

UKRAINE'S ANTI-GRAFT FIGHT TARGETS TELECOMS

KIEV: One of Ukraine's richest men vowed yesterday to defend his ownership of a major telecoms company after its shares were impounded by a court following a probe into graft under the deposed Russian-backed regime. Prosecutor General Yuriy Lutsenko announced Thursday that a Kiev court had "frozen" the shares of tycoon Rinat Akhmetov in the Ukrtelecom company and its subsidiary TriMob. The decision was issued after a nearly two-year investigation into Ukrtelecom's privatisation under ousted president Viktor Yanukovich in March 2011.

Ukrainian media quoted Lutsenko as say-

ing that Yanukovich's government gave Ukrtelecom for a nominal sum to a shell company based in Cyprus that was purchased by Akhmetov in October 2013. Akhmetov's main holding company said in a statement to Interfax-Ukraine that it would defend its interests in Ukrtelecom and demand an "objective and independent investigation" of the case. The billionaire has played a dominant role in Ukrainian politics for more than a decade and twice served in parliament as a member of Yanukovich's now-disbanded Party of Regions.

Ukrtelecom held an effective monopoly

over telephone land lines and was an early pioneer in cell phone services prior to its privatization. Ukraine's February 2014 pro-EU revolution left Akhmetov and other oligarchs who critics say grew fabulously wealthy thanks to close government connections on the back foot. Akhmetov soon turned into an early target of an anti-graft campaign launched by post-revolt President Petro Poroshenko. He defended his interests furiously and the initial vigor of Ukraine's drive to clean up business and politics slowed down.

But world lenders to Ukraine consistently

point to the problem as one of the biggest stumbling blocks on the post-Soviet country's path toward a Western-style economy that sees sustainable growth. Ukraine drew praise in December 2016 for taking over the country's largest private bank PrivatBank from another influential tycoon named Igor Kolomoyskiy. The central bank later reported that 97 percent of the bank's corporate loans went to Kolomoyskiy and another shareholder. It added that the deposits of half of Ukraine's population of about 40 million would have been jeopardized had PrivatBank gone under. — AFP

MAINE GOV: PRINTED LEGAL NOTICES PROP UP DYING INDUSTRY

AUGUSTA, Maine: Maine's Republican governor said that laws requiring legal notices to be published in newspapers props up a "dying, antiquated industry," in the latest chapter of his antipathy toward the press. Gov Paul LePage is no fan of Maine newspapers and has said journalists use words to destroy people and make his remarks seem racist. The governor who once apologized for remarking to a boy that he'd like to shoot his Bangor Daily News cartoonist father has most recently called for governmental oversight of newspapers and retreated to interviews on talk radio shows and conservative websites.

Legislators on Thursday overrode LePage's veto of a bill that requires the continued posting of newspaper legal notices on a publicly accessible website. The Democratic-controlled House overrode the veto with a 121-22 vote, while the Republican-controlled Senate voted 32-0. The bill, which has now become law, does not address existing requirements that legal notices be printed in newspapers.

But the governor says he couldn't support the bill because lawmakers must explore eliminating such a "mandate," which he calls a "taxpayer subsidy of the worst sort." "It serves to blur the line between a free press and one dependent on the state for revenue," he said. In New Jersey, Republican Gov. Chris Christie said he'll make such a change a priority this year. Christie said the change would save taxpayers and residents \$80 million, but the state's newspapers have disputed that math. Lobbying efforts from publishers have stopped similar efforts in other states.

LePage also said the Legislature should explore maintaining adequate notice to the public through online notices, and said it's good policy given the "ubiquity of the internet in our modern life". Right now, the Maine Press Association operates an online website that lets the public view newspaper legal notices from all the state's approved daily and weekly newspapers. Democratic Rep. Roland Danny Martin, the bill's sponsor, said total traffic to the website last year grew by nearly 9 percent over 2015.

Gary Gagne of the Maine Daily Newspaper Network testified in support of the Maine bill in February and said that public notices serve as "one of the few regular and official communication channels that exist between levels of government and citizens". "Newspapers, in print and online, act as an independent third party to publish, post, and archive public notice information so that it is available to the largest audience of citizens possible," he said. — AP

TRUMP AND YELLEN MAY NOT BE AN ODD COUPLE AFTER ALL

PRESIDENT DOES NOT RULE OUT REAPPOINTMENT

WASHINGTON: At first glance, US President Donald Trump and Federal Reserve chair Janet Yellen may have little in common. Yellen is an academic economist and veteran of Democratic administrations who is committed to an open global economy, while Trump is a real estate mogul with an electoral base suspicious of the economic order Yellen helped to create. Yet the two may have interests in common now that Trump is president and both want to get as many Americans working as possible.

Since her appointment as Fed chair in February 2014, Yellen has kept interest rates low and she currently pledges to raise them only slowly even though unemployment, at 4.5 percent, is at its lowest in nearly ten years. Meanwhile, Trump's election campaign promises to cut taxes, spend money on infrastructure and deregulate banking, have helped propel a surge in the US Conference Board's consumer confidence index to its highest level since the internet stocks crash 16 years ago.

Former Fed staff and colleagues who know Yellen said Trump's surprising remarks this week in a Wall Street Journal interview, in which he did not rule out Yellen's reappointment to a new four year term next year, are not as outlandish as they may appear now that the president has a vested interest in keeping markets and the economy on an even keel. And the same staff and colleagues say Yellen may well accept reappointment, despite Trump's criticism of her during last year's election campaign.

Many in Trump's Republican party have called for tighter monetary policy and a less activist Fed, but "the president would not really find that useful," said former Fed vice chair Donald Kohn. If Trump fills three existing Federal Reserve board vacancies with people Yellen thinks she could work with, "it would be really difficult to turn down" a reappointment when her term as chair expires in February 2018. "If she continues to do well, he'd be nuts to ditch her for an unknown quantity," said University of California, Berkeley, economics professor Andrew Rose, a long-time colleague and co-author with Yellen of an oft-cited study of labor markets.

Yellen took over from Ben Bernanke as Fed chair in February 2014 with the US economic recovery from the 2008 financial crisis still on shaky ground, and she has made no secret she puts a priority on growth in jobs and wages and a broad recovery in US household wealth. In a slow return to more



WASHINGTON: Federal Reserve Chair Janet Yellen speaks at the National Community Reinvestment Coalition annual conference on March 28, 2017. — AP

normal monetary policy, Yellen has stopped the purchase of additional financial securities by the Fed and in December 2015 began raising short term interest rates for the first time in 10 years.

So far those policy shifts have been engineered with little apparent impact on job growth, and so mesh with Trump's core election campaign promises to restore employment and earnings. The slow rise in interest rates in the past year has also happened while US stock prices have risen to record highs, though Trump has claimed the credit for himself.

Precedent for Fed Chair to Stay on

There is precedent for Trump to stick with a former president's Fed chair appointment. Paul Volcker, Alan Greenspan and Ben Bernanke, the three previous Fed chairs, served at least two four year terms and were nominated by both Democratic and Republican presidents. However it may be a more difficult step for Trump. During last year's election campaign, Trump accused Yellen of accepting orders from then President Obama to keep interest rates low for political reasons, and he said he would replace her as Fed chair because she is not a Republican party member.

In a particularly biting moment last year, in a campaign video advertisement, he labelled her as among the "global special interests" who had ruined life for middle America. The Fed on Thursday said it had no response to Trump's comments published on Wednesday on Yellen and on whether Yellen would consider a second term.

Much Could Still Go Wrong

Some of Trump's advisers and some Republican lawmakers want a more conservative Fed in which the chair has less power and would see a Yellen reappointment as yet another step away from his promise to "drain the swamp" of the Washington establishment. There are also three current vacancies on the Fed's seven member Board of Governors, and unorthodox new members could make it difficult for Yellen to manage policy or accept another four year term.

But if the choice is her consensus style or someone unproven in their ability to manage public and market expectations, "he'd be wise to reappoint her," said Joseph Gagnon, a former Fed staffer and Berkeley colleague of Yellen's currently at the Peterson Institute for International Economics. "I don't see what is in his interests to appoint someone who is going to jack up interest rates." — Reuters