

## S. Korea lifts sanctions against S. Africa

SEOUL, Nov 9: South Korea today lifted bans on travel, cultural, business, sports and other non-political contacts with South Africa, a foreign ministry spokesman said, reports Reuters.

The move was taken because President F.W. de Klerk's government has continuously taken steps to dismantle apartheid, he said.

South Korea had respected a 1977 United Nations resolution banning political, economic and sporting exchanges with nations practising racial discrimination.

The spokesman noted the United States, Japan and European nations had recently decided to ease sanctions against South Africa.

The spokesman declined to say whether Seoul would consider lifting a ban on political contacts in line with further reforms in South Africa.

## Bush, EC leaders meet to break thaw in GATT talks

THE HAGUE (Netherlands), Nov 9: European Community leaders met Saturday with US President Bush in a bid to revive world trade talks that have stalled in a dispute over agricultural subsidies, reports AP.

Topping the agenda was the long-standing demand of the United States and other producer nations that the EC make cuts of up to 90 per cent in its agricultural subsidies, officials said.

The EC's reluctance to do so caused the collapse last December of trade talks, involving 108 nations within the General Agreement on Tariffs and Trade, designed to liberalize world trade.

Bush led a US delegation that included Secretary of State James A. Baker, Trade Representative Carla Hills and Agriculture Secretary Edw. Madigan.

Seated at a large oval table in a baroque meeting hall, they faced an EC delegation that included Dutch Prime Minister Ruud Lubbers, whose country holds the EC presidency, EC Commission President, Jacques Delors and Agriculture Commissioner Ray MacSharry.

Officials hoped the high-level session could produce the political breakthrough in the subsidies dispute within GATT.

Neither Bush nor any other participant at the meeting, made any comments as they arrived for their talks at a centuries-old, downtown government complex.

In Geneva, GATT Director-General Arthur Dunkel has convened talks among lower level negotiators to press for a resolution of the EC subsidy dispute by year's end.

## Bangladesh food insecure state: US AID Mozambique hungriest

WASHINGTON, Nov 9: People in Mozambique, a nation torn by civil war for 14 years is the hungriest among 91 Third World and East European countries surveyed by the US Agency for International Development, reports AP.

An adequate supply of food is not enough to provide security, the agency said in a statement Friday. Lack of transport, bad government policies and just plain poverty also have to be considered, it added.

About half of Mozambique's 15 million people depend on donated food. War has killed about 600,000 Mozambicans, including 2,250 rebels the army recently announced it killed in the first six months of this year. It did not give its own casualties.

AID has put together what it calls a food security index, based not just on food production. It also takes into account

a citizen's average earnings, the daily supply of calories available, the number of children who die and the country's earnings of foreign currency, which is needed to buy imported food.

The average citizen in Mozambique earns 180 Dollars a year, according to the figures used by the agency, slightly more than people in Ethiopia or Chad. But the Mozambican has only about 1,605 calories of food available, on average.

AID puts 41 countries from Afghanistan to Zambia in its group of the "most food insecure countries." Most of them are in Africa, but they also include India, Bangladesh, Pakistan, Bolivia and Haiti. These are countries that can neither produce nor buy enough food for their people. The worst off, in addition to Mozambique and Ethiopia, are Somalia and Chad, which have also seen extensive fighting, and Sierra Leone — all of them in Africa.

## 'Reforms accelerate Pak growth'

ISLAMABAD, Nov 9: Finance Minister Sartaj Aziz said here Friday that Pakistan's economy had progressed satisfactorily and the government had no plans to bark pedal on its policy of privatisation, reports AP.

The package of economic reforms introduced to accelerate growth and create economic stability has started yielding "positive results," he said.

The picture he said was "not rosy and can not entirely rosy" in the short period of one year. The full impact will be known in long term, he told a news conference marking Prime Minister Nawaz Sharif's first year in office.

He said the direct foreign investment was 15 per cent higher than last year due to incentives which included three to eight years tax holidays for new industries and exemption

of customs duties and surcharges on machinery imports. Despite severe external pressures and an impact of the Gulf War the GDP grew at the rate of 5.6 per cent in 1990-91 compared to 4.6 in the previous year, he said.

The country suffered a loss of 700 million Dollars due to high oil prices and lower exports during the Gulf War. He said exports registered an increase of 19 per cent last year and a downward trend was noticed in the consumer price index.

He said efforts are also being made to contain inflation, which was officially projected at 12 per cent while the unofficial rate was more than 20.

The reform package includes privatisation of more than 100 state-run units and lifting of restrictions on the flow of foreign exchange.

## OECD sees weaker growth next year

PARIS, Nov 9: A weaker-than-expected US economic performance this year could soften the projected recovery in the industrial world over the next few months, European economic diplomats said here Friday, reports AP.

They said the latest projections of the Paris-based Organization for Economic Cooperation and Development (OECD) also point to stronger 1991 growth than initially anticipated in both Japan and Germany, but a downturn next year.

The profile of the recovery remains the same, but "the cycle has been somewhat delayed for the key players," OECD delegation sources explained.

The 24 OECD countries as a group are now expected to record a growth rate of about 2.6 per cent next year, up from about one per cent this

year, and rising to 3.0 per cent in 1993.

OECD forecasters in their semi-annual report on the economic outlook last June forecast overall OECD growth of 1.1 per cent this year followed by a recovery to 2.9 per cent in 1992.

The weaker outlook for next year was mainly due to a downward revision of projections for the US economy on the basis of weaker-than-anticipated growth in the third and fourth quarters, perhaps continuing into the early months of 1992, the same sources said.

While last June's OECD forecasts showed a 1991 contraction of 0.2 per cent in the United States, followed by 3.1 per cent growth in 1992, OECD economists now do not rule out a slightly weaker figure for this year.

## Price fall coincides with Kuwait's oil fire capping

LONDON, Nov 9: News that the final Kuwaiti oil well fire had been extinguished this week, 10 months after the end of the Gulf War, coincided with a fall in crude prices in reaction to concerns about OPEC's production levels, reports AP.

An estimate from the International Energy Agency (IEA) putting OPEC output at 23.8 million barrels per day (BPD), indicating that Saudi production had fallen by less than had been expected, saw prices drift steadily down towards the 22 Dollars per barrel level.

Brent Crude, the benchmark for North Sea oil production, eased steadily towards the 22 Dollars per barrel level.

According to tradehouse OIL, the trend was weakened by estimates of OPEC's October

production (23.8 million barrels per day according to the IEA), which showed that Saudi production had not fallen as much as had been expected.

The Kuwaiti authorities meanwhile announced in mid-week that the last oil well fire had been put out.

Weekly US stocks figures had little effect on the market despite a fall of nearly five million barrels in crude stocks.

Reuters adds from Kuwait City: Finance Minister Nasser Abdullah Al-Rodhan said Kuwait raised its projected oil revenues for fiscal 1991 by nearly 40 per cent because wellhead fires had been put out three months ahead of schedule.

## Recession in English-speaking economies affect metal markets

LONDON, Nov 9: The continuing absence of clear signs of recovery from recession in the English-speaking economies was the single major factor affecting commodity markets, reports AP.

In particular, the acutely depressed state of automobile markets, highlighted by October 22 per cent fall in new car sales in Britain, weighed heavily on the prices of platinum, lead and rubber.

A two-day general strike in South Africa, the biggest in the country's history, had little impact on gold prices, and analysts indicated that the stoppage was insufficient to have much impact on the balance of the world market.

Exchange (LME), trading was dominated by technical factors which allowed zinc to make an upward break out of its current trading range and sent nickel down to a 19-month low.

GOLD: Hesitant. Gold eased slightly as analysts predicted a continuing stagnation ahead of a definitive declaration on Soviet reserves.

A statement by a senior Soviet banker, Anatoly Nosko, that the country was short of a billion rubles of convertible currency (600 million Dollars) for foreign debt repayment, did not upset the market.

Victor Bieslki, analyst with tradehouse W.I. Carr, said that the Soviet could no longer use gold to generate hard currency because of the decline in both



An under-construction road near a resettlement area for the refugees affected by mount Pinatubo's eruptions in the Philippines. The members of the Asian Development Bank (ADB) Press Study Team 1991 were taken on a visit to the areas severely affected by the volcanic eruptions.

## S Africa keen to establish trade link with USSR

MOSCOW, Nov 9: South African Foreign Minister P.W. Botha winding up a private visit to the Soviet Union on Friday, called on Moscow to "wake up" and establish diplomatic and trading links with his country, reports Reuters.

The French are coming, the Germans, the Italians, the Japanese... Where are the Russians? This is the purpose of my visit to wake you up, you have got a friend in US, he told a news conference.

Botha, who also visited the Baltic republics, said he was keen to expand South Africa's small mission in Moscow and open a trade mission in St Petersburg as well.

From my side there is no obstacle. I'm ready to open an office in St Petersburg tomorrow and in Moscow the day after tomorrow, he said.

But he said he would learn only today in meeting with Soviet Foreign Minister Boris Pankin and Russian Foreign Minister Andrei Kozyrev if Moscow would agree to full diplomatic ties.

Botha appeared anxious to dispel the idea that Pretoria, until recently widely ostracised on the international stage for its apartheid policy was desperate for a diplomatic coup.

## Malaysia offers telecom expertise to OIC members

BEIJING, Nov 9: Malaysia has offered its telecommunications expertise to the Organizations of Islamic Conference (OIC) member countries, according to a Bernama news agency report monitored here, says Xinhua.

Malaysian Minister of Energy, Telecommunications and Posts S. Samy Vellu said on Thursday that his country would be willing to assist the OIC countries in the telecommunications field, in which Malaysia has the experiences needed, said the report.

Samy Vellu made the offer at the Second Ministerial Meeting on post and telecommunication in Bandung, Indonesia.

Samy Vellu said there was a need for greater cooperation in the field of telecommunications, especially communications technology, for the maximum mutual benefits.

He said Malaysia was studying the possibility of establishing a submarine optical fiber cable link with other countries, with those in the OIC in particular. "This would pave the way for greater cooperation among member states of the OIC," he was quoted as saying.

At the opening of the conference attended by delegates from 31 countries and held on November 7-8, Indonesian President Soeharto expressed the hope that the meeting could bring about greater cooperation among OIC members in the field of post and telecommunications.

## Abu Dhabi likely to lose \$5 b in BCCI scandal

LONDON, Nov 9: Abu Dhabi stands to lose a huge sum of perhaps five billion Dollars in the BCCI bank scandal, the Financial Times said on Saturday, reports Reuters.

The Emir's ruler, Sheikh Zaid Bin Sultan Al-Nayahan, and Abu Dhabi Institutions are majority shareholders in the Bank of Credit and Commerce International (BCCI) closed on July 5 in a world swoop by banking regulators who suspected a colossal fraud.

The Financial Times published the first of seven articles under the headline "the biggest bank fraud in history" after what it said was its own three-month investigation.

It said figures assembled for the first time showed Abu Dhabi's total exposure was 9.4 billion Dollars, more than six billion having been pumped in

to try to prevent the bank's collapse in its last 15 months of trading.

"Abu Dhabi may recoup some of this as the bank is liquidated, but over half is gone for good," the Financial Times said.

It said Abu Dhabi's ruler put in some 2.2 billion after a dramatic encounter with the bank's President, Pakistan-based Agha Hasan Abedi, who recovering from a heart transplant, flew to plead for help in early 1990.

The Financial Times said the Abu Dhabi ruler was reported to have said: "You look after your health. I'll look after your bank."

The newspaper said it was not until several months later that he learned he had been

asked to bail out what is now estimated to be history's biggest bank fraud.

The newspaper said it had put together the pieces of the BCCI jigsaw in a story ranging "from the brothers of Lahore to the remote Scottish islands."

It said regulators from several nations had codenamed BCCI "sandstorm" they met in London last July 2 to consider, in what was "a sickening moment", new evidence suggesting that suspected fraud at BCCI was on an incalculable scale.

They then had to decide whether to risk a political storm by closing it. Asking Abu Dhabi to cover the vast losses was no longer an option. A rapid swoop was decided upon.

## \$300b plan to rebuild Taiwan

TAIPEI (Taiwan), Nov 9: The government has announced a 300 billion Dollars drive to rebuild Taiwan, the Nationalists' first serious effort to remake the island since the party took power in 1949, reports AP.

The plan comes at a time of increasing pluralism on this island of 20 million people, where for the first time ever the Nationalist government has to win votes to ensure its stay in power.

It also coincides with the Nationalists' realisation that their stated goal of reconquering Communist China is a myth. Driven to Taiwan after losing a civil war to Communist forces in mainland China, the Nationalists had for decades viewed the island as a temporary haven, and allowed its infrastructure to deteriorate.

Residents of Taipei, the capital city of 2.7 million people, endure eye-stinging air

pollution and snarled traffic. Construction on a subway line, promised for decades, began only two years ago.

The development, to be spread out over six years, will involve nearly 800 separate projects including mass transit systems in five major cities, a new north-south highway, a high-speed train system, nuclear power plants, new sewage systems, museums and an amusement park to rival Disney World.

About 60 billion Dollars worth of the projects are open to bidding by foreign firms, and American businesses are hoping for a major chunk.

The project will probably widen the economic gap between Taiwan and the mainland. Officials said Taiwan's per capita income would reach 14,000 Dollars in 1996 upon completion of the development plan, up from 8,000 Dollars in 1990.

China's per capita income is expected to barely surpass 1,000 Dollars by then.

The Nationalist government hopes that the contracts open to foreign bidders will help alleviate the country's increasing diplomatic isolation. Since Taiwan lost its seat in the United Nations to mainland China in 1972, the number of countries recognising Taiwan has dwindled to 29.

"International participation in the projects will help Taiwan gain much more than technology," said Shiao Chyuan-jeng, a director of the private Institute for National Policy Research.

France recently sold Taiwan six light frigates and agreed to set up air links in a move many believe stemmed from its interest in winning a 12 billion Dollars contract for the high-speed railway.

## Coffee prices rise to 6-month high

LONDON, Nov 9: Rumours that a major French tradehouse was in serious financial difficulty and in danger of defaulting on its delivery commitments out of West Africa pushed cocoa and coffee market, reports AP.

COFFEE: Firmer. Prices rose to a six-month high, supported by technical tightness on the January contract and by rumours that a French tradehouse was in financial difficulties, before easing back slightly on a technical correction.

Uncertainties relating to the 1992-93 harvest in Brazil, drought in Indonesia and unrest in Africa, supported the trend, despite the weakness of New York.

Latest figures from the International Coffee Organisation (ICO) revealed that its members' exports totalled 6.3 million bags in September, a 8.6 per cent fall

from the same month in 1990.

The figures take the total for the 1990-91 season to 73.3 million bags, a fall of nearly 10 per cent from the previous season.

SUGAR: Easier after steady start. After a steady start to the week, prices eased as details of Franco-Soviet barter arrangements, agreed the previous week, emerged.

French tradehouse Sucres Et Denrees confirmed that it would deliver 100,000 tons of sugar to Moscow before the end of March as part of an accord which foresees the exchange of French food products against Soviet fuels.

As part of a similar deal last month, Sweden agreed to deliver 300,000 tons of sugar in exchange for 800,000 tons of Soviet gasoil, a spokesman said.

VEGETABLE OILS: Quiet. Vegetable oils were supported

by an optimistic statement from Thomas Mielke, Editor of specialist German review Oil World, forecasting a fall in stocks and a rise in prices of oils in 1991-92.

Brazilian and Argentinian stocks should fall to a four-year low and Soviet demand should firm because of a fall in domestic production, the forecast.

GRAINS: Firmer. Wheat and barley gained ground on hope that Britain would provide a substantial proportion of the grains to be delivered to the Soviet Union once European Community credit guarantees of 700 million Dollars have been finalised.

WOOL: Steady. Prices firmed in London in the wake of the Australian market where strong demand prompted a rise. Active Japanese buying encouraged the firm trend.

## Tk 30cr additional allocation to BJMC, BJC

The Government has allocated an additional amount of Taka 30 crores to Bangladesh Jute Mills Corporation (BJMC) and Bangladesh Jute Corporation (BJC) for purchasing jute directly from the growers, reports BSS.

With this amount, the total allocation in this respect stood at Taka 90 crores, an official handout said Saturday.

The allocation has been made since August to provide fair-price to the growers and reactivate the jute market in the country.

## New Resident Representative of ADB calls on Saifur

Director of the Asian Development Bank (ADB) N Morita and newly appointed Resident Representative of the ADB in the metropolis G H P B Vander Linden called on Finance Minister M Saifur Rahman on Saturday in Dhaka, reports BSS.

The entire aspect of ADB assistance to Bangladesh was discussed in the meeting, an official handout said. Earlier, Morita introduced the newly appointed Resident Representative and said that ADB, as in the past, would continue to cooperate with Bangladesh in her development efforts. "ADB is ready to give assistance to the ADB schemes and various development programmes initiated by the democratic government of Bangladesh to achieve its priority objectives," he said.

The ADB Director outlined some problems being faced in the ADB projects. The Finance Minister gave solutions of the same to expedite immediate implementation of the projects.

The ADB Director also emphasised the urgent need of carrying out the reform programmes and realisation of bank loans from defaulters as per programmes under taken by the government.

Listing government policies and programmes the Finance Minister asked for greater ADB cooperation for implementing the development programmes. "He also asked for immediate disbursement of credit in the agricultural sector."

Earlier, Morita and Vanden called on ERD Secretary Enam Ahmed Chowdhury and discussed in details the ADB projects and programmes in Bangladesh.

## BIA training course at Ctg

A ten-day basic course in general insurance starts at Chittagong tomorrow (Monday), says a press release. The course is being organised by the Bangladesh Insurance Academy (BIA).

Trainers from Sadharan Bima Corporation and other private insurance companies will participate in the course.

## Rehabilitation of sick units discussed

Star Economic Report

A meeting of the National Sick Industries Cell on Saturday reviewed the different policies, government steps and progress of the sub-committees for the rehabilitation of the sick industries.

The meeting held at Bangladesh Chamber of Industries (BCI) was addressed by the senior Vice President of BCI, Sharif Afzal Hossain and the President of Federation of Bangladesh Chamber of Commerce and Industries (FBCCI), Alhaj Md Akram Hossain.

## Sugarcane crushing begins

Star Economic Report

The 1991-92 crushing season of sugarcane began Friday in Zeal Bangla, Faridpur, Mobarakganj, Kushtia, North Bengal and Natore Sugar Mill.

Total production target of these six sugar mills has been fixed at 1,05,185 tons. Other sugar mills will go into crushing in phases, says a press release of Bangladesh Sugar and Food Industries Corporation (BSFIC).

This year (1991-92) total target of sugar production was fixed at 2.08 lakh tons.

## Economy opens White House door

NEW YORK, Nov 9: If President Bush is worried about the lagging economy's impact on his re-election chances next year, Wall Street analysts say he has good cause for concern, reports AP.

They say past patterns show that the state of the economy leading up to the voting exerts a powerful influence on the outcome, often seeming to override other political and social questions.

## Price Barometer: Essentials

November-9

| PRICE                      | (Taka per kg)    |
|----------------------------|------------------|
| Amom (Very fine)           | 20.00-21.00      |
| Amom (fine)                | 15.50-17.00      |
| Amom (coarse)              | 13.00-14.00      |
| Ushi                       | 13.00-14.00      |
| VEGETABLES                 | (Taka per kg)    |
| Potato (White)             | 8.00             |
| Brinjal                    | 10.00-12.00      |
| Lady's finger              | 20.00-22.00      |
| Peas                       | 10.00-12.00      |
| Karola                     | 20.00-22.00      |
| Lalchak                    | 7.00-8.00        |
| Pui Shak                   | 7.00-8.00        |
| Paps                       | 5.00-6.00        |
| Green Banana (Four Pieces) | 5.00-6.00        |
| CRISPER/PODEGRAN           | (Taka per kg)    |
| Flour                      | 13.00-15.00      |
| Atta                       | 10.50-11.00      |
| Wheat                      | 8.50-9.00        |
| Suzi                       | 16.00-18.00      |
| FISH                       | (Taka per kg)    |
| Rudi (big)                 | 110.00-125.00    |
| Katla (big)                | 80.00-90.00      |
| Hilsha                     | 50.00-55.00      |
| Pangas                     | 80.00-90.00      |
| Shrimp (big)               | 60.00-70.00      |
| Singi                      | 70.00-75.00      |
| Koi                        | 65.00-70.00      |
| EGG (Apex)                 | (Taka per kg)    |
| Hin                        | 12.00            |
| Duck                       | 10.00-10.50      |
| Flem                       | 12.50-13.00      |
| PULSES                     | (Taka per kg)    |
| Mash                       | 27.00-28.00      |
| Mashur                     | 30.00-31.00      |
| Moogh                      | 29.00-30.00      |
| Chhola                     | 23.00-24.00      |
| Matar                      | 24.00-25.00      |
| Khasir                     | 14.00-15.00      |
| MEAT                       | (Taka per kg)    |
| Beef                       | 55.00-60.00      |
| Mutton                     | 80.00-85.00      |
| OIL                        | (Taka per Litre) |
| Mustard                    | 50.00-52.00      |
| Soybean                    | 36.00-37.00      |
| Cocunut (Colombo)          | 72.00-75.00      |
| Vegetable Ghee             | 50.00-52.00      |
| SPICES                     | (Taka per kg)    |
| Onion                      | 18.00-19.00      |
| Garlic                     | 38.00-42.00      |
| Chillies                   | 80.00-90.00      |
| Turmeric (Round)           | 50.00-54.00      |
| Open chillies              | 54.00-56.00      |
| Ginger                     | 12.00-14.00      |
| Cinnamon* (10gms)          | 3.00-3.50        |
| Candemon* (large)          | 3.00-4.00        |
| Rita (50gms)               | 7.00-7.50        |
| MILK (Two kg)              | (Taka)           |
| Deno                       | 264.00-265.00    |
| Red Cow                    | 262.00-263.00    |
| Dison                      | 260.00-255.00    |
| MISCELLANEOUS              | (Taka)           |
| Ghee                       | 220.00-230.00    |
| Tin (Dun)                  | 70.00-85.00      |
| Salt                       | 7.00-8.00        |
| Sugar                      | 26.50-27.00      |
| Molasses                   | 15.00-16.00      |

Source: Department of Agricultural Marketing