### Market awaits Perez's report on Iraqi oil sale

LONDON, Sept 6: Oil prices edged lower on Thursday after a report issued late on Wednesday of higher US crude oil and refined product stocks, reports Reuter.

The American Petroleum Institute said US crude oil stocks rose by 1.65 million Barrels last week.

The October futures contract for North Sea brent crude oil fell 10 cents from the Wednesday close to 20.15 Dollars a Barrel by 1645 GMT in London.

The New York Mercantile Exchange's October light crude contract was down nine cents at 21.73 Dollars a Barrel.

Traders were waiting for United Nations Secretary General Javier Perez de Cuellar to present a report proposing how, Iraq will resume its oil

"People are reluctant to sell (crude oil futures) further ahead of the UN report on Iraqi exports," a London broker said.

The report asks the Council to consider raising the value of oil that can be sold over a six month period to 2.4 billion Dollars from 1.6 billion Dollars, Diplomats said.

They also said Perez de Cuellar would recommend that Iraq's oil agency, Somo, handle contracts and market future of sales with independent or UN, monitoring of crucial stages.

### Soviet business leader lauds Western aid

LONDON, Sept 6; The head of a new Soviet businessmen's group today welcomed Western efforts to provide food aid and said the Soviet Union needed help to boost trade, reports Reuter.

Andrei Konovalov, Chairman of the Interim Inter-Republican Economic Committee, told British Broadcasting Corporation (BBC) Radio that trade Cooperation would go a long way to solve the Soviet

Union's beleaguered economy. Earlier Reuters erroneously reported that the Committee led by Knovalov was a similarly named government body to the Soviet economy whereas it is a group of business leaders.

"The Soviet Union will not spurn any food aid but what it really needs is trade aid," said Konovalova who is in London to talk to business leaders from the Confederation of British Industry.

"What we need has to become a real partnership in the world economic process. The only way out of this situation is trade and cooperation," he

### Govt, traders trade criticism

#### on Chile's economy

SANTIAGO, (Chile), Sept' 6 Chilean businessmen and the government traded criticism on Wednesday over the state of the economy in one of the most open disputes since military ruler General Augusto Pinochet stepped down last year, reports Reuter.

The Chilean Confederation of Industry and Commerce (CPC), which groups leading private businessmen, said in a statement that investment was dropping and unemployment rising and urged the government to push economic liberalisation further.

But at a news conference, Finance Minister Alejandro Foxley said private industry was waging a guerilla war on the civilian government's economic policy.

In unusually strong remarks for the harvard- trained economist, Foxley said: "the businessmen are whiners, by tradition and by belief."

The CPC statement was made after a private one-day meeting of businessmen from the mining, agricultural, manufacturing and building industries as well as banking and retailing to analyse the performance of President Patricio Alwin's government.

CPC President Jose Antonio Guzman said their main worries were falling domestic investment, a 7.4 per cent unemployment rate, free-trade pacts being agreed without their participation and a Peso too strong against the Dollar.

"A fall in investment has noted. making (investment) plainly insufficient to reach hoped for growth levels and to regain employment levels needed in

Chile," he added. But Foxley said foreign investment this year is expected to reach 2.3 billion Dollars, exports are surging, public investment has risen 20 per cent and Gross Domestic Product growth is forecast at

five per cent this year. What else do the businessmen need to invest let them go to other Latin American countries and see if they can find the same conditions (as in Chile)," Foxley said.

# US officials fail to probe into BCCI

banking.

WASHINGTON, Sept 6: US officials failed to pursue investigations of the Bank of Credit and Commerce International (BCCI) and missed an opportunity to stop the bank's illicit activities much sooner, a congressional report released

Regulators in the United States, Britain and other countries shut down BCCI's operations in July amid allegations of massive fraud, laundering of drug money and support of terrorists. The new reports by the House Judiciary subcommittee on crime and criminal grounded that 99 officials knew about BCCI's activities as far back as 1983 but overlooked a pattern of mis-

Thursday charges, reports AP.

The 29-page report read at a conference by Rep. Charles E. Schumer, the New York Democrat who chairs the sub-

committee. "The government simply overlooked the repeated runins that it had with BCCI, its officials, customers and accounts," it says. "On at least two occasions, high-ranking officials squeiched actions recommended by rank-and-file investigators that might have

CAIRO, Sept 6: Cash-

strapped Egypt is looking for

300,000 Tonnes of coal on the

open market after political and

economic chaos in the Soviet

Union disrupted a barter deal

between the two states worth

700 million Dollars overall, re-

over 200,000 Tonnes of the

500,000 Tonnes of coal agreed

under the protocol," Mohsin

Shihab, Chairman of the gov-

end of the year," he added.

"Whether we continue to trade

(with the Soviet Union) de-

pends on whether we take a

long- term view. It's a political

said the state-owned Nasr

Coke Company was already in

talks with American and

Australian firms to buy its coal

(Argentina), Sept 6; Three

months ago, the ruling

Peronist Party's prospects in

off-year elections seemed

bleak, with inflation high and

president Carlos Menem

shaken by charges of corrup-

tion against some aides, re-

sputtering to life after three

years of recession, Peronist

candidates now sound almost

euphoric as they face on

Sunday their party's first elec-

toral test as incumbents in four

winner," Eduardo Duhalde, the

country's Vice President who

is campaigning for government

of Buenos Aires province, told

supporters at a rally last week-

from the apparent and timely

Duhalde's optimism stems

"I already feel like I'm the

But with the economy

shortfall with cash.

BUENOS

ports AP.

decades.

However one trade source

Corporation (FTC) said.

ernment's Foreign Trade

"We hope for the rest by the

"We have received a little

ports Reuter.

decision."

transformed the government's brushes with BCCI.

For example, the report says, high government service officials refused on the three separate occasions in 1986 to begin an undercover probe of BCCI at the request of a Florida IRS agent who had information from a former BCCI employee. The IRS officials were not

The IRS has identified 13 separate matters in its files involving Luxembourg-based BCCI, 'yet no one at the agency appeared to have noticed the pattern," according to the re-

Spokesmen for the IRS and other government agencies named in the report were not immediately available for comment. Two top official of the Federal Reserve are scheduled to testify at a hearing on BCCI next week by the House Banking Committee.

In another case, an IRS agent in Tampa, Fla, offered to direct a senior Federal Reserve official in Washington to former officials who could testtfy about BCCI's secret ownership of first American Bankshares Inc.

On July 29, the Fed an- funds through BCCI's world

Sovet crisis disrupts deal with Egypt

Until now. Soviet coal has

Egypt's 1991 trade protocol

supplied a third of Egypt's an-

nual imports of 1.5 million

with the Soviet Union - barter

exchanges largely between

state firms arranged by gov-

ernment trading agencies is

ters, the Soviet Union's ex-

ports to Egypt have plum-

meted - strikes in Siberian

mines early this year have left

the country short of coal itself

fulfill our obligations for the

protocol," a Soviet trade offi-

ctal based in Catro said.

are trading with.

"It will be very difficult to

Egyptian traders have also

been caught out by the breakup

of the Soviet Union into sepa-

rate republics. Many who have

already exported goods to fed-

eral Soviet companies say they

are now unsure about who they

Argentines likely to vote for reforms

success of the austerity pro-

gram Menem introduced after

ployment rates reached the

lowest levels in years, accord-

ing to government figures and

Argentines are more con-

cerned about the economy

than about any other campaign

of elections began Aug 11,

Sunday's vote is the most im-

portant because it includes the

seven biggest centres in this

nation of 2 million. One of ev-

ery three Argentines lives in

to retain effective control of

the Congress and a majority of

chose 12 of the 23 provincial

governors puls 95 of the 254

seats in the lower house of

the provincial legislatures.

The Peronists are projected

On Sunday, voters will

**Buenos Aires.** 

Although the current round

August inflation and unem-

taking office in July 1989.

Our representative in

But with its economy in tat-

worth 700 million Dollars.

nounced it had uncovered evidence that BCCI secretly and illegally acquired First American, a Washington-based bank holding company, in 1982. The agency said it was seeking to levy a record 200 million dollars fine on BCCI' and to ban nine people tied to **BCCI** from involvement in US

On the same day, a New York grand jury announced an indictment against BCCl, its Pakistant founder and its former chief executive officer, on charges of fraud, falstfying reports and stealing more than 30 million Dollars.

At a Senate subcommittee hearing last month, former US, Customs Chief William Von Raab charged that "lackadatsteal" Treasury and Justice Department officials and prominent Washington power brokers - were responsible for the government's failure to pursue alleged criminal activity by BCCI.

Reuter adds from Washington: Six officials of BCCI and a leader of the medellin cocaine cartel have been indicted for laundering millions of Dollars of drug

Moscow has made contact with

the new political leaderships,"

said Mohammed El-Gammal, a

senior official at FTC. But

nothing's clear. Most of our

While Soviet politicians set

about debating terms for

eventual economic union

among its republics, Egypt -

with a chronic trade deficit -

faced the prospect of finding

more hard currency to replace

with heavy exposure were wary

of saying the protocol had col-

lapsed but few expected its

terms to be fully met.

he did not give details.

Officials and traders caught

The Soviet trade official

said as well as coal, there were

problems with other Soviet

exports under the agreement

export coal, timber, pig iron,

fertilisers and machinery.

Congress. Peronists now hold

43 of the congressional seats

and 10 governorships up for

Peronists won two governor-

ships of three contested in-

cluding one seat for the first

time in 18 years. Balloting for

the remaining eight provincial

Governors is scheduled for Oct

annual inflation was almost

5,000 per cent. Central Bank

reserves were almost non exis-

tent. The currency devalued

daily. Food riots in major cities

market-oriented reforms that

included selling off and dereg-

ulating state companies, cut-

ting subsidies, freeing the ex-

change rate, reducing import

barriers and eliminating tens

of thousands of public jobs.

He began a programme of

were common.

When Menem took office,

In the Aug 11, balloting, the

The Soviet Union agreed to

lost Soviet import this year.

exports are being held back."

wide banking network the US Justice Department announced

The indictment which was returned by a grand jury in Tampa and also made available by the Justice Department in Washington called BCCI a racketeering enterprise, but did not formally charge the bank with any wrongdoing.

The charges were announced after one of the defendants, BCCI's former Treasurer Syed Ali Akbar was arrested in Calais France.

The other BCCI officials named in the indictment were Treasurer Dildard Raizzi, Acting President Swaleh Naqvi and three former BCCl officials in Panama.

The alleged Colombian Cocaine Kingpin named in the indictment was Garardo Moncada.

The indictment alleged that the six officials laundered more than 14 million Dollars in drug proceeds and engaged in a worldwide conspiracy involving more than 145 ac-

Soviets need

\$2b food,

medicine aid

Soviet Union needs at least

two billion Dollars in food and

medicine from the United

States and Europe to help

break the Soviet hoarding

mentality the head of a big U S

food processing firm said on

of Archer- Daniels - Midland

inc, told a House of

Representatives hearing he

backed a plan to use one bil-

lion Dollars from the Defence

Department budget for Soviet

He also said European

countries should contribute

between one billion and 1.5

billion Dollars in aid to get

food on grocery shelves by

Union not merely for humani-

tarian reasons, but because it

has become our self- interest

to do so," Andreas said.

"Instability in the Soviet Union

has conducted business with

the Soviet Union for years, said

Soviet officials have told him

they "must quickly make large

quantities of food conspicu-

ously visible on the shelves of

stores in their eight largest ci

ties to stabilise prices and dis-

Soviet will be able to move to a

market oriented system.

Andreas said, dismissing as

ridiculous proposals to post-

pone major food aid until the

Soviet Union moves to a mar-

of Representatives Armed

Services Committee has sug-

gested using one billion Dollars

from the defence budget for

The Chairman of the House

Once that happens the

courage hoarding."

ket economy.

Soviet aid.

Andreas, whose huge firm

threatens world stability."

"We must help the Soviet

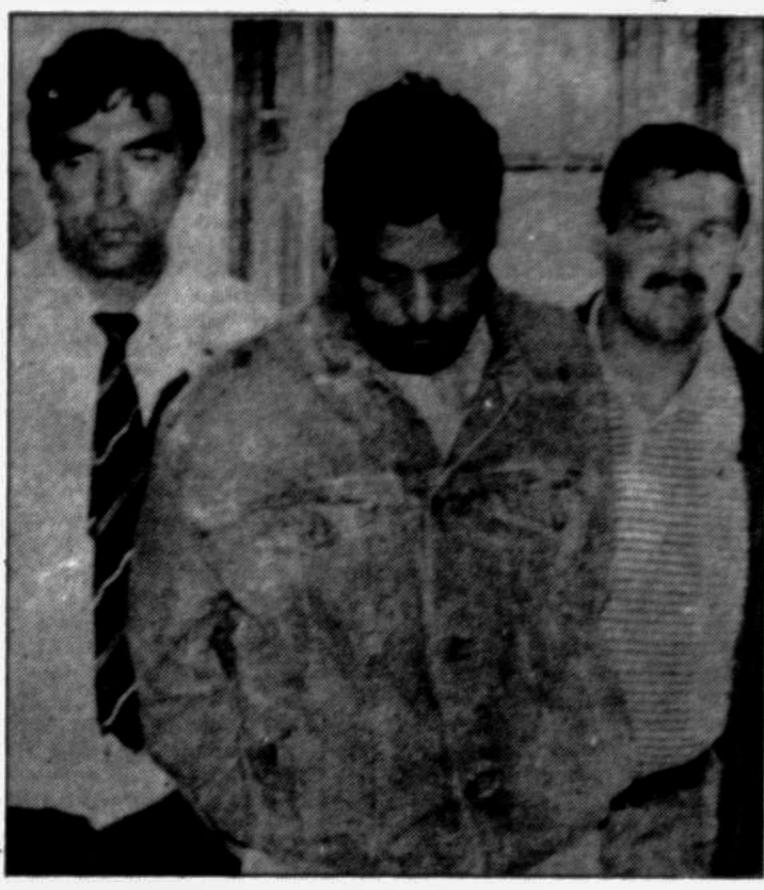
food aid.

winter.

Dwayne Andreas, Chairman

Thursday, reports Reuter.

WASHINGTON, Sept 6: The



BOULOGNE-SUR-MER (France): Syed Ziauddin Ali Akbar (C), ex-executive of the Bank of Credit and Commerce International (BCCI) of London is arrested September 4, by the frontier police at Boulogne. He has been put in prison awaiting extradition to the USA, charged with laundering

# US stocks decline

NEW YORK, Sept 6: U S Blue Chip stocks stalled dead in their tracks on Thursday, while the broader market fell slightly as traders hesitated ahead of Friday's government report on August employment, reports Reuter.

The widely awaited report, economy's performance last month kept stocks trapped in a tight range, traders and market analysts said.

The Dow Jones industrial average ended unchanged at 3,008.50. In the broader mar ket 847 stocks fell and 693 rose on the New York Stock Exchange, where 162.3 million shares traded, up from 156.8 million on Wednesday

Hill, investment strategist at Brown Brothers Harriman. employment last month will be closely scrutinised by govern-

up to 6.9 per cent from 6.8 per cent the prior month.

of all listed common stocks fell 0.48 points to 213.47. The standard and poor's composite index of 500 stocks slid 0.83 to 389.14. Composite volume on the New York and other consolidated exchanges was about 206 million shares.

# The government's report on

the first official glimpse of the

The average share on the big board lost eight cents.

"People are taking a cautious attitude," said Ronald

ment and business officials, as well as nearly everyone. Most economists expect August unemployment to edge

The NYSE composite index

The American Stock

Exchange index fell 0.63 to 369.36. The Nasdaq over- thecounter index was down 0.99 to 516.93. The Wilshire Associates equity index, the market value of NYSE, American and Nasdag issues, was 3,737,894, down 8.325 or 0.22 per cent.

### UK industrialists to help avert Soviet hunger possibility of hunger during

satellite project

retailing.

LONDON, Sep 6: Leaders of Britain's food industry will visit the Soviet Union this month to seek ways of improving food distribution and averting hunger there this winter, re-

British Agriculture Minister John Gummer told reporters: "we don't want to underestimate the problems. It is an historic opportunity and British firms have shown an enthusiastic commitment at a key moment."

Food industry analysts, however, were sceptical that the mission could do much to solve the Soviet Union's prob-

The centrifugal forcestering the union apart were disrupting the movement of vital supplies and increasing the

the winter there, they said. Gummer said several more missions would tour various areas of the Soviet Union. looking at food processing and

The central enigma is that they can grow (food) but they can't deliver," Gummer told a news briefing after meeting bosses of 40 major British food companies.

Between 40 and 70 per cent of the food produced in the Soviet Union does not reach the consumer, said Gummer. Half of last year's potato crop was destroyed after it went mouldy, he added.

"We all do what we are best at doing," he said, adding food distribution was the area where help was needed most.

# plan faces

The department's 746page, five- year plan outlined the priorities for clean- up of

keep on track with the environmental restoration without more money, Duffy said: "It's going to be very difficult there are going to be some hurting

The lower budget would allow the department to pay for only mandatory clean- up projects, he said.

The group recommended that with the end of the cold war funds be taken from the energy department's nuclear weapons programmes to pay for environmental clean- up

# Dollar firmer,

Dollar strengthened slightly Thursday against most major currencies, in slack trading on the eve of the release of govures for August, reports AFP.

Dollars to 347 Dollars, compared to late Wednesday. The Greenback was trading

late Thursday at 1.738 German Marks against late Wednesday's 1.735 at 135.80 Yen (135.50), at 5.9020 French Francs (5.9000) at 0.5903 Pounds Sterling (0.5898), and at 1.5260 Swiss Francs (1.5240)

throughout most of the session, the Dollar's rise was attributed to technical factors, as traders were cautiously awaiting August unemployment figures, due out Friday, a trader

JUBAIL (Saudi Arabia): A group of Bangladeshi workers, employed by a Dutch clearing contractor uncover the oil layer and scoop it up for removal on a Saudi Arabia turtle beach August 27 as a result of the Gulf war oil spillage that has penetrated the sands of the Gulf - AFP/UNB photo

## 'Full repair of Saudi coast

MANAMA (Bahrain), Sept 6: The Gulf war has destroyed Saudi Arabia's northeast coast and killed much of its wildlife,

beyond repair..... there is no life at all and any kind of recovery is impossible in the future," Greenpeace activist Paul Horsman said after surveying 400 km (240 miles) of Saudi Arabia's Gulf shore. Animals and birds were still

dying and tar balls littered beaches not plastered with oil. Crude was still seeping from war-damaged Kuwait and Iraqi terminals.

Reports of large numbers of diseased fish with fin rot and skin ulcers off Bahrain were typical of pollution effects on fish in other part of the world, said Horsman who led the environmental pressure group's two-month Gulf study.

# impossible'

reports Reuter.

"Parts of the Saudi coast are

# Japan to set up \$89 m

#### TOKYO, Sept 6: Japan plans to set a government-backed company to develop commercial satellite technology in fiscal 1992, the Ministry of Posts and Telecommunications said Wednesday, reports AFP.

Ministry officials said the government was considering to shoulder one-third of the 12 billion Yen (88.9 million Dollars) needed for the planned project aimed at enhancing satellite technology development.

The Nihon Keizai Shimbun reported Wednesday that major Japanese satellite manufacturers including ENC Corp. Toshiba Corp. Mitsubishi Electric Corp., and Hitachi Ltd. would join the multi-billion Yen project to build experimental facilities for satellite development.

The leading financial news-

paper said the project would be open to foreign companies, but could be another source of trade disputes over high tech-

nology products. Following Japan-US satellite talks concluded last year, the Japanese commercial satellite market was completely dereglated.

As a result, experienced foreign satellite markets are expected to win the international bid for Japan's nextgeneration broadcasting satellite to be launched in fiscal 1996, the daily said.

The newspaper noted US and European satellite markets were suspicious of the Japanese governments participation on such high-tech areas as satellite development, citing the leading role played earlier by Japan.

#### France to develop new generation nuclear power stations PARIS, Sept 6: France is they were working on the as-The CEA is also working on Fast Breeders have been an were put in place quickly. We

designing a new generation of nuclear power stations, convinced it will remain highly dependent on atomic energy into the 21st century despite fears elsewhere of another Chernobyl, reports Reuter.

The designs aim to reduce the risk of accidents and limit the consequences should they

France has had few safety worries but some operational problems with its present generations of nuclear power stations, which account for 75 per cent its electricity sup-

Officials at the Atomic Energy Commission (CEA) told

sumption that this proportion would probably remain steady. It compares with 20 per cent dependency in the United States and 26 per cent in

"Today there are no objective reasons for it (the 75 per cent share) to become smaller, said Jacques Bouchard, head of reactors at the CEA.

In the 1970s France, knocked sideways by the 1973 oil shock, began to build what was to become an extensive network of nuclear power stations. At the end of last year, 56 nuclear power stations yielded a combined power of 55.8 million Watts.

The plants were given a 30year life, which means the first nuclear power station should be replaced in the year 2007. The CEA has 600 million Francs (100 million Dollars) a year to spend on scientific research for the next generation.

It is preparing experiments and tests so that the new model will be ready for the year 2000, Bouchard said in an interview. Essentially, France will

continue to use Pressurised Water Reactors (PWRs), which form the bulk of the plants in use today. Its two remaining uranium-graphite reactors will be closed in the next two or three years, he said.

new generation of Fast Breeder reactors, of which there are currently only experimental or prototype versions. Fast Breeder reactors produce their own fuel and cut down on toxic waste. The prototype Superphenix Fast Breeder in southern

France was shut down a year ago after air got into the inert argon gas surrounding the liquid sodium used as a coolant and polluted it. The new model of Fast Breeder, being developed in

European countries, should be

designed by the year 2010,

Bouchard said.

ideal of the nuclear industry for more than 20 years but the technology has proved extremely difficult to develop. They will form a limited part of France's nuclear energy-base in the next century, Bouchard said, but could give no propor-For both types of reactors

the research involves refining design aspects, subjecting them to on-site testing and using mathematical methods to model possible accidents and calculate their probability. Our first aim is to do even partnership with other

better on safety, Bouchard said." The main problem with existing reactors is that they

would wish not to renew as rapidly. France's policy of developing nuclear energy has had support from all political par-

ties. A groundswell of concern and criticism began last year but was abruptly stifled by the Gulf crisis. The then Industry Minister, Roger Fauroux, cited the resulting oil price fluctuations

and uncertainty over supplies

as illustrating the wisdom of

French nuclear policy. France can now independently meet 48 per cent of its energy needs, compared with 22 per cent in 1973.

Seyed Ziauddin Ali Akbar, 47, until 1986 director of treasury operations at the Bank of Credit and Commerce international, was arrested earlier this week by the Air and Frontier Police at a hotel in Calais for illegal entry into France, the officials said.

Former BCCI

official held

in France

Sept 6: French police have ar-

rested a former BCCI official

wanted by the United States in

connection with money laun-

dering from drug trafficking,

court officials said Thursday,

reports AP.

BOU LOGN E-SUR-MER.

Akbar, a London resident with British and Pakistani nationality, had been at the hotel for about a week. They said police confiscated documents from the hotel room, including bank statements, accounting notes and letters apparently written in preparation for his defense, according to the French news agency, Agence France Presse.

A Tampa, Florida, judge is seeking his extradition in connection with money laundering for drug trafficking and violation of a rackets and corrup-

A court in Doual, near Calais, has 40 days to decide on the extradition request. The Air and Frontier Police

coordinated their work with London police and France's special anti-terrorist unit, judicial sources said. BCCI was closed on July 5 by the Bank of England and

authorities in seven other

countries, following allegations of massive, long-term fraud. A report by the auditors Prince Waterhouse, which led to the Bank of England's action, claimed that Akbar took documents with him when he left the bank and later used them to extract 32 million

bank officials for his stlence. "The treasury division made at least 100 million Dollars profit while I was there," he said in an interview with the Financial Times.

Dollars in "hush money" from

Last week, the government of Panama won an injunction against Akbar and others in a dispute over 23 million Dollars which Panama claims was wrongfully diverted by its former leader. Gen Manuel Antonio Noriega.

## UScleanup budget shortage

WASHINGTON, Sept 6: The U S Department of Energy will need to spend 40.3 billion Dollars over the next five years to stay on target with its plan to clean up hazardous wastes before the year 2020, but only 28.6 billion Dollars is available in the Federal budget, reports Reuter.

damaged environment.

Leo Duffy, Director of the Department's Office of **Environmental Restoration and** Waste Management, said at a news conference the federal budget passed by Congress had limited the clean- up funds. Asked whether they could

arcas.

An and analysis by the

National Resources Defence Council, a private environmental group, showed that the Energy Department's estimates since 1990 have fallen far short of the actual amount needed to be spent to accomplish the clean-up.

plans.

## gold falls NEW YORK, Sept 6: The

ernment unemployment fig-The Ounce of gold fell 1.50

After fluctuating narrowly

with Citibank said.