TOKYO, Jan 18: Japan is to send an economic mission to India and Pakistan this month comprising government officials and members of the Japan Chamber of Commerce and industry, the foreign min istry said Friday, reports AFP.

From January 26 to February 2 the mission will be in India, where it will be headed by Chamber President Rokoru Ishikawa. It will go from February 2 to 8 to Pakistan, where it will be headed by Minoru Inoue, an advisor to Bank of Tokyo Ltd.

The ministry said the mis sion as in response to requests from the leaders of both countries, made during former Prime Minister Toshiki Kaifu's visit to the region in May 1990, to expand bilateral trade with Japan and Japanese Investment.

Tokyo's embassy in Islamabad said the Japanese mission would explore the possibility of furthering economic relations with Pakistan.

During its visit the mission will exchange views with Pakistant officials and business executives on possibility of enhancing economic cooperation between the two countries, the embassy said.

The visit will coincide with a two-day meeting of Joint Pakistan- Japan Business Cooperation Committee scheduled in Karachi on February 3.

Output cut to boost demand!

MOSCOW, Jan 18: Cakes have reappeared in Moscow shops after many months' absence, but high prices have driven away all but the most determined customers with sweet tooth, reports Reuter.

And at least one confectioner apparently has no plans to apply the laws of simple economics and intends to cut production rather than lowering prices to stimulate de-

"Cutting prices may be the only reasonable way out of the situation in the United States. but not in this country at this moment," Galina Kaplunova, an at the Bolshevik Confectionery, told Reuter on

Kaplunova said her firm was halving cake output because fivefold price increases had put pastry beyond the reach of most consumers. Lower prices, she said, would only cut profits and wages and make it harder to keep staff.

The price increases were part of Russian President Boris Yeltsin's programme to eliminate huge subsidies and move his country's economy into market principles.

Legislators to summon Maxwell sons to probe lost million

LONDON, Jan 18: British politicians said on Friday they would try for a third time to ask the late Robert Maxwell's sons what happened to hundreds of millions of pounds he diverted from pension funds in his media empire, reporte Reuter.

The two brothers appeared before parliament's social se curity committee on Monday after earlier turning down an invitation to testify.

The committee said i would summon Kevin and Ian Maxwell to appear again but this time would give them written questions before the hearing.

The Maxwell brothers had a two-hour stand-off with the committee on Monday on live television.

Japan announces \$ 52 m emergency help

Food aid crucial for Russia to survive: Official

MOSCOW, Jan 18: Millions of tones of food aid are essential if Russia is to survive the winter without widespread unrest and without abandoning ambitious economic reforms, a sentor official said, reports

Calling for aid which would dwarf last year's offerings. Alexander Zhitnikov, deputy head of Russia's Commission for Humanitarian Aid, said assistance from the West was essential for the reform programme to succeed.

Without aid, Russia could face huge social and political unrest, if not a return to the regimes of the past, he added.

"I think last year when some people cried wolf in December it was not so urgent. aid was mostly a matter of solidarity," Zhitnikov told Reuters in an interview.

"Now it is not just about ... how much aid is promised. but about the survival of eco-

nomic reform in this country. The issue is market reform or an old style economy."

But Western diplomats in Moscow said a request for millions of tones of aid was probably just a bargaining position." It seems an awful lot, when you think that the European Community, for example, has pledged aid worth 200 million European currency units, or about 160,000 or 170,000 tones," side one.

The United States has invited Western countries to join a conference in Washington later this month aimed at coordinating aid to the countries of the former Soviet Union.

The Bush administration, faced with unpopular recession in an election year, has so far opposed large-scale aid for a country not threatened by famine and the conference has not been billed as a pledging session for fresh help.

While there was little risk of famine among the popula-

tion at large, handicapped and elderly people living along would find living conditions threatened by massive price rises which accompanied the first stage of reform this

Zhitnikov said Russia needed bulk commodities like meat, oil, milk, sugar and medicines rather than small individual aid packages which were difficult to distribute and which might not so easily match the country's needs.

Another report from Washington adds: The former Soviet Union could face major food shortages by spring, a German official said on Friday, urging other nations to help ensure that democratic and economic reform survives.

"I think our judgement is pretty secure that it will be very difficult during the late spring," said the official, who spoke on condition of

The shortfall could total

millions of tones of food, reporters were told during a briefing called in advance of an international conference on aid to the Commonwealth of Independent States.

AP from Tokyo adds: Japan pledged Friday to provide 6.5 billion yen (52 million dollar) in emergency aid to the former Soviet republics now known as the Commonwealth of Independent States.

Foreign Ministers Michio Watanabe said Japan had decided to extend the aid for humanitarian reasons because of food shortages in the former Soviet republics.

The aid will consist primarily of food and medicines and will be provided before the March 31 end of Japan's fiscal year, he said.

The aid is in addition to 1 billion yen (8 million dollar) in food and medical aid promised early last year that has already been provided. Watanabe said. additional aid would help the former Soviet republics introduce market economics. democracy and greater buman

He said Japan hoped the

"The government hasn't much left because this is the end of the fiscal year, but the Financial Ministry was able with difficulty to provide this amount "Watanabe said.



WARSAW: Iraqi children holding banners that read "we want milk as they demonstrate on Friday with hundreds of other people in front of the UN building. The demonstrators demand end of the economic embargo -AFP photo against Iraq.

IMF pressing Moscow to reduce budget gap, military spending

WASHINGTON, Jan 18: The International Monetary Fund IMF is pressing Russia to take tough action to slash its burgeoning budget deficit, including cutting military spending. senior IMF officials said on

Friday, reports Reuter. We would like to see the Russian authorities take firmer action on budget and monetary policy, said one official, who declined to be identified.

That position is problematic for Russian President Boris Yeltsin whose economic reforms are already under attack from domestic critics for sharply pushing up prices.

IMF officials told reporters that Yeltsin was on the right track but signalled that even tougher action was needed to

restore order to the chaotic Russian economy

They said that Russian policy-makers recognise that further cuts in military outlays are needed to free up the money the country needs to make the transition from communism to capitalism.

We don't need to encourage it, said one. They appreciate it. More than 100 officials and

experts from the IMF are working closely with Russia and other former republics of the Soviet Union on programmes to overhaul their battered economies.

Eight former republics, including Russia have applied to join the IMF and the others are expected to do so soon.

Membership would give the newly independent states access to billions of dollars in loans to back their economic reforms.

It normally takes at least six months for the IMF to fully process a membership application but fund officials said they want to move more than quickly than that.

We are working to a faster timetables said one.

Russia has appealed to the United States and its industrial nation allies for a multi billion dollar fund to help stabilise its economy and its currency the

IMF officials said that proposal was premature, but added, that a stabilisation fund

credible economic reform programme in place.

could be helpful once Russia

puts a comprehensive and

A German official told reporters at a separate briefing that a stabilisation fund would eventually have to be put in place but that Russia would first have to join the IMF

Fund officials said they were working with Russia to try to prevent the country from effectively going broke.

The former Soviet republics told international bankers this week that they are facing a severs but temporary. Liquidity squeeze that might force them to postpone some interest payments on their 65 billion dollar in foreign debt.

Recession curbs demand for imports

US trade gap slumps by 43.5 pc

WASHINGTON, Jan 18: The US foreign trade deficit fell to the lowest level in nearly nine years in November as exports reached a record and the recession weakened demand for imports, the government said Friday, reports AP.

The trade deficit's decline to 3.57 billion dollar was a dramatic improvement, a huge 43.5 per cent decline that generally impressed analysts. But they said the bulk of the gain came from a steep drop in demand for imports, reflecting

the weak domestic economy. In further evidence of the hard times, a second report showed that output at the nation's factories, mines and utilities fell for a third straight month in December, and for the entire year was down 1.9 per cent.

It marked the first time since the recession year of 1982 that industrial production had declined. Some economists viewed the string of declines in the fourth quarter as an ominous sign that the country has indeed fallen back into recession.

the 0.2 per cent drop in total industrial output reflected in large part a huge decrease in utility output because of warmer-than-normal weather in December. But other analysts said the

"If we ever got out of the

recession, we slipped back into it in the fourth quarter and still remain mired in an economic downturn," said David Jones, an economist with Aubrey G. Lanston and Co.

Some analysts noted that

tiny 0.1 per cent gain in fac-



Lucky couple of the New Year eve ball at Hotel Sonargaon receiving the Dragonair lucky draw round-trip air ticket Dhaka-Hongkong-Dhaka from Norbert G Mendes, Director Omnitrans Int'l Ltd. GSA for Dragonair Hongkong (2nd from right).

tory production was too small to be heralded as a rebound for this sector.

The industrial side of the economy clearly has slipped back into a recession", said Allen Sinai, chief economist of the Boston Co. "And the trade report showed a big improvement but not for the right rea-

The November trade gap. the lowest monthly imbalance since March 1983, was down from a October figure of 6.32 billion dollar.

American export sales edged up 0.9 per cent to a record high of 37.46 billion

dollar, while import demand dropped a sharp 5.5 per cent to 41.03 billion.

Economists noted that 88 per cent of the narrowing in November's trade gap came from a 2.4 billion dollar drop in imports, reflecting significant weakness in US demand.

The Bush administration. however, hailed the trade improvement as support for its belief that further gains in American sales overseas will help lift the country out of recession.

However, many economists are worried that the deficit will begin rising again next

Bush turns back to sweeping tax cuts

WASHINGTON, Jan 18: Saying he doesn't care how many votes it costs him. President George Bush said on Thursday he would resist appeals for sweeping tax cuts. saying this was not the way to boost a U.S economy he described as in "free fall," reports Reuter.

plummeted as the economy struggled in recession, also told leaders of a New Hampshire community that the economy was in a "free

with the tax cut should be to

stimulate real investment, real

savings," Bush said in the

meeting with community lead-

ers at Portsmouth. New

Bush, whose popularity has I think now anything we do

'l am going to resist-l don't care what it costs in terms of votes-some of these siren calls to go out and simply take across-the-board tax cuts that have a good sound to them but do not... create jobs," Bush

"I will not go for a quick fix." he said.

The Wall Street Journal reported on Wednesday that Bush was expected to propose an increase in the personal exemption from the income tax.

While that would be an across-the-board approach, it was not clear whether Bush was specifically rejecting that idea in his statement. He left himself and opening by saying he would reject "some" of the appeals for sweeping tax cuts.

Riyadh reluctant to slash oil output

BRUSSELS, Jan 18: A handful of OPEC nations are willing to curtail oil pumping to try to drive crude prices higher, but star supplier Saudi Arabia is showing no interest in joining them, analysts said Friday, re-Indeed, analysts predicted

the giant producer would delay any decisions on cutbacks until a key meeting next month of the Organisation of Petroleum Exporting Coun-

So far, Venezuela, Libya and Nigeria have promised supply cuts in an effort to restrain the surging production that has been blamed for sending prices to some of their lowest levels in more than a year.

Analysts said there were indications Algeria and Indonesia would make voluntary cuts soon and Iran, the cartel's second largest producer after Saudi Arabia, was debating going along. The trims announced to

130,000 barrels of oil a day, a tiny dip in the cartel's overall production of some 24.2 million barrels a day.

date amount at most to

But prices have rallied on expectations of more reductions.

"The volume is not important-but the message is important," said Pierre Terzian. Editor of the Paris-based newsletter Petrostrategies.

The message is that they are willing to cut back and

they will go to the February meeting with that willingness. he said.

The 13 oil ministers will meet Feb 12 in Geneva to set guidelines for production in spring when demand for crude in the United States and other off-consuming nations falls.

The ministers will be under enormous pressure to settle on a sizable supply cut to bolster prices, which have slumped well below the group's target of 21 dollar a 42-gallon barrel.

A basket of crudes monitored by the cartel averaged 16.57 dollar last week, the lowest since July 1990.

The average price last year was 18.6 dollar a barrel, down from 22.26 dollar in 1990.

With the new OPEC cuts. prices for U S and European light sweet crudes have climbed about a dollar or two a barrel. They generally run several dollar a barrel higher than the OPEC average.

The recent price weakness has been attributed not only to surging OPEC production but also low demand for oil because of mild winter weather. Moreover, forecasts of a sharp reduction in exports from the former Soviet Union, the world's No 1 oil producer, have not materialised.

Venezuela began the push for supply cuts by announcing last week a trim of 50,000 barrels a day in its overall output of about 2.3 million barrels.

China blasts West's aid terms for Africa

ABIDJAN, Jan 18: Chinese Foreign Minister Qian Qichen said on Friday the West should stop dictating terms for foreign aid to African countries and let them find their own way to democratic may reports Reuter.

Instead of the West linking democracy and human rights to (their) aid, they should help provide more food and shelter for Africa," Qichen said in Ghana, the fifth stop on his six-nation African tour.

He said African problems may not be fully appreciated by the West and (African countries) should therefore be allowed to pursue their own democratic reforms."

Qian's message has been at sharp odds with the thrust of speeches by Western political leaders visiting Africa. They increasingly urge the continent to improve respect for human rights and install plural democracy or face aid cut-offs.

At his previous stop-over ig Ivory Coast, Qian told Africans to forge political systems which were in harmony with their own traditions and cul-

"In every domain, if one copies other people's ways of doing things one cannot succeed," he said.

Earlier, in Mali, Qian made clear that China's relations with Africa would not be influenced by the kind of prodemocracy norms advocated by Western aid donors.

"The domestic affairs of a country are determined by the people of that country and we respect the choice of the Maltan people," he said on January 8 at the start of his tour. He later visited Guinea and Senegal and will finish the trip with a visit to Namibia.

"This is China's consistent policy. He will not come here to give lessons to anybody." lvory Coast Foreign Minister Amara Essy told Reuters this week before Qian's arrival.

China is not a major donor to Africa by comparison with the main Western powers. But demand is rising for its help in areas of expertise such as rice, fish farming and rural health

The visit to pro-Western lvory Coast, which had previously received no aid from China, ended on Thursday with the two sides agreeing to put the final touches on a 50 million yuan (9.3 million dollar) Chinese loan for three aid projects.

Diplomats said Qian sought support during his African tour for China's application to join GAIT (General Agreement on Tariffs and Trade), the organisation that sets the rules for world trade.

Hyundai workers prepare against police raid

ULSAN (South Korea): Jan 18: Thousands of workers holed up inside South Korca's largest auto plant used new trucks, cars and tires Saturday to reinforce barricades against a possible police raid, reports

Squads of hooded and masked car workers wielding steel pipes guarded major gates at the sprawling flyundai Motor Co, plant in this industrial port city, 325 kilometers

southeast of Seoul. The confrontation between Hyundai and its workers is the first major labour action of the year. The government has said the workers takeover the plant is illegal and vowed to use force to drive demonstrators out if they do not disperse.

Economic free fall pushing Castro to crack down on dissent

Hampshire.

MEXICO CITY, Jan 18: A pro-Castro mob invaded the apartment of Maria Elena Cruz Varela and forced the dissi

dent poet, literally, to eat her own words, reports AP. "The apartment was destroyed, lellow dissident Gladys Gonzales later told exiles by telephone. Maria Elena's mouth was injured because they made her swallow pamphlets. It was one of the most violent things I've ever

seen". Cuba's economic free fall is pushing it sedgy leaders to crack down on dissent, sometimes through violent proxics. Communist Party mobs have carried out scores of "acts of

repudiation" against dissidents

since the Soviet empire's

chaotic demise made Cuba a

political and economic orphan. "There is a feeling they are at the brink and there is no room to tolerate dissent," said Philip Brenner of American University in Washington, an

expert on Cuba who returned from a visit to Havana last

of opposition leaders, hurling rocks, eggs and insults. Sometimes they break in or beat people. The attacks often are followed by the victim's ar-Cruz Varela, 38, was arrested within days of the raid.

despite pleas from diplomats

and international human rights The poet leads the prodemocracy group Alternative Criteria. She is one of at least 60 opposition figures arrested in recent months, according to information compiled from news reports, human rights

groups and Cuban dissidents. More than a score remain in jail, convicted or accused of such crimes as clandestine printing.

Desense Minister, Raul

Castro threatened early this

month to revive "revolutionary

tribunals" like those that led to the executions of several thousand people after the 1959 Gangs gather at the homes

revolution. The government has intensified its campaign to discredit dissidents by linking them to a hostile United

It claimed three exiles caught going ashore with arms and explosives planned to contact dissidents. It blamed discontent inspired by the United States for the killing of three policemen in a bungled attempt by seven Cubans to flee the island Jan 9.

Cubans are being exhorted to remain united in the face of crushing hardship.

Horses and oxen pull buses and plows. Meat and cheese are only memories. Soap, toilet paper and diapers are rare luxuries. Restaurants, movie theaters, factories, taxis and printing presses are idle, along with thousands of workers.

Elisardo Sanchez, an opposition leader, traces the violence to new paramilitary "rapid action" brigades. "It's a kind of violence that

can't be controlled." Sanchez said by telephone from Havana. He leads the Cuban Commission on Human Rights and National Reconciliation. It is outlawed. like every opposition party and dissident or human rights group, and he

has been arrested several times. Brenner, of American University, said: "These thugs are being given a license to do whatever they want to do. it's very dangerous for the government because it undermines its legitimacy".

Castro's government organized the "rapid action" brigades last summer to snuff out expressions of discontent about shortages of the food. fuel and consumer goods that used to come from the Soviet Union.

After the failed Soviet coup in August, the peaceful dissi-

dent movement that emerged in 1980 began to unite and made its first contacts with Cuban exiles. The government reacted

swiftly. Within weeks of the

Soviet coup. Col. Eduardo

Delgado of State Security summoned the international press to announce the following of a CIA-backed plot to create a united opposition. In spite of the clear warning. Sanchez, Cruz Varela and the leaders of six other groups

announced days later that they

had formed the pro-democracy

Cuban

Convergence. "All Cubans have a lot of fear and we are no exception." Sanchez said at the time. "We are acting despite the fear "." Democratic Convergence.

which now includes 11 groups. opposition is small, but its dishas borne the wrath of a oneparty state facing what Castro calls the worst crisis in Cuba's history. Five of its leaders are in jail and dozens have suffered "acts of repudiation". he said.

In a lengthy speech Dec 26, Carlos Aldana, the No. 3 man in the party, called the organtzed opposition was a tool of the CIA and the "maggots" --Cuban exiles. He said the dissidents probably total only 1.000. Aldana made scathing per-

sonal attacks on several leaders - Cruz Varela is insane, he suggested - and warned against middle class people whose consumerist "aspirations" were dashed by the crisis. In our society, there are

Democratic soft parts that increasingly resent the conditions we live in. the challenges that confront us and the dangers we face." he said. They "constitute potential country revolutionary activity". Sanchez said the organized

> content is great. "This kind of repression can never contain the unorganized opposition, the millions of people who destre change."

Business briefs

Dhaka jute team in UK: The Bangladesh jute delegation. led by Secretary. Ministry of Jute met the members of United Kingdom , Jute Goods Association (JGA) and London Jute Association (raw jute) January 13 at Russel Square House, reports BSS from London.

London members from the trade attended the meeting which continued for three hours. After the opening remarks by Martin, the President UK, JGA, Bangladesh Jute Secretary M Akhtar Ali, addressed the meeting.

Next UN-Iraq oil talks in Feb: A second round of talks between the United Nations and Iraq on a possible resumption of Iraqi oil exports is expected to take place in Vienna or Geneva during the second week in February, a UN spokesman said on Friday, reports Reuter from United Nations

"I am still not absolutely clear about a date or a place, for that matter. But we anticipate that they will take place during the second week of February... in Vienna or Geneva, where the OPEC meeting is scheduled to be held on the 12th, spokesman Francots Gtuliani said.

LDCs meet in Manila Monday: Representatives of 30 developing countries will meet in Manila on Monday to seek support from rich nations to fight poverty in Asia, a United Nations Development Programme (UNDP) official said Friday, reports Reuter from Manila. They will try to draw up five-year plans for a region where

more than 800 million people live in absolute poverty, said Sebastian Zacharia, chief of the UNDP's Regional Programme Division.