reports AFP.

First man who

booked Channel

Tunnel ticket

LONDON, June 2 : A retired

62-year-old engineer is set

to be the first British

passenger to travel through

the Channel Tunnel,

expected to open in 1993,

owner of the first

reservation, ticket number

00001, which he recently

obtained after writing to the

then British Rail chief Peter

the construction was defini-

tively decided. I wrote to

the Chairman of British

Rail. Sir Peter Parker.

enjoy rail travel and it will

be a great historic occa-

about what he will do in Paris when he gets there

and thinks he will go to the

Pettitt has not yet thought

As soon as I heard in 1986

Parker six years ago.

Pettitt told AFP.

sion," he said.

Nigel Pettitt is the proud

wheat for Nepal

KATHMANDU, June 2: India is supplying 30 thousand tonnes of rice and 10 thousand tonnes of wheat to Nepal,

reports PTI. According to the Nepal Food Corporation, the food grains are to be supplied by the Food Corporation of India at the request of the Nepalese government. The foodgrains have been purchased for stabilisation of the foodgrains market in Nepal.

"Foodgrains will be imported in the near future," the NFC said. Nepal is also importing wheat from France instead of sugar, as was agreed upon earlier, in view of lack of wheat production in the country.

Negotiations at AT & T resume

WASHINGTON, June 2: Negotiators for AT and T and two unions representing 125,000 workers at the nation's largest long-distance company resumed talks Monday on an expired con-

"Progress is being made," AT and T spokesman Herb Linnen said. "Some key issues remain, but we're still hopeful that the differences remaining can be resolved."

Union officials, who were authorized to call a strike when the contract expired at 11:59 pm Saturday, agreed to continue talks without a walkout. Workers, represented by the Communications Workers of America and the International Brotherhood of Electrical Workers, want better pay and job protection.

Libya plans to boost oil output

NICOSIA (Cyprus), June 2: Libya plans to boost its oil production capacity by 300,000 barrels a day to two million barrels by 1994 despite UN sanctions, the Meddle East Economic Survey reported Monday, according to AP.

The respected oil industry newsletter, published in Nicosia, quoted Libyan Oil Minister Abdullah al-Badri as saying in an interview that Italy's Agip oil company will play a key role in the programme.

Al-Badri said that Tripoli had planned to boost capacity by the end of this year, but decided to "stretch out the development programme until 1994" because of OPEC quota limitations and weak oil prices.

Bahrain's bid to raise oil quantity

MANAMA (Bahrain), June 2: Bahrain, the smallest Gulf oil producer, said here it would spend about 20 million dollar to drill 50 shallow offwells over the next two years in a bid to squeeze more crude out of its dwindling reserves, reports Reuter.

Mohammad Saleh Sheikh Ali, Chief Executive of the Bahrain National Oil Company (BANOCO), said the wells would be drilled to a depth of around 3,000 feet in the island's main producing field. Drilling would begin in the final months of 1992.

Alt told reporters BANOCO was also studying the possibility of using enhanced oil recovery techniques such as horizontal drilling, carbon dioxide flooding and water injection for the first time.

Yugoslavia moves to conserve oil

BELGRADE, June 2: Sanctions-hit Yugoslavia an-nounced special measures on Monday to conserve oil prod ucts in the face of a UN trade embargo, reports Reuter.

Western diplomats said that if the measures were effective, Serb-led Yugoslavia may be able to make current oil reserves last for two months or more.

Nikola Sainovic, Serbia's Energy Resources Minister, said by conserving energy, the country could avert fuel shortages despite an oil embargo under the United Nations sanctions imposed on Saturday.

All assets in US frozen

WASHINGTON, June 2: All assets in the United States of the Serb-led Yugoslav government were frozen Monday by the Treasury Department, reports AP.

The action is the US response to United Nations sanctions meant to force Belgrade out of Bosnia-Herzegovina, where Serbs have been battling Slavic Muslims and Croats for three months.

The 13-nation US Security Council adopted the sanctions Saturday. In addition to an asset freeze, they include an oil embargo, a ban on trade in all goods except food and medicine and suspension of air links.

But Dunkel expects breakthrough in this Summer

BRIEFS GATT deadlock remains as EC cool to US offers

BRUSSELS, June 2: The European Community is not enthusiastic about new propos als from the United States for breaking the impasse in world trade negotiations, an EC officials said here, reports Reuter.

US Secretary of State James Baker joined chief trade negotiators from both sides in Washington last week for an exchange of ideas intended to nudge forward the long-stalled General Agreement on Tariffs and Trade (GATT) negotia-

The two sides were considering the various proposals, a European Commission official told journalists, adding: "None of the parties said they were total rubbish."

"There was no real

BOMBAY, June 2: A scandal

that has rocked India's finan-

cial markets may affect the

country's credit rating and de-

lay plans for raising much-

needed commercial loans

abroad, merchant bankers said

on India's image as a borrower,

especially when the country

has opened up its economy to

foreign investment", said P R

Joshi, Director of DSP Finan-

cial Consultants -an associate

of merchant bank Merrill

erupted as foreign banks were

awaiting a new assessment of

India by credit-rating agencies.

rently rated by international

credit agencies, below invest-

ment grade. But they declined

to comment on possible future

agencies Standard and Poor's

and Moodys have both visited,

their assessment and this

India recently.

Leading US credit-rating

"Foreign banks would like

NEW DELHI, June 2: India

will take its trade reforms

further by lowering tariff barri-

ers soon, the Commerce Min-

ister said Monday, and asked

exporters to earn at least 20

billion dollar in the current

told the Federation of India

Export Organisations tariff re-

forms was the next item on

India's liberalisation pro-

gramme which took off July

1991 with the abolition of a

rupee announced in February

this year, followed by a five-

year export-import policy were

the next two stages of the

phased opening-up of trade, he

He said a lowering of tariffs

Partial convertibility of the

Palaniappan Chidambaram

fiscal year, reports AFP.

range of state controls.

Exporters asked to earn \$20b this year

Delhi to lower tariff

Bankers said India is cur-

Joshi said the scandal

"It will have some impact

here, reports Reuter.

Lynch.

progress, but at least there wasn't a breakdown," said a

senior trade official. Neither side would disclose their new ideas but an EC official hinted that the US had of fered the EC eight years in which to reduce the volume of its subsidised exports by 24 per cent instead of the five planned in a draft final accord.

problem, it's the figures," he European Farm Commissioner Ray Macsharry has said the EC could even accept a 24

"But it's not time that's our

per cent cut providing it were calculated by sector - for example applying to cereals as a group, rather than to each crop separately.

GATT negotiations, called

MOSCOW: Russian President Boris Yeltsin (R) along with his wife Naina (L) welcoming his

South African counterpart F W de Klerk for a meeting at the Kremlin on June 1. The South

African President was on a one-day visit to the Russian capital for a cooperation agreement.

would delay India's borrowing

plans as these agencies are

bound to take a second look at

rating is also likely to be influ-

enced by the outcome of a

consortium meeting for aid to

sible collusion between

bankers and stock brokers to

divert money from government

bonds into the booming Bom-

bay bourse. Fraudulent or un-

covered Banker's Receipts are

at the heart of the 30 billion

rupee (1.05 billion dollar)

(RBI) is probing the operations

of 17 Indian and at least four

foreign banks. A preliminary

report is expected in the next

without loss of time if the RBI

takes corrective measures

immediately to reassure for-

graded India in 1991 as it

struggled to avoid default on

nounce them "as early as pos-

porters to earn at least 20 bil-

lion dollar in foreign exchange

during the financial year to

March 1993, or at least two

billion more than what non-oil

imports were expected to cost.

difficult one, he said, noting

that in fiscal 1991-1992, India

exports carned 17.8 billion

dollar and non-oil imports had

Chidambaram said the gov-

ernment was working out

"adequate, attractive export

incentives" to help exporters

earn more, but warned that

such measures would not be in

place once trade became to-

totalled 14.1 billion.

The target should not be a

The minister asked ex

eign investors," Joshi said.

"Things could be set right

Credit agencies down-

The Reserve Bank of India

Police are looking into pos-

India in Paris from June 24.

Another banker said India's

this country," Joshi said.

the Uruguay Round after the country in which they started in 1986, are stuck in a quagmire of disagreements between the US and EC over how far and fast to wind down trade-distorting subsidies to agriculture.

"It's still the intention of the Commission, the Community and also the US, sincerely and honestly to find a deal for the whole Uruguay Round," another Commission official said. He declined to set a

timescale and there are no plans for more US-EC meet-Successive deadlines have failed to concentrate the

minds of the two biggest, richest farm exporters in the world, and there are fears this

foreign debt of more than 70

economic reforms last June,

and the Japan Bond Research

Institute (JBRI) removed India

from the "Credit Watch" list

after a review early this year.

improve India's image as we

are still journeying in a diffi-

dia's need for foreign com-

mercial loans, which had aver

aged 1-1.5 billion dollar a year,

may increase as the reforms

eign portfolio investors, await

ing a government decision to

allow them to invest directly in

Indian stocks, are pleased the

scandal has brought the mar-

"They are happy that the

markets have come down, but

dismayed they have fallen for

the wrong reasons," said Ajit

Dayal, Director of Quantum Fi-

Children's banks

mushrooming

in China

NANJING, June 2 : Since

the first bank for children was

set up in Nanjing in 1989, an

other 20 such banks have

emerged in this capital of cast

China's Jiangsu province, re-

week succeeded Bao Qing to

serve as the Council Chairman

School girl Zhou Xi, 10, last

The 21 banks, with total

deposits of 10.86 million yuan

(about 1.9 million US dollar),

are located in 19 primary or

middle schools with 135

school children working there.

that the operation of these

banks has helped school chil-

dren expand their knowledge

Teachers and parents agree

The market has been falling

At the same time some for

cult direction," he said.

being to have an effect.

"But that by itself doesn't

Merchant bankers say In-

India launched far-reaching

billion dollar.

Joshi said.

kets down.

nancial Services.

ports Xinhua.

of children's banks.

year may end without an ac cord in negotiations that should have been wrapped up

But Reuter from Quebec City adds: A breakthrough on the stalled Uruguay Round of world trade talks is likely this summer, GATT Director-General Arthur Dunkel said on Monday, saying he was encouraged by a renewed dialogue on agriculture between the United States and the European Community.

"We need a breakthrough very soon so that we can have the basis of an agreement in agriculure, services and so on," the head of the General Agreement on Tariffs and Trade said on Monday after addressing the world farmers

"The immence of the Munich summit (of Group of Seven) countries in July will

Dunkel said. The European Comunity's plan to overhaul its common agricultural policy, drastically lowering cereal target prices,

has raised new hopes for a

push the process forward,"

"Observers felt the previous policies did not subscribe to the draft final act (a compromise proposal put forward last December by Dunkel's trade negotiating committee). There are elements in the EC's new policy that go in the same direction as the DFA's objective."

Dunkel said talks between

EC and US officials on agriculture were clearly linked to the European shift. Likening the trade talks to a tennis game. Dunkel said the United States and the EC were not playing a few weeks ago. "Now they are

playing," he said. An agreement on world agricultural trade would benefit farmers, Dunkel's aid, by boosting market prices, lowering the cost of inputs to agriculture and limiting price fluctuations due to unexpected changes in production.

"It encourages a progressive switch from policies that support prices to policies that support people," he said, as governments would not be required to reduce their direct payments to farmers.

Russian oil minister, Viktor

Dopukhin, who favoured free-

At both the bank and the oil

ministry, the Russian govern-

commitment to free market

reforms, and fear that too

rapid change will cause social

the reforms and the President.

but if we go beyond a critical

point (of price hikes), we'll set

off a general disaster," Yeltsin

resistance to the International

Monetary Fund's insistence

that Russia remove controls on

the domestic price of coal, oil

edly has delayed the introduc-

tion of free energy prices, and

Yeltsin has voiced growing

Today, people still support

ment is caught between a

ing energy prices.

and political unrest.

said Saturday.

and natural gas.

through BRS.

Eurodisney Theme Park hearby. He candidly admits he has not paid for the ticket yet, pointing out that a price has

not yet been set. Danes may

shake EC (Denmark). June 2: Danes could shake the European Community if they reject the Maastricht treaty on political and economic union in their binding referendum Tuesday, reports AP.

Polls published before the start of voting at 9 am (0700 GMT) Tuesday indicated that the large block of undecided voters was swinging towards the treaty.

The 3,964,448 Danish voters are the first Europeans to get a direct vote on the treaty. which calls for a common foreign and security policy and a single currency among the 12 **European Community nations**

Sony to sell HDTV at half price!

TOKYO, June 2 : Sacrificing size for picture quality, Japan's Sony Corp said Monday it would start selling a high definition television (HDTV) system next month at almost half the price of similar existing models, reports AFP.

The new system, priced at 1.3 million yen (9,600 dollar), will go on sale in Japan on July 15 - just in time to receive HDTV broadcasts from the Olympic games in Barcelona. The television's 32-inch screen is, however, slightly smaller than other models

which are mostly 36 inches. "This is oriented towards home use. Just like Hi-Fi for audio, we would like to introduce hi-vision into homes at an affordable price," Sony President Norio Ohga told a news

(36 inches) high, 60 centime-

tres (24 inches) wide and 66

centimetres (26 inches) deep.

less than two weeks after

Toshiba Corp began marketing

The announcement came

conference, referring to the Japanese standard for HDTV. The new set would nevertheless take up a considerable space in the average Japanese home. Weighing 87 kilograms (190 pounds), the entire unit is more than 90 centimetres

The RBI has said it was investigating 17 Indian and at least four foreign banks in the

what is now the cheapest HDTV set available in Japan at 2.4 million yen. Sony's current 36-inch model costs 4.1 million yen.

Russia joins IMF but financial support to take time

Monetary situation 'explosive'

larly of notes denominated in

MOSCOW, June 2: The Monctary situation in Russia is "explosive" because of a short age of liquidity, First Vice Prime Minister Egor Gaydar has acknowledged here, reports AFP.

The crisis could have been avoided if the central bank had issued massive amounts of bigdenomination notes of 1,000 and 5,000 ruble as proposed to the Russian parliament in December, he said on the televised weekly political programme Itogy late on Sunday.

Journalists behind the programme said after an investigation that the state owed the country 2,000 billion ruble because of the shortage, and of this 120 billion ruble represented unpaid wages for civil servants and unpaid pensions.

Gaydar hoped that the situation would be back "under control" within a few months. The issue of money, particu-

since the scandal came to light

on April 22. The BSE index

closed at 3,006.08 on Friday,

compared with 3,435.07 last

week and 3,674.41 a month

han Singh announced in his

1992-93 (April/March) budget

that "reputable" foreign in-

vestors would be allowed to in

vest in India stocks. Foreigners

can now invest only in Indias

state-owned offshore mutual

Depositors

demonstrate

depositors marched through-

Bombay's business district on

Monday demanding their

money back following the liq-

uidation of a small bank, the

first casualty in the country's

of the Bank of Karad, a pri-

vately-hied bank, wound

through the crowded streets of

Bombay's business district

shouting: "Give us our money

GENEVA, June 2: Massive

unemployment in Eastern Eu-

rope and the former Soviet

Union is a "disaster waiting to

happen", the International

Labour Organization said Tucs-

sult of the political changes

and economic hardship in the

former Soviet Bloc, there was

likely to be a stream of mi-

grants across Europe on a

scale not seen since the end of

out in Czechoslovakia, Hun-

gary, Poland and the Moscow

region showed nearly two mil-

lion people definitely intend to

leave. A further 7-20 million

people are thinking about mi-

grating to improve their stan-

dards of living, it said.

It said one survey carried

An ILO report said as a re-

day, reports AP.

World War II.

More than 500 depositors

worst financial scandal.

A later report adds: Angry

Finance Minister Manmo-

1.000 and 5.000 ruble, should in principle be multiplied fivefold in August compared with the amount in May. In June the issue would be

142 billion ruble and in August between 270 billion and 280 billion, he said.

Unpaid wages would be indexed on the basis of an annual rate of 80 per cent, he said.

"I think that we will be able to control the situation. I am counting on the good sense of the population, which has already shown proof of that in recent months," Gaydar added

AP adds: Russia's financial and energy policies slid into further disarray Monday as the top two officials of the Central Bank resigned in a dispute with lawmakers over the cost of loans

Their departure followed President Boris N Yeltsin's firing over the weekend of the

The protestors, mostly low-

income workers such as

porters, and vendors, marched

to Karad Bank's local branch

Labour leaders say 50,000

close to the Bombay Stock Ex-

small depositors had put their

money in the bank, in many

cases their life's savings. They

estimate these deposits at 150

million rupees (five million

ordered liquidation of the bank

last Wednesday for invlove-

ment in a stocks and securities

bank receipts or BRS

been at the heart of the 30 bil-

lion rupee (one billion dollar)

into possible collusion between

bankers and stock brokers to

channel money from the gov-

ernment bonds market to the

Labour Ministry in the former

by neighbouring countries.

in Hungary.

ther," it said.

ex-Soviet Union to move ille-

Investigators are looking

The Bombay High Court

change (BSE) building.

dollar).

Unemployment awaiting

ex-East Bloc as disaster

over the weekend he established a new committee to study the issue.

His administration repeat-

Stock scam to hit India's credit rating, borrowing booming Bombay bourse

> Last week, the Reserve Bank of India (RBI), the central bank ordered Bhupen Dalal, a director and partowner of the bank of Karad to step down. Dalal is also a stock

Newspaper reports said the bank had issued nine billion rupee (321 million US dollar) in uncovered BRS.

"I have lost all my savings, nearly 30,000 rupees (1,150 US dollar), said Babu Konkar, a market porter, anger and dismay writ large on his rugged face. I don't know what to do.

scandal that has shaken the financial markets to its founda-A local porters union leader Fraudulent or uncovered Balwantrac Pawar said the union would launch a labour promissory notes issued by a agitation if depositors did not bank pledging delivery of govget their money back. ernment securities - have

People have made crores (tens of millions) using these poor people's moeny. The government must compensate them immediately, Pawar said.

securities scandal.

Indian Finance Minister Manmohan Singh, who was in Bombay on Saturday, said the government would protect the interests of depositors.

and learn to save money and The ILO cited figures by the would choose Germany. tally free and the rupee fully were the next essential part of live frugally. liberalisation, promising to anconvertible. Supertrains seen as solution to US transport gridlock The X-2000 is expected to eral government." see a transportation revolution WASHINGTON, June 2: hit top speeds of 150 mph "I think government will taking place before its eyes."

The United States is applying the brakes to the development of an ultra-fast ground transportation network, while highspeed trains swoosh across the countryside in Europe and

"America has all the knowledge, ability, and resources needed to build supertrains, but has failed to build even one line anywhere in the country," author Joseph Vranich writes in his new book, "Supertrains, Solutions to America's Transportation Gridlock," reports

He says Washington has "hinged on aviation and highways for so long, is so steeped in the postwar auto and avia-. tion mentality, that it cannot

Japan is introducing a new generation of bullet trains. The French TGV express routinely achieves speeds of 186 mph (298 kph). Germany is honing technology to float magnetically propelled trains along guide rails at speeds of up to

300 mph (480 kph). Meanwhile, Washington is studying the situation.

"We should be building high-speed trains instead of creating bigger and bigger stacks of paper," Vranich told a recent news conference.

Secretary of Transportation Andrew H Card Jr sees a future for high-speed rail, but without direct financing from the fed-

have to be a partner" with the private sector in developing high-speed rails, Card said in an interview.

One key: Making available the necessary rights of way, a step authorized by last year's surface transportation bill. There has been some

progress. Amtrak's Metroliner, which hits a top speed of 125 mph (200 kph) on the New York-Washington run, is the fastest train in the United States.

Amtrak is importing the Swedish X-2000 tilt train to the United States for testing on the twisting route between New York and Boston.

(240 kph) and will be able to round those curves at 100 mph (160 kph). When the line is fully electrified, the new train is expected to shave an hour off the running time, now at least three hours and 55

A panel of transportation experts assembled by the National Research Council concluded that government investing in high-speed rail could cost up to 10 million dollar to 63 million dollar a mile (6.2 million dollar to 39 million dollar a kilometer).

The panel found the cost might be justified if it could be shown that enough riders would be attracted to reduce

traffic congestion, cut back airport delays, lower pollution, reduce noise levels and save energy.

The first ultra-high-speed project actually built in the United States may be a magnetic levitation or maglev line connecting Orlando International Airport in Florida with Disney World. Construction is set to begin next year and the first passengers may climb aboard in 1997.

Proposals to build highspeed rail projects in California and Texas have obstacles. mostly financial. The problem has been getting either the government or private investors to put up money to build necessary infrastructure.



SONY SURPRISE: A Sony public relations employee showing Sony's smallest micro-cassette tape recorder called "SPY" on June 1. The recorder weighs 100 grams and is 67.6 millimetres wide, 64.6 millimetres tall and 18.5 millimetres deep. It has been on the Japanese market since March 21 at a price of 36,000 yen (285.7 US dollar).

- AFP photo