

# Trump, backed by Australia’s Morrison, talks tough on China

AFP, Washington

President Donald Trump said Friday that only a “complete” deal with China on trade will be acceptable and his tough approach won support from visiting Australian Prime Minister Scott Morrison.

“I’m not looking for a partial deal. I’m looking for a complete deal,” Trump told reporters during a joint news conference with Morrison at the White House.

Trump denied that he was under pressure to resolve the massive trade dispute between the world’s two main economic powers, saying “I don’t think I need it before the election” in 2020.

Morrison, enjoying an unusually lavish reception and state dinner, said he backed the US push to force China to reform on issues that include routine violation of foreign companies’ intellectual property.

“We need to make sure that we all

compete on the same playing field,” he said. China can’t have “special rules.”

Morrison’s supportive stance contrasted with worries he expressed in June about smaller economies suffering collateral damage in the US-China standoff and the global system coming “under real pressure.”

Later the United States Trade Representative’s office issued a statement announcing that deputy-level US and Chinese negotiators had completed “productive” talks in Washington on Thursday and Friday.

Top level talks are expected in October.

This was only the second state-level visit to the White House granted under Trump and the first for an Australian premier here since John Howard in 2006.

In a shift from tradition, and taking advantage of perfect end-of-summer weather, the dinner was served under the stars in the Rose Garden.



Protesters gather for a march and rally organised by “The People’s Vote” in Brighton, on the south coast of England, yesterday, to call for politicians to give the public a final say on Brexit.

PHOTO: AFP

## 3 more dengue

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diagnosed with dengue. As her condition deteriorated, she was sent to Intensive Care Unit. She later died there Friday afternoon, said Laxmi Narayan Majumder, deputy director of the hospital.

Fatema hailed from Jamalpur’s Islampur upazila, he added.

Besides, Parvin died at Barishal Sher-e-Bangla Medical College Hospital.

She was admitted to the hospital on Friday noon and transferred to Intensive Care Unit later afternoon where she died, said Bakir Hossain, director of the hospital.

The Directorate General of Health Services has confirmed 68 deaths from dengue until yesterday but an unofficial estimate by The Daily Star put the figure at 153.

From August second week, dengue reported cases came down sharply from over 15,000 a week to a little over 5,000 in the second week of this month.

Yesterday, the number of reported cases in the capital was 917 and outside Dhaka was 1335, according to the DGHS.

## Huge asteroid

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as it came five times closer to Earth than the moon, documents obtained by Buzzfeed via freedom of information requests revealed.

It was first detected by a Brazilian observatory on 24 July just hours before coming within roughly 73,000km of Earth. Nasa’s failure to spot the 100-metre wide space rock highlighted longstanding concerns about a lack of US government funding for asteroid detection efforts.

“This object slipped through a whole series of our capture nets, for a bunch of different reasons,” Dr Paul Chodas, manager of Nasa’s Centre for Near Earth Object Studies, wrote to colleagues on 26 July.

“So, was this just a particularly sneaky asteroid? I wonder how many times this situation has happened without the asteroid being discovered at all?”

The emails showed space agency employees rushing to discover how the asteroid avoided detection, after a colleague alerted them to the near-miss “because there may be media coverage tomorrow”.

Nasa telescopes did spot the asteroid on 7 July, but it was moving too slowly to be identified as a near-Earth object. By the time it sped up it was too close to a nearly full moon for astronomers to detect, according to the emails.

A planetary defence officer at Nasa had written that 2019 OK appeared to be the largest asteroid to pass so close to earth in the last century. Another such event was not expected to occur until 2029, they said.

While there was never a chance the asteroid would have collided with Earth, a news release sent out weeks later by Nasa said: “If 2019 OK had entered and disrupted in Earth’s atmosphere over land, the blast wave could have created localised devastation to an area roughly 50 miles across.”

## RAB raids

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every day as rent for the last three and a half years. We did not know about his income source back then,” said Khorshed.

Kazi Mohammad Tarek Aziz, assistant superintendent of police of Rab-7, said no one was arrested during the drives but the caretakers of the clubs were detained for interrogation.

According to the tally books, the club members last gambled on September 18, the day law enforcers raided several “casinos” in the capital.

Executive Magistrate Nizamuddin Ahmed, who led the drives, suspected that the gamblers might have gone into hiding after the raids in Dhaka.

Three separate cases will be filed against the authorities of these clubs, he added.

## More US troops in Gulf

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United Arab Emirates.

“In response to the kingdom’s request, the president has approved the deployment of US forces, which will be defensive in nature, and primarily focused on air and missile defense,” Esper said.

However Joint Chiefs of Staff Joe Dunford categorized the deployment as “moderate,” with the number of troops not expected to reach the thousands.

Earlier in the day Trump attacked both critics who thought the mogul-turned-president would trigger war and hawks seeking a military response.

“The easiest thing I could do (is) knock out 15 different major things in Iran,” Trump said.

“But I think the strong-person approach and the thing that does show strength would be showing a little bit of restraint,” he said.

Trump in June authorized a military strike after Iran shot down the US spy drone, only to call it off at the last moment.

Saudi Arabia on Friday revealed extensive damage from the strikes on state giant Aramco’s facilities in Khurais and the world’s largest oil processing facility at Abqaiq.

The attacks, which knocked out half of Saudi Arabia’s oil production, have been claimed by Yemen’s Iran-backed Huthi rebels, but Washington has pointed its finger at Tehran, condemning the strikes as an “act of war.”

Abqaiq was struck 18 times while nearby Khurais was hit four times in a raid that triggered multiple explosions and towering flames that took hours to extinguish, Aramco officials said.

Washington has imposed a series of sanctions against Tehran since unilaterally pulling out of a landmark 2015 nuclear deal in May last year.

## Rescheduling hits a record

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the finance minister, said that non-performing loans would not grow even by a single penny from that day, it would rather reduce.

However, the annual rescheduled loan figure is all set to break the record and the amount of default loans also skyrocketed.

Last calendar year, loans worth Tk 23,210 crore were rescheduled but in the first six months of this year, loans worth Tk 21,308 crore had already been rescheduled.

The lion’s share of the loans rescheduled last quarter was default loans. Despite this wholesale rescheduling, default loans stood at Tk 112,425 crore as of June this year, up 19.71 percent from six months ago.

“The central bank is frequently letting banks reschedule default loans in recent times going against its own policy as it is desperately looking for ways to bring down NPLs [non-

performing loans],” a BB official said.

According to BB guidelines of 2012, defaulters have to pay at least 5 percent of their loan to reschedule it the first time. When rescheduling it for the third time, the down payment goes up to 50 percent. The defaulters are allowed to reschedule their loans only three times.

“In most cases, the central bank gave special permission to banks to reschedule default loans without the mandatory down payment,” said the BB official.

The last quarter’s data show, state-owned Bangladesh Krishi Bank rescheduled loans worth Tk 5,394 crore, the highest, followed by Islami Bank Bangladesh Tk 3,397 crore, Mercantile Bank Tk 1,483 crore, AB Bank Tk 1,207 crore, and state-owned Agrani Bank Tk 907 crore.

This type of benefit for borrowers did not work before, said economists terming the loans toxic.

“This [rescheduling of loans] shows

the entire financial sector is gloomy,” said Ahsan H Mansur, executive director of Policy Research Institute, a private think-tank.

He said the country had been achieving high economic growth, more than 8 percent last fiscal year, but the rescheduling of loans depicts a different picture.

The central bank is trying to bring down non-performing loans without doing due diligence, he said.

“This will not bring any good to the banking sector as most of the rescheduled loans will become default again. And, we have seen such kind of examples before,” said Mansur, also chairman of Brac Bank.

Salehuddin Ahmed, a former central bank governor, said many banks have rescheduled their default loans recently without taking the required down payment, which would further threaten the banking sector.

“Banks’ capacity to disburse

fresh loans would reduce further,” Salehuddin said.

A top banker also termed the trend “not a good sign for the economy.”

“Large amount of rescheduling of loans indicates that banks could not recover their loans. This will erode their reinvestment capacity,” said Syed Mahbubur Rahman, president of the Association of Bankers Bangladesh, a forum of private banks’ managing directors.

He said this has worsened the liquidity stress further and hit the private sector credit growth hard in recent months.

The managing director of Dhaka Bank suggested that banks be more cautious in selecting borrowers and that they should monitor borrowers more closely.

The central bank in its 2018 financial stability report expressed concerns over the growing trend of loan rescheduling.

## FB suspends lakhs of apps

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according to a Facebook statement.

The suspensions are “not necessarily an indication that these apps were posing a threat to people,” said vice president of partnerships Ime Archibong, adding that some developers “did not respond to our request for information.”

Archibong said the investigation “has addressed millions of apps. Of those, tens of thousands have been suspended for a variety of reasons while we continue to investigate.”

The suspected apps were associated with about 400 developers, and many of the software programs were still in testing phases, according to Facebook.

The huge social network became the subject of intense scrutiny after acknowledging in 2018 that Cambridge Analytica misappropriated personal data on tens of millions of Facebook users as part of its work

for Donald Trump’s presidential campaign.

Subsequently, Facebook said it would review all apps on the platform to determine how they used data and if they respect its privacy rules.

“In a few cases, we have banned apps completely,” Archibong said.

Bans can be caused by violations including inappropriately sharing data obtained from Facebook or making data publicly available without protecting people’s identities, according to the social network.

“One app banned was called myPersonality, which shared information with researchers and companies with only limited protections in place, and then refused our request to participate in an audit,” Archibong said.

A year ago, Facebook said it had banned some 400 apps including one called myPersonality, which according

to Archibong “shared information with researchers and companies with only limited protections in place,” and refused to accept an audit.

Facebook said a recent agreement on privacy with the US Federal Trade Commission—which included a record \$5 billion fine -- calls for additional oversight on app developers.

It “requires developers to annually certify compliance with our policies,” Archibong said. “Any developer that doesn’t go along with these requirements will be held accountable.”

Facebook earlier this year filed a lawsuit against South Korean data analytics firm Rankwave in California to make sure it isn’t breaking the leading social network’s rules.

Along with slapping Facebook with a record fine for data protection violations, the settlement in July called for Facebook to create a privacy committee within its board

of directors to be appointed by an independent nominating committee.

This would end “unfettered control” of decisions on privacy by Facebook’s chief executive Mark Zuckerberg, the FTC statement said.

Facebook also will be required to conduct privacy reviews of every new or modified product, service or practice before it is implemented, including for its WhatsApp and Instagram services.

“We have a responsibility to protect people’s privacy,” Zuckerberg said at the time.

“We’re going to set a completely new standard for our industry.”

As the news was announced by Facebook, Zuckerberg was in Washington meeting with policymakers on questions about privacy and antitrust issues, and held talks at the White House with President Donald Trump.

## CAG detects

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tourism, health and family welfare, education, religious affairs, foreign affairs, power and energy, fisheries and livestock, textiles and jute, water resources, road transport and bridges, and railways.

Of the amount, audit objections against BASIC Bank alone involved Tk 3,885 crore, according to the OCAG report.

The types of irregularities found include releasing loans without verifying documents, granting credit without securing sufficient guarantee and flaws in supporting collateral in case of classified loans, providing loans to non-existent companies on the basis of documents, and extending loans against properties that had already been mortgaged with other banks.

In the four years between 2009 and 2013, Tk 4,500 crore was swindled out of BASIC Bank, according to a central bank inspection.

Seven more objections were also raised against the bank, involving Tk 73 lakh. These dealt with appointments ignoring recruitment policy, promotions without displaying outstanding performance, hiring people without curriculum vitae or application or applicants having fake certificates, reappointing officials who were earlier sacked, and employing officials who were sacked for misappropriation of funds, corruption and forgery.

The OCAG also raised 29 objections involving Tk 1,001 crore against the Large Taxpayer Unit’s (LTU) Dhaka office for 2014-15. The LTU is a unit of the National Board of Revenue.

The objections include fixing less income tax by showing less revenue mobilisation than actually realised; determining reduced total income by deducting unapproved expenditure; fixing reduced total income without adding unapproved expenses with income; and determining reduced total income without adding claimed expenditure that was beyond the ceiling and unapproved expenses with income.

The same LTU faced 16 more objections involving Tk 861.93 crore for fiscal year 2012-13.

State-run Agrani Bank faced audit objections related to Tk 547.66 crore for the fiscal 2013 and the preceding year.

The irregularities stem from turning housing loans, project loans and demand loans into risky debt; failure in recovering loan fully despite extending demand loan and the loan against trust receipts; uncertainty over realising misappropriated loans; and failure in realising loans from the clients despite extending rescheduling facility.

Sonali Bank, the largest state-run bank, faced 15 audit objections involving Tk 477.15 crore for the fiscal 2014-15.

These include extending rescheduling facility despite the clients breaching conditions, providing loan renewal facilities and credit beyond approved ceiling time and again, extending back-to-back letters of credit facility through fake amendments, writing off a huge amount of interest, and failure in recouping loans despite granting loan waiver.

Back-to-back letters of credit are actually made up of two distinct LCs, one issued by the buyer’s bank to the intermediary and the other issued by the intermediary’s bank to the seller. The arrangement ensures payment in favour of the seller.

The same bank faced 18 more audit objections involving Tk 421.38 crore for fiscal 2012-13.

There were also audit objections against the income tax department of the Internal Resources Division involving Tk 415 crore between 2012 and 2014.

Karnaphuli Paper Mills Ltd, under Bangladesh Chemical Industries Corporation (BCIC), faced audit objections of Tk 1,593 crore for the fiscal years 2010-11 and 2012-13.

The OCAG raised 13 objections against the Civil Aviation Authority of Bangladesh involving Tk 549 crore for 2013-14. The irregularities include unpaid overlying charge, arrears in landing charge and dues owing to embarkation fee of various airlines and utilities, and unpaid boarding bridge charge.

Audit objections also emerged against various customs, excise and VAT commissionerates involving Tk 306 crore for 2012-13.

Janata, Rupali, Bangladesh Krishi Bank, and Rajshahi Krishi Unnayan Bank (RAKUB) faced 11 audit objections involving Tk 206 crore in 2013-14, stemming from uncertainty over realising bad loans from closed factories and lack of supervision which led to loans turning bad, among other reasons.

A number of audit objections involving Tk 791 crore were raised against the companies under the Department of Livestock Services, Bangladesh Textile Mills Corporation (BTMC) and Bangladesh Jute Mills for 2013-14.

Besides, there are audit objections involving Tk 66.77 crore against Rajdhani Unnayan Kartiripakkha, Tk 63.92 crore against Bangladesh Water Development Board, Tk 105 crore against 10 companies under the civil aviation and tourism, textiles and jute, food, health and family affairs and industries ministries, and Tk 63.66 crore against the health engineering department.