

Britain awash with corrupt cash: study

AFP, London

Britain is awash with dirty money as the world's most corrupt funnel cash into luxury yachts, jewellery, property, jets and even private school fees, campaigners said Thursday in a study.

More than 300 billion (\$386 billion, 347 billion euros) of suspect money has flowed in via UK-based accountancy firms, banks and law firms, Transparency International said, drawing on conclusions from a study into more than 400 corruption and money-laundering cases.

A spokesman told AFP that the cases span back three decades, but the majority are during the last 10-15 years. "The UK is a hub for corrupt wealth from around the world," the

organisation concluded.

"This money is acquired with the aid of companies incorporated in the UK and in its offshore financial centres, invested into luxury property here, and used to buy access to prestigious institutions and privileged lifestyles," the report said.

It continued: "A substantial amount of (this money) is obtained by those who have abused power entrusted in them for private gain." Transparency International said it had identified 86 financial institutions, 81 law firms and 62 accountancy firms that have "unwittingly or otherwise" helped individuals funnel funds.

"The list of exposes detailing the investments and indulgences of a global cadre of corrupt individuals in

or through our economy has become too large to ignore.

"Although this is deeply worrying, it is increasingly acknowledged within policy circles and business, which is a positive step towards taking meaningful action." The group noted that some services -- like architects, interior designers, private education providers and public relations firms -- all fell outside anti-money laundering rules.

The study also identified 421 properties, worth around 5.0 billion that were "bought with suspicious wealth".

And it warned that this could be "the tip of the iceberg" because some 87,000 properties in England and Wales are owned by companies based in secrecy jurisdictions, where there is no information about beneficiaries.

It also signalled a swathe of suspect purchases that also include superyachts, luxury cars, private jets and even a box at Chelsea Football Club's Stamford Bridge stadium.

"We've known for a long time that the UK's world-class services have attracted a range of clients, including those who have money and pasts to hide," added Duncan Hames, director of policy at Transparency International UK.

"Now, for the first time, we have shed light on who these companies are and how they have become entangled in some of the biggest corruption scandals of our time.

"This should act as a wake-up call for government and regulators, and deliver much-needed reforms to the UK's defences against dirty money."



REUTERS/FILE
The financial district can be seen as a person runs in the sunshine on London's south bank.



Lee Cooper global MD arrives today

STAR BUSINESS DESK

Wayne Bebb, global managing director of English clothing company Lee Cooper, is scheduled to arrive on a two-day visit today with plans of signing a licensee agreement with Express Leather Products for the Bangladesh market.

Robert Chatterton Dickson, British high commissioner to Bangladesh, is scheduled to be in attendance, according to a statement.

The lifestyle brand operates in over 100 countries with 65 global partners in retail sales. Express Leather Products is also the licensee of Lotto.

As a chartered accountant, Bebb has conceptualised and developed business growth across multiple channels from human capital, media, branded products, wholesale and retail distribution, says the statement.

US budget deficit highest since 2012

AFP, Washington

America's budget deficit soared to nearly \$1 trillion in the 2019 fiscal year as government borrowing swelled, the US Treasury announced Friday.

The deficit jumped by 26 percent to \$984 billion, the highest since 2012, as spending outstripped tax receipts in the wake of the 2017 Republican-led tax cuts.

Tariffs imposed in President Donald Trump's multi-front trade confrontations brought in \$30 billion in the year ended September 30, according to the Treasury.

"President Trump's economic agenda is working," Treasury Secretary Steve Mnuchin said in a statement, calling on lawmakers to cut "wasteful and irresponsible spending." The widening deficit underscored the yawning imbalance in the Trump era as lawmakers' oft-stated fears for fiscal discipline have fallen by the wayside.

With the economy growing, the government took in more money from workers, importers and companies, who paid \$3.5 trillion in taxes, about four percent more than in 2018.

But spending grew twice as fast, rising 8.2 percent to \$4.5 trillion, driven higher by rising interest on existing public debts, defense spending and outlays for social

safety net programs like Medicare and Social Security.

Borrowing from the public swelled to 79.1 percent of GDP for the year, up from 77.5 percent in the year before.

Mnuchin has repeatedly argued that the sweeping cuts to corporate and personal income taxes in 2017, would spur economic growth, boosting tax



REUTERS
US Treasury Secretary Steven Mnuchin arrives to testify before a House Financial Services Committee in Washington on October 22.

receipts and help the tax cuts pay for themselves.

More recently, however, the White House has emphasized other priorities, with the president saying a stronger military is more important than a balanced budget.

German economy to grow in Q4 as business morale steadies

REUTERS, Berlin

German business sentiment held steady in October, and Europe's largest economy should grow moderately in the final quarter after contracting earlier in the year, the Ifo economic institute said on Friday.

Ifo said its business climate index was unchanged from the prior month in October at 94.6. That was just above the consensus forecast for 94.5.

"The German economy is stabilising," Ifo President Clemens Fuest said in a statement.

Europe's economic powerhouse shrank in the second quarter, and many economists expect it to have done so again in the third. That would put it in recession - usually defined as

a period of at least two consecutive quarters of contraction.

But Ifo economist Klaus Wohlrabe told Reuters: "For the fourth quarter, we expect a slight expansion." Wohlrabe said the downtrend in German industry, which is heavily exposed to fluctuations in global trade, has stopped for the time being, but he added: "The uncertainty stemming from Brexit remains high." Germany's export-reliant economy has been suffering from slower global growth and business uncertainty caused by U.S. President Donald Trump's 'America First' trade policies and Britain's planned, but delayed, exit from the European Union.

German sportswear group Puma said on Thursday it would take a

hit from U.S. tariffs on China in the fourth quarter but still raised its sales forecast. Ifo's index on current conditions fell to 97.8 from 98.6 in September. But its expectations index rose to 91.5 from 90.9.

"Relief, unfortunately, is not the same as a rebound," ING economist Carsten Brzeski said of the stabilisation in morale.

"The risk of a long flirt with stagnation remains high and with it the risk of a Japanification of the German economy," ECB Vice President Luis de Guindos said earlier this month the bank must fight the spectre of 'Japanification' - the risk of replicating Japan's 'lost decades' of low-to-no growth and self-fulfilling expectations of low inflation or grinding deflation.



PREMIER BANK
Premier Bank Chairman HBM Iqbal, directors and top officials cut a cake at its head office in Dhaka yesterday celebrating the bank's two decades of operations. M Reazul Karim, CEO, was present.

Iqbal blames bankers for bad loans

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The amount of NPL of Premier Bank is Tk 650 crore, which is 4.5 percent of its total liquidity and a standard level of bad loan ratio, its Managing Director M Reazul Karim said.

"The amount of the NPL is going down gradually."

He said Premier Bank would open 500 agent banking booths in rural areas within next two years with a view to bringing the village people under the banking network.

The bank will give priority to small and medium enterprises while giving out loans as the sector is growing fast and there is less possibility of the loans going sour, Karim said.

Muhammed Ali, adviser of the bank, said Premier Bank has been playing an important role in the economy through industrial development and exports growth since its establishment in 1999.

Moin Iqbal, vice-chairman of the bank, and Abdus Salam Murshedy, a director, also spoke.



BERGER PAINTS
Mohsin Habib Chowdhury, senior general manager for sales and marketing at Berger Paints Bangladesh, pose with top dealers at "Berger Innova Dealers' Night 2019" at the Dhaka Regency hotel on Thursday.

Withdraw advance tax on raw materials' import

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Clearance time should not be more than seven days, said the FIAB, adding that they have to bear additional charges for delayed clearance from the Chattogram port.

Feed makers also urged the government to allow import of vaccines of avian influenza H9N2 viruses on special consideration ahead of the coming winter.

Poultry production has fallen in recent years after it came under attacks of the flu, the association said.

Industry operators said they have been seeking permission to import the vaccines and also to produce them locally for the last two years, but the approval has not been given yet.

The outbreak of the avian influenza usually takes place in winter. So, poultry farmers and entrepreneurs are fearing a massive attack of the disease in the coming winter season, Ahsanuzzaman said. Feed production is expected to double to 60 lakh tonnes in 2019 from 29.7 lakh tonnes in 2015. The sector caters for the poultry industry, which produces 14.6 lakh tonnes of chicken meat annually, according to the BPICC.

At present, more than 200 feed mills are registered and they meet the entire local demand for feed for poultry, aquaculture, and dairy farming, the association said.