Paris, Moscow sign accord on food aid

PARIS, Nov 1 : France and the Soviet Union Thursday signed an accord exchanging 1.6 billion Francs (285 million Dollars) of French agricultural food products for Soviet gas and petroleum, reports AP.

Under the accord, signed by French and Soviet officials, the French products including cereals and 100,000 tons of meat will be sent to the Soviet Union over 21 months.

The aid will go toward helping the Soviet Union through what is expected to be a tough winter, French officials said.

Soviet grain harvest likely to fall by 30 pc

MOSCOW, Nov 1: The 1991 Soviet grain harvest will be about 30 per cent smaller than last year, according to official statistics released this week

reports AP. With grain harvesting nearly complete, about 163 million metric tons has been gathered. the State Statistics Committee said in a report dated Oct. 27.

In 1990, a near-record 237 million metric tons was harvested, said the report, which was obtained from a western Embassy diplomat. The statistics committee compiles the government's official ligures.

The harvest is lower than previous Western estimates. US Agriculture Department had predicted the grain harvest at 190 million metric tons this year. A metric ton is 2,205 pounds or about 36.7 bushels of wheat.

Nursultan Nazarbayev, the President of the Republic of Kazakhstan, said Thursday the harvest would not top 170 million metric tons. He blamed dry weather and other conditions, not wastage or grain left rotting in the fields.

"I can tell you - that even before the new year, by Jan. 1. there will be hunger in parts of the Soviet Union unless food assistance, particularly grain assistance, is made available in the very near future without delay," Nazarbayev said in

Kazakh President urges West to provide food aid

LONDON, Nov 1 : Kazakhstan's President Nursultan Nazarbayev called Thursday on the West to accord food credits to stave off the threat of famine in the Soviet Union this winter, reports AFP.

He told a press conference during an official visit to Britain that the main threat to democracy in the Soviet Union was not separatism but the prospect of famine.

Nazarbayev has held talks with British Prime Minister John Major, Foreign Secretary Douglas Hurd, Chancellor of the Exchequer Norman former Prime Minister Margaret Thatcher and opposition Labour Party leader Neil Kinnock.

During the talks, he called on Western countries to invest in Kazakhstan by setting up joint ventures in the fields of energy and banking.

Nazarbayev also met leaders of the large privatised enterprises including British Gas and British Petroleum to examine possibilities for cooperation in exploiting his republic's oil and natural gas reserves.

He received promises of help from Britain to move the republic's economy toward a free market system.

Baltic states to become members of EBRD

MOSCOW, Nov 1: The three newly independent Baltic states received preliminary approval for admission to the European Bank for Reconstruction and Development, the independent Estonian news agency reported Thursday. reports AP.

Latvia, Lithuania and Estonia were given tentative approval to become members of the bank by its Board of Directors on Tuesday, ETA reported. The final decision will be made within 30 days by its Board of Governors, it said.

All three nations have agreed to purchase 1,000 shares in the bank, which will cost them each 10,000 ECUs (12,100 Dollars), ETA said. Buying shares is a prerequisite

Bank President Jacques Attali told a news conference in the Estonian republic of

Tallinn in September last. It already has plans to help the Baltie states develop a modern telecommunications system, ensure energy supplies and advise political leaders on preparing constitution which will protect minority rights and free speech, ETA said.



LONDON: British model Helen presents 'Butterflies' one of the hats from designer Philip Sommerville's Spring/Summer 1992 collection launched in London. - AFP/UNB photo

Pakistan likely to lose \$375m in cotton export

KARACHI, Nov 1: Pakistan might lose about 375 million Dollars in cotton exports this year because of the worldwide recession and glut in cotton markets cotton association sources here said Thursday, reports AFP.

Pakistan earned some 8000 million Dollars by exporting 1.5 million bales out of its total production of 9.6 million bales in the last fiscal year ended

Cotton production this year is expected to be a record 11 million bales, with an exportable surplus of 2.5 million bales after meeting local industry requirements.

Sources said exporting such a large quantity of raw cotton onto a world market already facing a recession and a cotton glut would be a big challenge for Pakistani exporters. Besides Pakistan, the United States, China, India and other cotton growing nations are expecting bumper crops this

Akbar Ali Haswani, President of the Karachi Cetton Association (KCA), has urged the Commerce Ministry to convene a meeting of all representatives of the cotton sector to review the situation and help frame a new cotton

policy to meet the crisis. He also called upon the Pakistani commercial banks to provide adequate credit facililies to cotton exporters to help meet the difficulties.

Pakistan had set a total export target of eight billion Dollars for the current fiscal year ending June 1992 with cotton and textiles expected to account for the largest amount. But cotton prices have fallen from 72 cents a Pound last year to around 60 cents.

Pak consumer prices rise

KARACHI, Nov 1: Pakistan's Consumer Price Index (CPI) rose 1.27 per cent in September compared with 1.50 per cent in August and a fall of 0.48 per cent in the year-ago month, the Federal Bureau of Statistics said, reports Reuter.

The CPI rose 11.79 per cent year-on-year September, compared with 9.85 per cent in August and 10.64 per cent in the year-ago

The Wholesale Price Index (WPI) rose 1.74 per cent in September compared with 0.99 per cent in August

Bush to compromise with foes on helping jobless

WASHINGTON, Nov President George Bush has moved to compromise with his political foes on helping America's long-term jobless, but appears undecided whether to push strongly for a capital gains tax cut to boost a stalled economy, reports Reuter.

As mixed signals about the US economy worried the White House, all eyes were focused on Friday's critical unemployment report for October and the Federal Reserve Central Bank amid speculation that the Fed might cut interest rates to stimulate the economy after the jobless rate is announced.

Members of Bush's cabinet have been urging the Fed to lower rates further to give the

economy a boost. But while the administration is consistent on its ideas about monetary policy, its fiscal policy is wavering with the increasing economic uncer

Bush said on Thursday he was seeking compromise with Democrats on extending jobless benefits to those workers whose 26 weeks of benefits have expired, a retreat from his previous policy of simply vetoing opposition bills on the subject.

Bush has twice killed Democratic bills that would extend unemployment benefits another 20 weeks. He supported a republican sponsored 10-week version even as the White House argued that additional weeks of unemployment benefits increased the unemployment rate.

But, faced with new evidence that growth has slowed again, Bush decided to negotiate with the Democrats on the jobless bill, although he still insisted that it be paid for without increasing the budget

\$ 2 m IDB grant to Soviet Muslims

Nov 1 : Soviet JEDDAH, Muslims will get a grant of 2 million Dellars from the Islamic Development Bank to build Koran Study Centers, I was announced Wednesday. reports AP:

It will be the first time that Soviet Muslims receive such aid from the Jeddah-based bank since it was founded in 1975 as an affiliate of the 45member Organization of the Islamic Conference.

The OiC and its dominant member Saudi Arabia are geared to massive help for the estimated 60 million Muslims in the Soviet Union following the collapse of communism.

The Soviet grant was part of 123.5 militon Dollars approved by the Bank's Board of Directors for Muslim nations. It comprises loans to finance development projects and foreign trade operations in a number of Islamic countries.

Since the beginning of its new Islamic fiscal year four months ago, the fDB has extended loans at the amounts to 322.6 million Dollars to member states.

China lowers cigarette output

BEIJING, Nov 1: China is restricting eigarette output and halting production of 11 slow-selling brands outright in a bid to control mounting stockpiles, The China Daily said Saturday, reports AFP.

Cigarette output will be kept under 31 million cartons this year, according to a cabinet-level decree last month, the official newspaper re-

Despite an increase of only 0.5 per cent in production in the first half, stockpiles increased by 1.5 million cartons, the newspaper said. The stocks totalled 4.18 million cartons at the end of June, an carlier report by the Xinhua news agency said.

China's more than 300 million smokers are buying about 30 million cartons of cigarettes annually, one million less than this year's production

From 1981 to 1990, cigarette production jumped from 17 million to 32.5 million cartons. The industry is the government's biggest single sources of income and raised more than five billion Dollars in taxes and profits last year.

The government of the southwestern province of Yunnan, which produces China's choicest cigarette brands, recently shut down half of its 10 cigarette plants and stopped production of 10 poorselling brands.

But the provincial government has also pledged to boost the output of high-grade

China is the world's largest cigarette market. According to a 1984 survey, some 61 per cent of men over 15 smoked, and experts believe that is still increasing.

Secret buyer likely to buy **Empire State** Building

NEW YORK, Nov 1 Prudential Insurance Co. of America, owner of the Empire State Building, is expected to sell the famous skyscraper to a relative of Peter Grace Chairman of W.R. Grace Cosmetics Company, The Wall Street Journal reported Thursday, says AFP.

The building was to be sold for 40 million Dollars with one condition of the sale being that the identity of the buyer be kept secret, the journal said.

The price was considered low for the landmark 102story building, but that was because it has been leased to a limited partnership which will be paying relatively low rent for 84 years, the report said.

Prudential bought the land on which the Empire State Building stands in 1951, and then the building itself 10 years later for a total estimated at 46 million Dollars.

Dhaka calls for decisive approach to face debt crisis of Third World

Bangladesh has called for a comprehensive and truly decisive approach to deal with the external indebtedness of the developing countries, reports

The imperatives for urgent and timely action in this regard was particularly underscored by Dr Abdul Moyeen Khan, Member of Parliament

Cuba orders cutback in production schedules

HAVANA, (Cuba), Nov 1 Cuba's Labour Ministry has ordered managers at many companies to cut back production schedules, resulting in wage cuts of up to 30 per cent, the Cuban News Agency Prensa Latina said on Thursday, reports Reuter. Managers were ordered to

revise operating schedules taking into account the need to reduce cafeteria service at those labour centres experieneing difficulties." Cuban workers get subsidised meals during their shifts. Cuba is suffering from

shortages of food, spare machine parts and other goods, largely as a result of reduced assistance from the Soviet

Economic and Financial Committee of the General

Assembly Wednesday. Dr Khan referred to the seriousness of the unabated debt crisis which continued to constitute a grave threat to the political, social and economic orders in the indebted developing countries. He also expressed deep concern over the negative impact of this crisis on the investment and crucially important social expenditures of concerned developing countries, a PID handout

While presenting the country position of Bangladesh on this important item. Dr Moyecn Khan noted that as a first step to address the debt crisis the international community needed to restore productive investment in developing countries as a key element of a viable debt strategy Additional efforts were also needed to cast the debt strategy in an explicit medium tern framework with consequent implication for assured and predictable flow of development resources, he pointed

Dr Khan further stressed the need for effective steps to deal with the scriousness of the least developed countries and significant improvement in the various options now available to help them in this important area. He said that a

successful debt strategy must give the indebted countues including the least developed countries the opportunity to increase their exports in the developed countries. The reactivation of growth in the developing countries, so essential to enable them to overcome their debt overhang, he stressed, would also initially depend on progress in this

Farmers forced to sell crops to money lenders

important area.

MANIKGANJ, Nov 1 : Most of the farmers in the district are forced to sell their crops to money lenders in advance against their loans, reports

Unabated erosion, recurring floods and crop failure in the last few years are learnt to be the main causes of their borrowing money from the money lenders at exorbitant rate of interest.

Many farmers complained that they did not get any loan from banks as they failed to pay back the previous loan.

As a result, hundreds of farmers of Shibalaya, Ghior, Daulatpur, Singair Harirumpur, Saturia and Manikganj Sadar upazilas were forced to sell their crops to the money landers in advance.

\$ 2. 26 b IMF loan to India

to strengthen competition be-

tween private sector and pub-

lic enterprises and a signifi-

cant liberalisation of foreign

streamline much of its restric-

It added that India plans to

investment," the IMF said.

WASHINGTON, Nov 1: The International Monetary Fund (IMF) has approved a 2.26 billion Dollars loan to help India's four-month-old government cope with one of the country's worst financial crises, reports

On taking office June 21, Prime Minister P. V. Narasimha Rao's government 'acted quickly to address the deteriorating economic situation," IMF headquarters said in its Thursday night announcement that India was authorised to draw the new credit over the next 20 months.

in early June, India had to sell 19.5 tons of gold to Swiss Bank to raise about 200 million Dollars for averting default on other international loans, according to the previous caretaker government.

Announcing that 'we have to take some very tough decisions," Rao and new Finance Minister Manmohan Singh then slashed farm subsidies and government spending, including an estimated 30 per cent on defense, hiked gasoline prices, devalued the currency 20 per cent and deregulated foreign and domestic

Thursday's announcement said India has adopted stabilisation measures to restore confidence and reverse the capital outflow.

These were "virtual abolition of the complex system of industrial licensing, measures

Dollar stable, gold slid in NY

NEW YORK, Nov 1: The Dollar creeped up early Thursday against major foreign currencies in slow trading in New York as players awaited Friday's release of US jobless figures, reports AFP.

The Greenback was trading at 131.10 Yen and at 1.6730 German marks early Thursday, unchanged from late Wednes-

The Dollars was up slightly against other major European currencies, trading at 5.7160 French Francs against 5.7140 late Wednesday, at 1.4690 Swiss Francs against 1.4655 and at 0.5744 Pounds Sterling against 0.5739.

The price of gold slid nearly two Dollars to 357.30 Dollars an ounce against 359 Dollars late Wednesday.

Wednesday morning's quiet trading came after a marked drop in the Dollar

tive price-based system. The IMF said the crisis was triggered by last year's Gulf War, bringing a combination of high oil import prices, loss of remittances from workers

evacuated from the Middle East and stagnation of export trade with both the West and former Soviet bloc. Easing poverty has long been the major objective of Indian economic policy, the

IMF said, predicting that reform, *resurgence of economic growth and reduced inflation (will) improve India's poverty profile substantially." In addition to the 1.85 billion Dollars emergency IMF

loan in January, India earlier in the year received a 552 million Dollars standby credit, the India was also the largest

single borrower the past year from the World Bank, major source of credit for the Third World, drawing 2 billion Dollars.

Riyadh may send wheat to Moscow grow the wheat cost the gov-

MANAMA (Bahrain), Nov 1: Saudi Arabia is considering sending most of its surplus stocks on three to four million tons of wheat to the Soviet Union this winter, economists in the Kingdom said on Thursday, reports Reuter.

They said Saudi Arabia, which is the world's sixth biggest wheat exporter, had not yet decided whether to donate the heavily subsidised grain along with its surplus date crops.

But they said the subject was discussed during a recent trip to Moscow by Prince Bandar Bin Sultan, Saudi Ambassador to Washington and a senior member of the ruling.

"They (the Saudis) already have three to four million tons of wheat in storage, excluding this year's crop, which looks like it will be bigger than the 1990 crop," one Riyadh-based economist said.

They are considering sending most of the stored wheat

to the Soviet Union -- they could go as high as three-quarters. They also have 21,000 tons of dates set aside for charity which might be sent," he added.

Saudi Arabia produced about 3.6 million tons of wheat in its harvest last year. Delays and disruptions at Saudi ports as multinational forces arrived during the crists over Kuwait held back an unknown amount of grain from export.

Subsidies to farmer who

Yeltsin to seize Soviet gold, **Dollars**

MOSCOW, Nov 1 : Russian President Boris Yeltsin on Thursday proposed that his republic seize billions of Dollars in Soviet gold and hard currency and set up its own central bank, moves that would further sap the Kremlin's control of the economy, reports

ernment around 400 to 500 Dollars a tons -- more than three times the price of world market wheat. Saudi Arabia last year

pledged to lend 1.5 billion Dollars to the Soviet Union in reward for its Gulf crisis stand. Bankers said half of the moncy was disbursed last month.

Soviet Middle East envoy Yevgeny Primakov visited Riyadh in September seeking more help for his country's crumbling economy. Diplomats said at the time Saudi Arabia could not offer more money because of its won Gulf crisis cost burden, estimated at up to 65 billion Dollars.

But sending surplus grain was a gesture which would help the stricken Soviet economy, which faces a severe food crisis this winter, the economists said. The Soviet Union's statistics office said on Wednesday that the grain harvest fell sharply this year to 165 million tons.

Seven Asian countries remain biggest non-OECD borrowers

PARIS, Nov 1 : A group of seven fast-growing Asian economies remain the biggest non-OECD borrowers, a reflection of continued brisk expansion, according to figures re-Jeased Thursday by the Parisbased Organisation for Economic Cooperation and Development (OECD), reports

The seven Asian nations raised over 13.5 billion Dollars in world capital markets in the first nine months of 1991. barely short of the 14.3 billion they borrowed in 1990 as a whole, the OECD figures showed.

Analysts said that on current trends, borrowing by the seven Asian countries could rise by more than one-third this year to 19 billion Dollars. They said this was an indication of continued growth, as compared with the rest of the world, in the Dynamic Asian Economies (DAES) of Hong Kong, Singapore, South Korea and Taiwan, and in up-andcoming Indonesia, Malaysia and Thailand.

Among them, they borrowed more than half the 24 billion Dollars raised during the first three quarters by development countries as a group, according to the OECD's latest monthly review of international capital mar-

China also significantly boosted its borrowing, raising a total of 1.76 billion Dollars during the first nine months against 1.5 billion in the full year of 1990. The group of seven Asian

countries accounted for the

lion's share of commercial bank lending to third world countries during the nincmonth period-about 11.8 billion out of a total of 16.8 billion -a trend highlighted at the mid-October world monetary talks in Bangkok, analysts noted.

International institutions strongly emphasized in Bangkok the progress achieved towards easing Latin America's debt problems. But only five countries of that region were able to secure funds on the markets, for a total of 3.4 billion Dollars so far this year, the OECD survey showed.

of bond issues rather than bank lending. Mexico raised 1.66 billion Dollars, including 1.3 billion in bonds, and Brazil just over one

Most of this was in the form

, billion, almost exclusively in bonds. Argentina and Venezuela floated bonds worth respectively 300 million and 223 million Dollars. Colombia on the other hand, obtained loans worth

200 million from its banks. Only three African countries Ghana, Nigeria and Zimbabwe had recourse to commercial funding during the first nine months, for a modest total of 330 million Dollars OECD figures showed.

in the east Asian region, raising 4.99 billion Dollars during the period compared with last year's total of 5.4 billion. However, South Korea's borrowing rose at an even faster pace, reaching 4.3 bil-

lion Dollars by end-September,

Indonesia remained the

biggest commercial borrower

against 3.98 billion in 1990 as a whole, according to OECD

Thailand also increased its borrowing significantly, at 1.49 billion, compared with a total of 1.46 billion last year, as did Hong Kong at 1.21 billion against a 1990 total of 1.25 bil-

Singapore raised 902 million Dollars during the first three quarters, a sharp increase from 561.5 million in 1990 as a whole, while the other two countries in the group borrowed less than they did last year.

Taiwan raised 344 million Dollars and Malaysia 298 million, less than half their 1990 totals of respectively 825 million and 730 million.

Elsewhere in Asia, few countries have had access to

commercial markets so far this year. Reflecting the economic crisis in India, the country's borrowing was limited to just under 240 million Dollars, against 1.2 billion last year and over 2.0 billion in

Pakistan, meanwhile, secured loans worth 94.5 million Dollars, down from 350 millions last year and in 1989.

The oil producers in Middle East have been virtually absent from the markets, with two exceptions. Saudi Arabia demonstrated its credit worthiness by securing a 4.5 billion Dollar loan from commerctal banks to help meet its financial obligations in the wake of the Gulf war.

And Bahrain raised a more moderate 375 million Dollars the OECD report showed.

Firefighters hold farewell party in Kuwait

AHMADI, (Kuwatt), Nov 1 Waving flags, clapping and blowing their horns, jubilant firefighters who controlled hundreds of oil-wells set ablaze by Iraqi troops staged a farewell parade Thursday as their work drew to a close, reports AP.

"Today, we're bidding farewell forever to the smoke that shrouded Kuwait," said Samir Abdul-Mohsin Mohammed, a member of the Kuwaiti team. This is a second victory over Saddam Hussein."

Oil officials said that as of late Thursday, six wells remained to be brought under control.

One official, speaking on condition of anonymity, said two of the wells were still on fire while the remaining four needed to be capped.

Of Kuwait's 940 producing wells, 732 were damaged by the Iraqis, including 640 set ablaze with explosives.

Original estimates called for capping the wells by March The firefighting teams, the

greater availability of equipment, came from the United States, Canada, China, Iran, Kuwait, Hungary, Romania, Britain, France and the Soviet

They drove in a procession of oil-stained jeeps, ambulances and trucks through the fields where only a few weeks ago fires raged out of control of Ahmadi stadium. There a barbecue was held in their honor.

The feeling of camaraderie that came after months of working together prevailed at the party.

India repays loans against gold

NEW DELHI, Nov 1 : Indta has redeemed the 46.9 tons of gold which it pledged to foreign banks this summer to raise emergency loans of 400 million Dollars, a minister said here Thursday, reports AFP.

Minister of State for Finance Rameshwar Thakur told reporters that the Reserve Bank of India (RBI) had paid back the loans, but the gold had still not been brought back to the country.

He said on his return from a four-nation tour that 180 million Dollars of the loan was repaid in two instalments last month and the balance in the middle of this month.

The gold is in free hold now," Thakur said.

The RBI, India's central bank, flew out the 46.9 tons of gold in four instalments to the Bank of Tokyo and the Bank of England to get emergency loans in the face of a severe

fiscal crunch. The gold movement, which came under sharp attack from opposition parties, followed the sale in June of 19.6 tons of gold to a Swiss Bank to raise about 200 million Dollars to up foreign exchange

levels. Thakur said it was not 'very important' where the 46.9 tons of gold - which totals less than 15 per cent of RBI's gold reserves -were kept and that the 'country's options in this

regard were open." He added that India's foreign exchange reserves now totalled some 2.3 billion Dollars, up from a meagre 884 million Dollars recorded in June, when a new government

took power in New Delhi. World embargo hits Haiti

PORT-AU-PRINCE, Haiti, Nov 1: Lines are long and temper short at the gas pumps as the provisional government scrambled to make good its promise to find sources of oil and other goods cut off by an international trade embargo, reports AP.

The Organizational of American States has approved harsh economic sanctions to for the return of President Jean-Bertrand Aristide, Haiti's first democratically elected leader who was ousted in a Sept, 30 military

While most goods appeared abundant in markets, including food and other household ipplies, lines blocks long of buses, taxis and cars stretched away from the few gasoline stations open for business in the capital Thursday.

People waiting for the taptaps — the gaily painted trucks converted into small buses --said fewer were on the roads. They expressed frustration over having to wait an hour or more to find room in the tightly packed vehicles. Jean-Marie, who refused to

give his last name, said he made Dollars day -the basic wage at factories in this poor Caribbean island nation of 6.4 million people. Jean-Jacques Honorat,

named Prime Minister by a military-endorsed provisional government, said Thursday he believed new shipments of oil were on the way.

for membership.