BRIEFS

Vietnam develops new cotton variety

HANOI, June 19: A new variety of short-fiber cotton with yields ranging from one to two tons per hectare has been developed by scientists of the Vietnamese Cotton Research Center, reports Xinhua.

A Vietnam news agency report said it is a great achievement, as cotton cultivated so far in Vietnam's northern provinces yields only from 0.3 to 0.4 tons per hectare.

US-Taiwan reach agreement on trade

WASHINGTON, June 19 Trade negotiators from the United States and Taiwan reached agreement Thursday on a pace that will extend for two years voluntary caps on the level of imports into the United States of machine tools made in Taiwan, reports AP.

A similar two-year extension of voluntary restraints on machine tool imports had been reached in April with Japan. US Trade Representative Carla Hills said in a statement that the understanding will provide a gradual return to full compe tition while allowing US companies time to complete efforts to finish modernizing their production facilities.

China's book fair attracts visitors

SINGAPORE, June 19: The world Chinese book fair has at tracted more than 200,000 visitors from Singapore, Malaysia and Indonesia since it opened here last Saturday, reports Xinhua.

The fair, from June 13 to 21, displays some 50,000 ti tles on children's book, literature, health, art, nature, science and technology, which includes 15,000 titles published by China.

SA cloth workers demand higher wage

CAPE TOWN, June 19: Abut 10,000 clothing workers demanding higher wages marched through downtown Thursday, closing several main streets, reports AP.

Wage negotiations between the Clothing and Textile Workers' Union and employes broke down last week when the union rejected an increase of 9.98 rand (3.56 dollar) per week. The average clothing manufacturer earns 199.50 (71.25 dollar) per week.

Pak foreign reserve rises sharply

KARACHI (Pakistan), June 19: Pakistan's foreign reserves rose sharply to 804 million US dollar in the week to June 11 from 714 million US dollar the week before, the State (central) Bank of Pakistan said, reports Reuter.

A bank official said the reserves were the highest in the past three years, compared with 492 million US dollar on June 27,1991, 604 million US dollar on June 28, 1990 and 520 million US dollar on June 29, 1989.

US jobless claims edge down

WASHINGTON. June 19: The number of Americans filing new claims for unemployment benefits edged down to 407,000 during the first week in June, the government said Thursday, reports AP.

The seasonally adjusted decline during the week ended June 6, from a revised 409,000 a week carlier, fits in with analysts' belief that the economy is making a painfully slow, although sustained, recovery from the 1990-91 recession.

US consumer delinquencies jump

WASHINGTON, June 19 The percentage of American consumers behind on their loan payments jumped during the first three months of 1992 to the highest level in 2 1-2 years, a trade group said Thursday, reports AP.

A scasonally adjusted 2.75 per cent of consumer loans were at least 30 days past due at the end of March, up from 2.58 per cent three months earlier and 2.67 per cent a year earlier, the American Bankers Association said.

No Japanese plan for economic stimuli

TOKYO, June 19: Japan has no plans to adopt additional economic stimuli before the Group of Seven (G-7) summit in Munich next month, a senior official of the Ministry of Finance (MOF) told Reuter in Tokyo.

Most recently, the Japanese government on March 3 sought to help boost slumping economic growth through an emergency package which brought forward public works spending in the first half of the fiscal year to march 1993.

Luxembourg court orders liquidation of BCCI

LUXEMBOURG, June 19: A Luxembourg court has ordered the liquidation of the Bank of Credit and Commerce International Holdings (Luxembourg) SA, it was announced Thursday, reports AP.

The judgement, handed down June 11 by a three-judge panel, also named two Luxembourg lawyers as liquida tors for the failed company, said court registrar Maryse Schumacher.

The Luxembourg holding is the parent company of the Bank of Credit and Commerce International SA that collapsed last January over allegations of money-laundering and fraud.

Creditors have claims of about 10 billion dollar against

The liquidators appointed by the Luxembourg district court- Pierre-Paul Schleimer and Claude Penning - have until Dec 31 to reach an agreement with BCCI creditors, Schumacher said.

A creditors committee will be named in a few months, she

Neither liquidator was immediately available for com-

On Jan 3 the court ordered the winding up of BCCI SA, the Luxembourg-based bank with branches in Britain and

Germany A June 23 hearing is scheduled for liquidators to reach an agreement with the Abu Dhabi government, the bank's main

creditor. Reuter reports from George Town. Cayman Islands Liquidators for Bank of Credit and Commerce International (Overseas) asked a judge to is suc a final order that would accept a repayment plan to depositors and creditors giving them about 32 cent on the dol-

Attorney Martin Pascoes, in the first day of what is ex pected to be a two-day court hearing, said the liquidation plan calls for a US 1.5 billion dollar cash injection from the majority shareholders of BCCI, the Abu Dhabi government.

Liquidators lan Wight and Robert Axford of the account ing firm Dedloitte Touche have previously said they do not expect any opposition from creditors in the Caymans case. In London, a final decision

been delayed while creditors appeal a June 12 court action to proceed with liquidation of the failed bank.

The liquidation plan must be approved by courts in England, Luxembourg and the Cayman Islands before it can

proceed If the Caymans court ap proves the plan for BCC Overseas, depositors and creditors would get about 32 cent on the dollar, Pascocs said.

He told the court there would be US 2.674 billion dol lar in assets - including the Abu Dhabi contribution against liabilities of US 8.318

Should the court reject the plan, Pascoes said liquidators in the Caymans, Britain and Luxembourg would likely sue the majority shareholders for recovery of assets. "This will take five to seven years and perhaps longer," Pascoes told the court.

Under that scenario, creditors were likely to receive only about 15 cent on the dollar, he

Lawyers representing major creditors were scheduled to address the court during the two-day hearing.

Unsold goods stockpile in China

BEIJING, June 19: Stockpiles of unsold and unsellable goods at China's state factories have hit a record high of more than 133 billion yuan (24 billion dollar), an official news report said Friday, according to AP.

The China Daily newspaper said economists blame the stockpiling on too much bank credit and factories that blindly crank up production without paying attention to market needs.

It said the government has threatened to cut off funds to the factories with the worst stockpiles if they don't shift production to suit the market.

The government announced Tuesday that industrial production was up nearly 18 per cent during the first five months of the year over the same period of 1991, to 1.08 trillion yuan (197.6 billion dol-

It did not say how much of that was produced by stateowned factories, which have been outpaced in recent years by joint venture, collective and private factories. The China Daily said 23.6

billion yuan (4.3 billion dollar) worth of state factory production went into stockpiles dur ing January through April

UN sanctions hit hard Serbia's economy

BELGRADE, June 19: UN economic sanctions have started to bite hard on Scrbia's reeling economy, forcing up electricity costs, immobilising motorists and threatening to extinguish the grills at Belgrades' fast food restaurants. reports Reuter.

Harsh trade and oil sanctions, imposed on Serbia and Montenegro by the United Nations for their role in the fighting in Bosnia-Herzegovina, are making life difficult.

On Tuesday, the government approved a 79.8 per cent increase in the price of electricity and a 105 per cent rise in rail transport costs, the Belgrade-based news agency Tantug said.

The International Hamburger Chain McDonalds' was set to close down some of its six outlets in Belgrade immediately and was expected to lock its doors on all of them soon, the new independent Serbian news agency Ticker

Tanjug quoted National Bank of Yugoslavia Treasury Di-

rector Vojislav Tomic as denying reports that, owning to huge demand caused by inflation, the mint had no more paper for bank notes.

Tomic said the bank stocked sufficient amounts of paper and dye both for new notes and for stocks and bonds.

According to the latest official figures, Serbia's monthly inflation rate has reached a record 80.8 per cent.

Five to ten-fold price increases, petrol rationing, a rush on stores for food and major jobs losses testify to the devastating effect of sanctions.

In the countryside, there are few cars on the road, except those waiting at petrol sta-

Some sectors of the economy will come to a complete standstill and the entire economy will be forced down to a subsistence level, said Bozo Jovanovic, Yugoslav Minister for Foreign Economic Relations.

Ticker said many compa nies were facing closure.

Jute price in India likely to fall

NEW DELHI, June, 19: Jute price is likely to drop in India following a reduced procurement of grain and rice by government agencies. The Observer of Business and Politics reported Friday, says Xinhua.

At the same time exports of jute goods to Russia were hampered because of the issue of payments remained to be resolved, as a result, prices of jute sacks in the local markets have begun to recede.

Compared to the last week of May, Kalidhari B twill have slid down to 1120/1220 rupee per 100 bags from 1225/1350 rupee and a twill to 1470 rupee from 1800 rupee per 100 bags respectively. Similarly, Harapatta Bardana has declined by 120 rupec at 1100 rupec per 100 bags.

During the same period. hessian in different sizes also suffered a sharp setback due to weak demand. Twin Rupsa slipped to 1275 rupee from 1350 rupce a quintal.

Trade with the former USSR was calculated in terms of rupee but here in after it has to be in hard currency. Indian exports of jute goods may therefor decline.

WB justifies

aid to Indian

project

World Bank President Lewis

Preston said support for

India's Narmada River dam

Project is justified, but Bank

financing would continue only

if a responsible approach" to

resettlement and environmen-

tal concerns can be found, re-

an independent review of the

world's biggest dam project

found that resettlement and

In a statement, Preston said

"I am convinced that the

Continued bank support for

But we should proceed only

required to permit a fully re-

sponsible approach to the re-

settlement and environmental

say the dams are environmen-

tally unsound and have accused

the state governments of re-

Opponents of the project

ports Reuter.

WASHINGTON, June 19:

Russia likely to get western aid

on the liquidation of BCC1 has

WASHINGTON, June 19: The head of the International Monetary Fund and a top official of Boris Yeltsin's government have joined in expressing confidence that Russia will soon receive necessary IMF approval to unlock billions of dollars in Western assistance, reports AP.

The joint statement by Yegor Gaidar, Russia's acting prime minister and Yeltsin's chief economic adviser, and IMF Managing Director Michel Camdessus came at the end of two days of discussions Thursday. "As a result of these discus-

sions, both sides were confident that the continuing nego-

NEW DELIII, June 19:

Indian investigators on

Thursday seized shares worth

one billion rupec (38 million

dollar) allegedly belonging to a

broker, who is at the centre of

the country's worst financial

scandal, the United News of

India (UNI) reported, accord-

were seized by the Central

Bureau of Investigation (CBI) in

fresh raids on offices of "Big

Bull broker Harshad Mehta

and his associates in Delhi and

and 10 others, including five

bank officials, on charges of

criminal conspiracy, fraud and

forgery. They have been denied

dal involved alleged collusion

between brokers and bank of-

ficials in illegally diverting

funds from the government

securities market to the

(PTI) said the CBI seized

shares worth 400 million ru-

pees packed in some 15 boxes

from a Delhi businessman who

had allegedly bought them on

the garage of a bungalow in

south Delhi, owned by Mohan

Das Khandelwal, who is presi-

dent of a Mehta company, the

Bombay Stock Exchange (BSE)

on Wednesday suspended a

broking firm from member-

ship for a month for alleged

involvement in the country's

worst financial scandal, the

Press Trust of India (PTI) re-

An earlier report says: The

The boxes were found in

The Press Trust of India

Bombay stock exchange.

behalf of Mehta.

news agency said.

ported.

The 30-billion rupee scan-

The CBI has arrested Mehta

The UNI said the shares

ing to Reuter.

tiations would lead to an carly agreement on a program that could be supported by the financial resources of the fund," the statement said.

IMF approval of Russia's reform program is a necessary prerequisite before the bulk of a dlrs 24 billion Western assistance package can be delivered to Russia. The assistance was announced by President Bush in April.

There were reports that negotiations between Russia and the IMF had become bogged down with IMF officials concerned that Yeltsin was backsliding on his commitment to reform.

Yeltsin stressed during his

Bombay Stock suspends broking firm

Indian CBI seizes scandaled shares

Services Ltd was suspended

for allegedly routing 500 mil-

lion rupee (9 million dollar) of

bank fund into the account of

Jyoti Mehta, wife of Harshad

Mehta, a leading stock broker

at the centre of the 30 billion

rupee (one billion dollar)

scandal, PTI said, quoting a

guilty of a conduct and a

method of business unbecom-

ing of a member of the ex-

cluding five bank officials, have

been arrested and charged

with criminal conspiracy,

forgery and fraud. They have

owned United Commercial

Bank, whose funds VB Desai

handled, have been named in a

criminal complaint filed by the

Central Bureau of Investigation

(CBI), which is probing the

Mehta, his wife Jyoti and his

brother Ashwin, all three of

(UNI) said the CBI seized

shares worth millions of rupee

in fresh raids on Mehta's of-

fices across the country on

places belonging to Mehta and

the arrested bank officials

were still continuing in

leged collusion between bro-

kers and bank officials in ille-

gally diverting funds from the

government securities market

to the Bombay bourse.

The scandal involved al-

UNI said the CBI raids on

The BSE has suspended

The United News of India

Four officials of the state-

The BSE found the firm

Mehta and 10 others, in-

BSE press release.

change, PTI said.

been denied bail.

scandal.

them brokers.

Wednesday.

Bombay

VB Desai Finance and

summit meeting with Bush that he remained committed to a strong program to replace 70 years of communism with private enterprise.

An IMF official, who spoke on condition of anonymity, said that the joint statement did not mean that the negotiations were completed but was meant to show that both sides were satisfied with the progress being made.

Russia hopes to have IMI approval of its economic re forms by July 1 and Bush on Wednesday expressed his belief that an IMF agreement would soon be reached.

An AFP report says

Standard Chartered Bank has

filed criminal charges with

Indian detectives, naming sus-

peets in a major securities

scam in which it stands to lose

162 million pound (300 mil-

lion dollar), press report said

persons not working with

Standard Chartered, which

brought the charges in a com-

plaint to the Central Bureau of

Investigation (CBI) in Bombay

'Now it is up to the CBI' to

launch court proceedings.

John Pank, an official of the

London-based bank who flew

to the western Indian city, was

in-house inquiry being con-

ducted by the bank, described

the Indian securities scam as

the "biggest" ever faced by

He said the bank had to re-

cover 65 million pound (120

million dollar) from the Bank

of Karad, a small private bank

now under liquidation, and 97

million pound (180 million

dollar) in payments relating to

Standard Chartered had given

its analysis of how the scam

was pulled off in eight pages of

documentation it had given to

the CBI, India's chief investi-

sion with bank officers are al-

leged to have siphoned at least

one billion dollar from the

government securities market

to make money in a booming

stock market in the scam un-

dess Sekhmet from a remote

corner of the Karnak temple

wooden sarcophagi, 56

wooden burial masks, 1,700

Top stockbrokers in collu-

gating agency.

carthed in April.

Pank was quoted as saying

other securities transactions.

Pank, in India to assess an

The suspects were external

Wednesday.

India (PTI) said.

quoted as saying.

Standard Chartered.

Portugal's PM hopeful about

DUBLIN, June 19: Portuguese Prime Minister reasonably optimistic that the European Community would solve a dispute over the future size of its budget, reports Reuter.

Cavaco Silva, visiting Dublin on a tour of EC capitals to prepare for the community's Lisbon summit on June 26-27. told a news conference he hoped that meeting would reach a political compromise on this subject or at least the general framework" of solution.

Car-free city!

BRUSSELS, June 19: The European Community wants to set up a club of car-free cities to prove they work better without automobiles, EC Carlo Ripa di Meana said here

ence, he released a study showing that a city without cars would be two to five times less expensive, with densely populated cities having most to gain from an auto ban.

cral cities had volunteered to Tuesday, the Press Trust of Join an EC organised club to work towards car-free status and exchange date on experi He named Amsterdam (the

Netherlands), Bath (Britain) and Naples and Aosta (Italy) among the volunteers. Ripa di Meana said they would have to be reorganised

closer together. Public transport would have to be greatly improved and there would be far more moving pavements and escalators. The automobile dream

worked for 40 years but now has turned into a nightmare. cars are strangling our cities

car-free environment would be much lower than the costs o parking and garage space, trail fic jams, socially-disruptive ur ban sprawl and pollution of fending the lungs, cars, eyes and nose, he maintained.

that the automobile industry would have to be pressured into switching resources into collective transport and, for instance, electric cars.

EC's budget

Anibal Cavaco Silva said he was

Environmental Commissioner Wednesday, reports AFP.

Addressing a press confer The commissioner said sev

to bring people and their jobs

The price of setting up a

The Commissioner added

Big Belgian gold sale jerks bullion market BRUSSELS, June 19: Bel-Knox in the United States. The central bank said the

gium surprised world bullion markets on Wednesday when it announced it had sold 202 tonnes of gold - almost as much as the former Soviet Union sold in all of 1991, reports Reuter. The Belgian National Bank

said in a statement it concluded the sale two weeks ago, netting more than US 2 billion dollar in foreign exchange. Prices on the London gold

market rose after the announeement, but the news raised the prospect of further sales by central bank's sitting on 35,000 tonnes on gold. The statement said the sale had not disturbed the market. Belgium still has 973

tonnes of gold, stored at Fort 30.23 million ounces of gold

move brought Belgium's traditionally high gold reserves into line with those of neighbouring countries and facilitated the bank's participation in the process of European Monetary

of gold to about 50 per cent of the central bank's total reserves - comprising mainly gold, foreign currency and European Currency Units (ECUs). Gold forms 49 per cent of

The sales reduced the share

the total reserves of the Netherlands, 46 per cent of France's and 35 per cent of Germany's reserves.

Belgium, with a population of around 10 million, had

Tokyo's stocks make slight

TOKYO, June 19: The Tokyo recovered slightly Friday reports AP.

Average gained 229,33 points, or 1.43 per cent, to close the morning session at 16,274.89. On Thursday, the average lost 400.24 points, or 2.43 per cent, closing at 16,045.56, its lowest finish since Oct 22. 1986.

The Tokyo Stock Price Index of all issues listed on the first section rose 10.04 points, or 0.80 per cent, to 1,255.68. The TOPIX lost 30.97 points,

yen at late morning, down 0.78 yen from Thursday's close.

Secondhand smoke — severe health risk for children

Environmental Protection Agency report concludes that secondhand tobacco smoke poses severe health risks to children, causing thousands of respiratory illnesses annually, sources

The draft EPA report, being of Suez and Alexandria. But presented to the agency's science advisory panel there's no doubt antiquities Thursday, also raises concerns that tobacco smoke may be linked to mysterious sudden infant death syndrome, or SIDS.

The cause of SIDS is not known, but the EPA study suggests there may be relationship with infants' exposure to secondhand tobacco smoke either before or after birth. It offered no conclu-

The report, which is based on an examination of dozens of scientific studies and aims

could provide no details about the draft study until it was presented to the advisory board, which reviewed a preliminary draft previously and asked that the section on impact to children be expanded.

More than a year ago, the advi sory panel generally endorsed the study's findings that secondhand tobacco smoke should be classified as a carcinogen and known cause of lung cancer The preliminary study estimated that tobacco smoke in the air may account for as many as 3,800 cancer deaths, but sources said that figure was being revised in the latest draft.

Middle Eastern to buy UPI

Arabic-language television network offered 3.5 million dollar Thursday for United Press International, reports

Charney considers making a

Charney emerged as a potential buyer last week after religious broadcaster Pat Robertson backed out of a 6 million dollar deal to buy the

ested in keeping UPI going as a full-fledged wire service. The London-based network

nessmen. It has been broadcasting news and entertainment programmes in the Middle East and southern

Antiquities smuggling— an old problem Museum exhibits also show thieves ripped a 660-pound years at hard labour. Most gct (300kg) statue of the lion god-

CAIRO, June 19: Egypt has been on the losing side of antiquities plundering since the Pharaohs, reports AP.

Some of the artifacts have ended up in foreign collections, on the black market or on display at an unusual Cairo museum dedicated to recovered relics.

"We're telling thieves, 'you're taking a bit risk. And this is where your booty will end up," said Mohammed Abdallah, director of the Museum of Seized Antiquities.

Officials hope the museum will also alert the public to the enormity of the smuggling problem. Nobody knows how many

antiquities are spirited out of Egypt, but many of the world's great museums feature relics removed illegally. Last year, investigators recovered 23,000 artifacts, slightly more than the yearly average of the past decade.

Convicted looters can be sentenced to as many as 15

less. Egypt's first recorded trial of antiquities thieves was 3,132 years ago. Some items in the 1,500

exhibits are in pristine condition. Others have irreparable damage, often done in the theft. Thieves once brandished only knives. Today, some carry submachine guns and chain saws. They've been known to threaten family members of guards who resist them.

Egypt has an untold number of artifacts for the taking. Officials have designated 8,600 antiquities sites, but vast other areas sit a top antiquities. Other precious relics are stored around the country without proper documentation of secured only by rusty locks and sleepy guards.

to be told about a problem or see it for ourselves," said Ibrahim Bakr, Egypt's chairman of antiquities. "The museum says it for us." Only days before the mu-

seum opened in March,

uities and tourist police, Gen Ahmed Fouad Atta. The museum's most "We're a people who have

complex in the southern city of Luxor. Police later found the statue in the back of a taxi heading north. In June, Cairo police reported the recovery of one of the biggest caches of stolen antiquities, including 44

small statues and 26 1/2 pounds (12 kg) of bronze "We're winning some of the battles. We're seeing antiquities returned to us. And we are arresting antiquities smugglers," said the chief of antiq-

poignant exhibit is the four faces of Hathor, the goddess of love and beauty. Until last year they adorned a column in a southern Egyptian temple. Thieves used a chain saw to cut them out one by one.

the wide range of items being smuggled from Egypt: munimy cases, pharaonic jewelry, Greek statues, early Christian cloth, blades and shields from the Middle Ages. Even 20th century busts of Egypt's last kings have been

Abdallah said many of the artifacts were intercepted at Cairo airport and at the ports 17

leave via many other routes. "So many of our treasures are in remote places, in deserts, our borders are wide," said antiquities chairman Bakr. "It's no wonder so much disappears."

operate without a market and antiquities dealers abroad have no shame. "They're like a mafia," he said. "They don't feel it's wrong to smuggle antiquities, as they do to smuggle drugs.

And the money can be just as

good."

to assess the health risks WASHINGTON, June 19: An

familiar with the study say, reports AP.

Atta said thieves could not sive proof.

from tobacco smoke to non smokers, has been under review at the EPA for more than a year. Agency spokesmen said they AP

environmental practices fell short of what was called for under Bank policies and guidelines and policies of India's government. problems highlighted call for a comprehensive and vigorous response, Preston said. He said he will submit to the Bank's Directors a set of proposed remedial actions to address the problems with the project. the Narmada Projects is justified, Preston said. if practical ways can be agreed to ensure that the pace of further construction of the dam is adjusted to whatever extent is

TOKYO: A stock dealer using a pair of binoculars to monitor figures on a board while a clerk takes time to skim through a newspaper at the Tokyo Stock Exchange June 17. The exchange closed the day at 16,445.80 yen, the lowest - AFP photo

recovery

settling people.

concerns.

Stock Exchange's main index morning, a day after falling to a 5 1/2-year low. The dollar remained lower against the yen, The 225-issue Nikkei Stock

or 2.43 per cent, on Thursday. The dollar stood at 126.85

network offers NEW YORK, June 19: An

But the cash-starved news agency is barred from talking to the network while real estate investor and attorney Leon

wire service. In a letter to UPI attorncys, Middle East Broadcasting Centre Ltd said it was inter-

is owned by several Saudi busi-Europe since September.