

US share in world's wheat exports marks steep fall

WASHINGTON, Mar 13: The US share of the world wheat export market has fallen over the last five years from 41 per cent to 32 per cent, reports AP.

By contrast, Canada has maintained or increased its market over the same period, except for 1988-89, when there was a North American drought, according to an Agriculture Department report.

Canada's share of the world wheat export market during the period averaged more than 19 per cent, said the recent report on export markets for US grain.

The report also noted that Australian wheat exports are forecast to be 40 per cent lower than last year, and that Australia probably will reduce shipments to two main markets, Egypt and Japan.

The Japanese Food Agency will turn to its other suppliers, the United States or Canada, to fill the shortage, the report said. According to an Agriculture Ministry official from Japan, "wheat imports from the United States could increase by more than 200,000 tons from last year."

Turning to other grains, the report noted that Mexico purchases nearly all of its corn and sorghum imports from the United States.

It said growth in the sorghum market has stagnated over the past couple of years and Mexican corn imports have dropped precipitously, and noted that Mexico is expected to import about four million tons of coarse grains in 1991-92.

NY stock prices close mixed

NEW YORK, Mar 13: Stock prices were mixed Thursday after the government reported healthy retail sales figures for February, reports AP.

A new report showing strong gains in retail sales sent yields of the US Treasury's 30-year bond above the 8 per cent level. Many investors find treasure is attractive at that level and tend to invest in bonds instead of stocks, market analysts said.

"It's like the Dow crossing 3,000. We're talking about psychological numbers," said Lawrence Helfand manager for retail sales at Rodman and Renshaw Inc. financial firm in Chicago. If rates continue to rise, Helfand predicts the growth in the housing sector would stall.

The Dow average briefly went below the 3,200 level, a key support level for the index in recent weeks, but later rebounded as buyers entered the market.

The government reported that retail sales rose 1.3 per cent in February. Perhaps more surprising was the revised January sales figure showed a gain of 2.1 per cent, much stronger than the original estimate of a 0.6 per cent rise.

Pak aims to send 200,000 workers abroad

ISLAMABAD, Mar 13: Pakistan has set a target of exporting 200,000 workers during this calendar year to help cope with the problems of unemployment and foreign exchange, official sources said Thursday, reports Xinhua.

The sources said that to export quality manpower, the government attaches importance to imparting training to manpower for which more than two dozen vocational training institutions with the help of foreign financial agencies are working in the country.

The year 1991, the sources said, proved a boom year for the export of manpower then 145,000 workers were exported from the country as against 113,000 workers exported in 1990.

GATT slams US for growing protectionism

GENEVA, Mar 13: The world organization fighting trade barriers Thursday accused the United States of growing protectionism through measures aimed at halting the flood of cheaper imports, reports AP.

The 103-nation General Agreement on Tariffs and Trade, of which the United States is a member, said in a new study that these actions force up prices on products in the United States.

In its first review of US trade in three years, GATT praised the United States for avoiding major trade disputes "where feasible" since 1990. But it said "the United States has been one of the most frequent users of anti-dumping and countervailing duty actions."

"The number of new anti-dumping investigations was relatively small in the first half of 1990, but has since grown rapidly," the report says.

GATT says the US government considered 27 dumping

complaints in 1990, and the number had more than doubled to 57 in the first 10 months of fiscal '91.

US trading partners are increasingly appealing to GATT to resolve their disputes in this area, reflecting "growing concern over the frequent use of such measures," the report said.

Ambassador Gerry Shannon of Canada told other GATT members during a two-day discussion of US policies that the anti-dumping and duty laws have become the "instruments of choice for USA industries seeking protection."

Each of the member countries is periodically reviewed by the other members, who try to apply pressure through the discussion for countries to make changes in their trade policy, although GATT cannot force changes.

The GATT report says perhaps the most significant change in United States trade policy in recent years has been its attempt to establish free-

trade agreements. So far, the United States has such arrangements only with Israel and Canada but is moving to include Mexico and other Latin American countries.

These groupings could have a far-reaching impact on world trade, the report says. For example it says US trade will possibly shift away from the Caribbean and Andean countries that the United States has been trying to help with its trade policies.

Trading partners are forced to incur considerable legal costs defending themselves against dumping allegations, the report says.

Between 1988 and 1990, the Commerce Department ruled in almost every case — 68 out of 71 — that dumping was occurring.

But its decisions appeared to be based in two of every three cases on whether US industry was being injured by the imports rather than on a strict determination that the importer had set its prices too

low, the report says. The result is that foreign manufacturers appear to be holding back on their exports to the United States or pricing them higher, which forces prices up for the American consumer, GATT says.

Another practice that has cost American consumers dearly is quotas imposed on agricultural imports, such as dairy products, peanuts and cotton.

By US estimates in 1989 alone those quotas added 280 million dollars to what Americans paid for the products.

The United States subsidises farm exports, but at a rate "significantly lower" than other industrialised countries, GATT acknowledged.

It noted that the US automobile, steel, machine tools, clothing, textiles and semiconductor industries are also protected against imports or promoted for export by the government.

Negligence, breach of duty, contract alleged

Liquidators file suit against BCCI auditors

LONDON, Mar 13: Liquidators wrapping up the affairs of the closed Bank of Credit and Commerce International (BCCI) on Thursday filed suit against the bank's auditors, alleging negligence, breach of duty and breach of contract, reports Reuters.

Accountancy firm Touche Ross issued the High Court writ in London against Price Waterhouse and Ernst and Young, former joint auditors to BCCI.

India becomes fourth nation to produce bio-pesticides

NEW DELHI, Mar 13: India's first plant for commercial production of bio-control agents was commissioned at Coimbatore in the southern state of Tamil Nadu, local press reported Thursday, says Xinhua.

The commissioning of the plant has made India the fourth country with such technology for pest management in agriculture crops after Japan, China and Russia.

Touche Ross claimed damages and compensation, alleging negligence, breach of duty and breach of contract relating to BCCI audits for 1985 and 1986.

Price Waterhouse said it was not surprised. "It is the usual protective measure when the time allowed under the statute of limitations is running out," a spokeswoman said.

There is a six year limit for bringing actions in the British courts and five years in Luxembourg. Ernst and Young declined comment. The writ names 36 defen-

dants in Britain and overseas, including Grand Cayman the Bahamas, Luxembourg and Belgium.

Ian Brindle, senior partner of Price Waterhouse, and Elwyn Ellidge, senior partner at Ernst and Young, are sued in their personal capacity and on behalf of employees.

Last week, Touche Ross filed writs against Ernst and Young and its predecessor, Ernst and Whinney, relating to its 1986 audit of BCCI.

The two accountancy firms jointly audited the accounts of the BCCI group until 1987, which Price Waterhouse became sole auditor. Until then, it was responsible for BCCI (Overseas).

The suit threatens to renew heated debate about the role of auditors in uncovering fraud.

The auditing practices board, set up in 1991 to rewrite auditing procedure after a rash of highly publicised cor-

porate collapses, has been debating how much responsibility auditors should have.

Some auditors have proposed rules that would force auditors to publicly reveal fraud if they know about it.

PIA first to open flights in Tashkent

ISLAMABAD, Mar 13: Pakistan International Airlines (PIA) inaugurated Thursday a weekly service to Tashkent, the capital of the Central Asian republic of Uzbekistan, the airline announced, reports AP.

A PIA Boeing 737 carrying 115 passengers, including legislators and businessmen, flew to Tashkent from Islamabad International Airport.

The announcement said a regular weekly service between the two capitals would commence March 16, leaving here every Monday morning and returning the same evening from Tashkent.

India hopes to boost its trade with Pakistan

NEW DELHI, Mar 13: The Indian industry feels optimistic of boosting bilateral trade with Pakistan, reported the Observer of Business and Politics Thursday, says Xinhua.

This sentiment is shared by a number of companies in Pakistan whose trade enquiries for Indian goods have registered a sharp increase in recent months, the paper said.

These companies have expressed the desire to import a wide range of products including newsprint, viscose rayon, industrial machinery and chemicals, industrial and textile machinery, ship and boat building raw materials, machinery, textiles, leather and paper dye stuffs, according to the report.

India's exports to Pakistan stood at 513.9 million rupees (20 million US dollar) in 1989-90, while imports from Pakistan were 537.9 million rupees (21 million US dollar).

Former E German Communist Party amassed wealth worth \$ 6.25 b

BERLIN, Mar 13: Cash and property held by the once ruling East German Communist Party and its front organisations was estimated Wednesday at 10 billion Deutsche marks (6.25 billion dollar), reports AP.

The Treuhandanstalt, the agency which took charge of the assets of the former German Democratic Republic in 1990, said it arrived at the figure after a months-long appraisal of bank accounts, shareholdings and 6,226 buildings and plots of land in communist ownership.

It said it has probed the holdings of the Party of Democratic Socialism (PDS) — the successor to the ruling Socialist Unity Party (SED) — Four Fellow-Travelling Parties and 18 "mass organisations" such as East Germany's sole trade union, the FDGB, and the Young Communists.

None of the surviving organisations is able to carry out any financial transaction or sale of real estate without the Treuhand's permission.

The Four Fellow-Travelling Parties, which were allowed to exist as a democratic figleaf in East Germany, were the Christian Democratic Union (CDU), the Liberal Party (LDPD), the Peasants' Party and the National Democratic Party (NDPD).

The Treuhand said it has confiscated cash worth 1.3 billion mark (\$12 billion dollar), of which 1.2 billion came from PDS bank accounts.

Tokyo share prices hit 17-month low

TOKYO, Mar 13: Share prices on the Tokyo Stock Exchange plunged briefly to their lowest level in 17 months Friday afternoon as pessimistic investors heavily sold their futures holdings, reports AP.

At 1:25 p.m. (0425 GMT) the 225-issue Nikkei Stock Average was quoted at 20,168.15 down 397.73 points or 1.28 per cent from its Thursday close, its lowest level since Oct. 1, 1990, when the Nikkei closed at 20,221.86.

The Nikkei, the market's main barometer, rebounded slightly soon afterward on buying by bargain-hunting investors.

The US dollar, meanwhile, rose against the Japanese yen. At late morning, the dollar was trading at 134.30 yen, up 0.30 yen from Thursday's close. It opened at 134.56 yen after finishing overnight in New York at 134.25 yen.

Trade between two Koreas hit \$ 13m

BEIJING, Mar 13: South Korea's trade with Democratic People's Republic of Korea reached 13.7 million dollar in February, up from two million dollar a year earlier, said a report of the South Korean news agency Yonhap monitored here, reports Xinhua.

Based on a release of Seoul's National Unification Board Thursday the report said that South Korea's purchases from the North were valued 12,154,000 dollar while sales reached 1.6 million dollar.

The report said the imports from the North included zinc ingots, frozen scabbard fish,

cement, billets and seven other items, sales to the North mainly was plastic sheet for agricultural use.

All the 24 commodity exchanges conducted in the month were undertaken via third parties — Hong Kong, Japan, China and Singapore, the report added.

Meanwhile, the same month witnessed the authorisation of 85 instances of personnel exchange by the Unification Board, including 42 in the economic area, 22 for reunions of dispersed families and 10 for academic contacts.

Kuwait seeks fresh OPEC ceiling

KUWAIT, Mar 13: Kuwaiti Oil Minister Hamoud Al-Rqubah called for a cut in OPEC output to help support prices and clear excess stocks causing a glut on the world market, reports Reuters.

Rqubah predicted prices would drop with the approach of spring in the northern hemisphere.

Thus OPEC should put a new ceiling aimed at absorbing existing oil stocks so when winter comes there will be a small stock that can lift up oil prices," he said in remarks carried by the Kuwaiti news agency KUNA on Thursday.

OPEC's present output ceiling is close to 23 Million Barrels a day (BPD) and its benchmark crude price is well below the 21 dollar a barrel set by the group.

Rqubah called for cooperation between the Organisation of Petroleum Exporting Countries and non-OPEC producers to reverse the downward trend in oil prices.

"This ought to happen in the next meeting between OPEC and producers outside the Organisation in April to coordinate policies to help lower output," he said.

He repeated calls for OPEC to give Kuwait a quota higher than the 1.5 million BPD set before Iraq invaded in August 1990.

A rise was needed to compensate Kuwait for lost production resulting from seven months of Iraqi occupation, he said.

Rqubah said Kuwaiti crude output would reach 1.5 million BPD by the end of 1992.

Iraqi forces wreaked havoc on Kuwait's oil industry by setting ablaze or damaging hundreds of oil wells while fleeing the allied forces at the end of the Gulf War last year.

The last burning well was put out in November and Kuwaiti production, which peaked at over two million BPD before the invasion, is currently running at 7,00,000 BPD.

Russia starts buying Indian tea again

CALCUTTA, Mar 13: This week's auction was marked by the re-entry of Russia in the Indian tea market in an active manner and record prices for some lines of CTC tea, reports PTI.

After a gap of over two months — since December 23 Russia started operating in the tea market picking up clean broken orthodox tea and selectively purchasing CTC tea. All broken and fannings sold at higher rates in line with quality with medium Assam broken getting quotations of around Rs 32 to Rs 35 and good Assam being quoted for even higher prices for broken.

The USSR — major buyer of Indian tea — had stopped participating in the auctions last year as the erstwhile USSR disintegrated and the Indo-USSR trade protocol under which Soviet buying was done was on verge of expiring.

The event had an immediate impact on the market which started witnessing lower price levels which later

on stabilised.

Market sources said that agents operating on behalf of the Russian Federation had stated operating in a small way in the south India as well as north India markets last week.

Besides the selective operation by Russia, Polish buyer operated for the cheaper sorts while there was selective enquiry from the continent for liquoring fannings.

This week Darjeeling offerings met with less demand with all sorts getting quoted at lower prices in line with quality.

There were fair withdrawals. Besides Russia, the Middle East buyers, Poland and Libya showed interest and all but Russia were active for plainer teas. There was support from Egypt for fannings.

The tea crop for 1992 in the meantime showed a decline in the month of January with the crop being lower than the January 1991 crop by 3.7 million kgs. South India accounted for 3.1 million kgs.

HK government rejects public enquiry on two BCCI branches

HONG KONG, Mar 13: The Hong Kong government rejected Wednesday a call for a public enquiry into the closure of two local subsidiaries of the disgraced Bank of Credit and Commercial International (BCCI), reports AP.

Financial Secretary Hamish Macleod brushed the demand aside as a handful of angry depositors made a last-ditch attempt to persuade legislators to order an enquiry.

The government closed Bank of Credit and Commerce Hong Kong in July, though it was not directly implicated in the Bank of England-led crackdown on her BCCI units suspected of fraud and money-laundering. The closures had led to depositors staining protest, fasts and rallies, but to

no avail.

Macleod told legislators that "the commissioner of banking acted with good intentions and with the best interests of depositors in mind" when he ordered the bank closed.

"He took expert advice and moved quickly to implement measures to minimise the impact on BCCI operations elsewhere," he said.

The local BCCI subsidiary was ordered liquidated by the high court early this month following a failed takeover in February by the Hong Kong Chinese Bank, a subsidiary of Indonesia's Lippo group, because of unrecorded liabilities.

HK registers rise in trade

HONG KONG, Mar 13: Hong Kong's export increased by 17 per cent and its import by 19 per cent last year as compared with 1990, reports Xinhua.

As regards exports, re-export grew by 26 per cent and the domestic export recorded virtually no growth, according to the latest government statistics.

Commodities recorded increases in the volume of domestic exports in 1991 over 1990 included electronic components, which went up by 23 per cent, metal manufactures, by eight per cent, textiles yarn and thread, by two per cent, textile fabrics, by two per cent, and clothing, by two per cent.

World's richest nations' bid to form scientific forum

PARIS, Mar 13: The world's 24 richest nations, at a historic meeting attended by Russia, agreed Wednesday on the need to stop the "brain drain" of scientists from the former Soviet bloc and decided to set up an international forum for scientific projects, writes AP.

The two-day meeting of its scientific committee marked a new era of diplomacy for the Organization of Economic Cooperation and Development.

"We are at a very important point in the history of our planet, dealing with the internationalisation of science

and technology," said D. Allan Bromley, US President Bush's assistance for science and technology who served as vice-president of the meeting.

Bromley said that trend was symbolised by the presence at the meeting of Boris Saltykov, the Russian minister of science, higher education and technology policy.

Science and technology ministers from Poland, Hungary and Czechoslovakia also attended as observers.

The ministers agreed to set up a project called Forum to discuss and identify major scientific projects that would be

open to all nations regardless of whether they are OECD members.

The President of the session, French Minister for Research and Technology Hubert Curing, said he hoped the first projects could be considered by next summer.

"Any expert who can contribute can take part in Forum," Curian said at a news conference.

The ministers agreed the era of cooperation must target the "particular challenge" of Central and Eastern Europe, which is short of money and whose weapons specialists

must find work in civilian projects.

"We face an emergency situation," said Bromley.

The ministers stressed the need to help Eastern European scientists continue research, maintain contacts and get funding in part to maintain regional stability and stop the exodus of scientific talent.

On Wednesday, the United States, the European Community and Japan agreed in Brussels to create an international center for nuclear weapons to prevent just such a "brain drain."

Greenpeace accuses US for being 'irresponsible'

WASHINGTON, Mar 13: The international environmental group Greenpeace has accused the US administration of taking "irresponsible" stands in preparing for the Earth Summit in Brazil in June, reports AP.

"US actions at preceding preparatory committee meetings have had a major adverse impact on efforts by other governments to adopt strong, effective initiatives on environmental issues, Greenpeace said in a report entitled 'President (George) Bush's irresponsible actions'.

Business briefs

China plans new border trade zones: China plans to set up new Border Economic Cooperative Zones along the Russian, North Korean and Mongolian borders to encourage trade and foreign investment, the official media said Thursday, reports Reuters from Beijing.

The state council, or cabinet, has decided to expand the economic freedoms enjoyed by authorities in Heihe and Suifenhe in Heilongjiang province as well as Hichun in Jilin province and Manzhouli in Inner Mongolia, the Economic Daily said.

France lifts coal embargo from S Africa: France has lifted a six-year-old embargo against coal imports from South Africa, the foreign ministry said Thursday, reports from Pretoria.

Kuwait free of Iraqi mines: A British company said on Thursday it had cleared all Kuwaiti oil fields of Iraqi mines and ammunition left from the Gulf War, reports Reuters from Kuwait.

Royal Ordnance Project Manager Gy Lucas told Reuters the group had removed one million mines and 6,000 tonnes of ammunition from different parts of Kuwait since it arrived in the Emirate at the end of the Gulf War last year.