.

The blueprint for the 2019 fiscal year abandons the long-held Republican goal of balancing the federal budget within a decade, with deficits projected to peak in 2020 and persist into the foreseeable future amid an aggressive and costly defense buildup.

The initiative to revive crumbling US roads, bridges and airports includes just \$200 billion in federal funds, which the White House says will spur at least another \$1.3 trillion in investments from state governments and private investors.

Administration officials tout the infrastructure plan as part of a shift back to national priorities, with \$50 billion dedicated to projects in rural areas, many of which favored Trump in the 2016 elections.

Trump said the shift comes in

the wake of the wasteful military spending since the terrorist attacks of September 11, 2001. But he also touted a big boost in defense spending, including a revived nuclear arsenal that would leave the US armed forces "far in excess of anybody else."

"We have spent \$7 trillion in the Middle East, \$7 trillion. What a mistake," Trump said Monday.

"And we're trying to build roads and bridges and fix bridges that are falling down and we have a hard time getting the money and its crazy."

Over 10 years, the White House proposal seeks to slash trillions in spending across the much of the federal government, with the knife going especially deep into spending on health and poverty.

It would eliminate former President Barack Obama's signature health insurance program and cut more than \$200 billion in food assistance for the poor while cutting medical programs aimed at the poor and older Americans.

Despite these cuts, the \$4.4 trillion total budget proposal still increases spending by 10 percent

over 2017. The administration's fiscal plan likely will have little real impact once debate begins in Congress, where lawmakers may find it hard to impose some of the big program cuts.

But White House budget proposals are an important signal of the administration's priorities, with deficits forecast to peak at nearly \$1 trillion in 2020 and drive up the federal debt by a stunning 61 percent over 2017 levels by 2028.

"It's a messaging document," said White House Budget Director Mick Mulvaney, a former Republican lawmaker long aligned with the Tea Party movement for fiscal restraint -- which opposed President Barack Obama's efforts to launch an infrastructure investment program during the recession.

He acknowledged the White House did not expect the document to become law but instead to set the tone among lawmakers.

But the spending plan is sure to raise the hackles of deficit hawks in Congress who will question how the government can justify such ambitious projects amid yawning

revenue shortfalls.

Investment bank JPMorgan said Monday that Trump's deficit was expected to surge to 5.4 percent of GDP in the 2019 fiscal year, the highest ever without a recession, and surpassed only by the deficit reached during the global financial crisis.

The plan is based on estimates the US economy will expand at a three percent annual clip for the next six years, a growth rate many economists say is unrealistic, even given the short-term bump from the massive tax cuts approved in December.

Trump is expected to host lawmakers from both major parties at the White House this week in an attempt to hammer out differences.

Senator Chuck Schumer, leader of the opposition Democrats in the upper house, on Monday accused the White House of asking the middle class, children and workers to shoulder the burden of tax "give-aways" to corporations.

Speaking on the Senate floor, he said it would be best for Congress to hash out spending levels on their own and "ignore" the president.

Norway wealth fund tells companies to fight graft

AFP, Oslo

Norway's sovereign wealth fund, the world's biggest, on Tuesday told the 9,000 firms that it owns stakes in to boost their anti-corruption measures, including by offering whistleblowers better protection against reprisals.

"We expect all companies we are invested in to have effective anti-corruption measures in place," fund chief Yngve Slyngstad said in a statement.

"Companies should have a whistleblowing mechanism that provides a separate and confidential escalation route when reporting through a line manager is not appropriate, or if the whistleblower wishes to remain anonymous," the fund said.

The Norwegian wealth fund, which has more than \$1 trillion under management, regularly pushes companies in its portfolio

to adopt more ethical practices, and often divests if they fail to do so.

Corruption costs the world around two percent of its wealth each year and hampers fair income distribution, the International Monetary Fund said in a 2016 report.

Kickbacks total between \$1.5 and \$4 trillion per year, the IMF said, the equivalent of the gross domestic product (GDP) of Italy or India.

The Norwegian sovereign fund, tasked with managing the country's oil wealth, is currently worth 8.128 trillion kroner (\$1.028 trillion).

It is managed by the Norwegian central bank and follows ethical guidelines that prevent it from investing in companies that are guilty of serious human rights violations, make nuclear or other "particularly inhumane" weapons, produce coal or make tobacco products.



BGMEA UNIVERSITY

Ayub Nabi Khan, pro-vice-chancellor of BGMEA University of Fashion Technology, and Jason Belanger, country director for Bangladesh at SNV Netherlands Development Organisation, exchange documents after signing a deal on "sexual and reproductive health and rights" training and research in RMG industries, on the university campus in the capital on Monday.



NATIONAL HOUSING FINANCE

Md Khalilur Rahman, managing director of the National Housing Finance and Investments Ltd, attends the company's annual business conference at its corporate head office in Dhaka on Sunday.

Beijing warns on trade tensions as it aims at US chemical

AFP, Beijing

Trade tensions between the world's two biggest economies rose again on Tuesday as Beijing accused Washington of "excessive protectionism" after targeting imports of a key chemical from the United States.

The administration of US President Donald Trump has brought a range of commerce cases against China, sparking fears of a trade war.

"China is concerned about the US's serious trend towards trade protectionism in steel products," the Ministry of Commerce said in a statement, and "calls on the US to restrain itself from using trade restriction measures".

More than half of the US's protective tariffs are related to steel, it noted. A director of the ministry's trade remedy and investigation bureau Wang Hejun was quoted as saying that "repeated and excessive protectionism" often "brings about a vicious circle". The statement followed news late Monday that Beijing had taken aim at imports of a key chemical from the United States.

The commerce ministry said it had found dumping of styrene imports from the US, Taiwan and South Korea, in an initial ruling during a continuing trade investigation into the chemical.

Dumping, or selling goods at unfairly low prices abroad, can undercut domestic markets at the expense of local industries.

"Mainland China's styrene industry has suffered substantial harm," the ministry said in a statement, adding that dumping

was the cause of this. The initial ruling called for importers to place anti-dumping deposits of five to 10.7 percent with China's customs administration.

Those deposits will be applied to tariffs if the ministry decides in a final ruling to levy such duties. Styrene is the building block of many plastics. It is used to make foam packaging and many disposable plastics.

Last year China imported 3.2 million tonnes of the chemical worth more than \$4 billion from the US.

The measures come a month after the Trump administration slapped new tariffs on Chinese-made solar panels and washing machines. Those tariffs followed a series of trade cases brought against China during Trump's first year in office, which have rattled Beijing.

More are expected soon. The Trump administration has major decisions looming on Chinese aluminium, steel and intellectual property practices.

Analysts say Beijing is signalling it will take action in any tit-for-tat trade war.

Last week it launched an anti-dumping investigation into sorghum imports from the US, worth almost \$1 billion last year.

That was a sliver of the \$14 billion in US soybean imports, which a Chinese commerce ministry spokesman last week hinted could also be in Beijing's crosshairs. Soybeans are America's largest export to China.

Washington says achieving a level playing field in trade is near the top of its agenda in Sino-US relations.

Abu Dhabi's state oil company to help fill India's strategic reserve

REUTERS, New Delhi

India hopes Abu Dhabi National Oil Company (ADNOC) will send the first shipment of crude oil to fill the country's 0.75 million tonnes strategic petroleum reserve at Mangalore starting in May, Oil Minister Dharmendra Pradhan said in New Delhi on Tuesday.

ADNOC has indicated its oil consignments are booked for the next two months, Pradhan said, adding that the first consignment should arrive by May.

Pradhan was announcing the purchase of a 10 percent stake in ADNOC's offshore oil concession by a consortium led by India's Oil and Natural Gas Corp.

Pradhan said India would annually get 1.75 million tonnes of crude oil from the Abu Dhabi field.

Unilever threatens online ad cuts to clean up internet

REUTERS, London

Consumer goods giant Unilever, one of the world's biggest advertisers, has threatened to pull investment from digital platforms such as Facebook and Google that "create division" in society or fail to protect children.

Keith Weed, chief marketing officer at the maker of Ben & Jerry's ice cream and Dove soap, will announce the company's plan in a speech later on Monday at the annual Interactive Advertising Bureau conference in California.

In the speech, Weed will call on the technology industry to improve transparency and consumer trust in an era of fake news and "toxic" online content.

"Unilever, as a trusted advertiser, do not want to advertise on platforms which do not make a positive contribution to society," Weed plans to say, according to a copy of the speech seen beforehand.

Unilever also said it is committed to tackling gender stereotypes in advertising and will only partner with organizations that are committed to creating better digital infrastructure.

Unilever itself was heavily criti-

cized last year for a Dove advert on Facebook that many saw as racist. Amid a social media backlash and calls for a boycott, the brand apologized, saying it "missed the mark in representing women of color thoughtfully".

"Consumers don't care about third party verification. They do care about fraudulent practice, fake news, and Russians influencing the US election," Weed plans to say. "They don't care about good value for advertisers. But they do care when they see their brands being placed next to ads funding terror, or exploiting children."

Unilever has already been revamping its advertising spend, as it seeks to cut costs across the organization. It has cut the number of ads it makes and the number of agencies it works with.

Google, a unit of tech giant Alphabet, and Facebook are estimated to have taken half of online ad revenue worldwide in 2017 and more than 60 percent in the United States, according to research firm eMarketer.

Officials at Facebook and Google in Europe were not immediately available to comment.

Weed's comments echo complaints made a year ago by Procter & Gamble Chief Brand Officer, Mark Pritchard, who has lamented fake ad clicks by automated 'bots', the risk an ad can appear on social media next to an ISIS recruitment video and the realization that people don't watch 30-second video advertisements any more.

Only 25 percent of online ad spending reaches the consumer, with the rest skimmed off by a "murky, non-transparent, even fraudulent supply chain" within the industry, Pritchard told a digital marketing conference last autumn in Cologne, Germany.

Facebook executives visiting Europe last month made a public show of contrition about the social media giant's slow response to abuses on its platform, seeking to avoid further legislation along the lines of a new hate speech law in Germany it says goes too far.

"We have over-invested in building new experiences and under-invested in preventing abuses," Facebook's communications and public policy chief, Elliot Schrage, told a tech conference in Munich.



US-BANGLA AIRLINES

Imran Asif, CEO of US-Bangla Airlines, receives a Dash 8-Q400 as a new addition to its fleet at Hazrat Shahjalal International Airport in Dhaka yesterday.