day, reports AFP.

Poland to issue

'hard' zloty

to introduce a "hard" zloty with 10,000 times the value of the

existing zloty on January

1,1993, the president of the

National Bank of Poland, Hanna

Gronkiewicz-Waltz said Mon-

this operation is on January I.

1993", she said in a radio in-

terview. Old bank notes would

remain in circulation alongside

the new ones for between stx

A bank note for two million

zloty, twice as big as the

biggest denomination now.

would be introduced before

the end of the year and would

months and two years.

be worth 200 new zloty.

The best time to launch

WARSAW, July 7: Poland is

BRIEFS

India liberalises trade with Nepal

KATHMANDU, July 7: India has lifted the restrictions imposed on the 13 different exports to Nepal including coal, industrial raw materials and fron roads and steel, officials said here. India's move follows the signing last year of liberal trade and transit treaties between Nepal and India break ing 15 month trade and transit statement. A senior official of the Ministry of Commerce told AFP: "We have requested that India lift the ban on the exports of at least 40 items, but... only the 13 items were made free to export, reports

Taiwan's gold import rises by 90 pc

TAIPEI, July 7: Taiwan's gold imports soared 90 per cent in the first half of this year as appreciation of the Taiwan dollar spurred buying of the metal for industrial use and investment, the Finance Ministry said on Monday. Imports of gold bars, coins and plate climbed to 108.68 tonnes, worth about US 1.2 billion dollar, in the first six months from 57.19 tonnes in the same period last year, the ministry said, reports Reuter.

Russia-China cross border bridge

BEIJING, July 7: China and Russia will jointly build a highway bridge across their border to encourage trade, the state-run Xinhua News Agency said Tuesday. The bridge will link Heihe, China, with Blagoveshchensk. Russia, Xin-hua said. The cities are about 550 miles (880 kilometers) northwest of Russia's port of Vladivostock. Work on the main frame is to start next year and be completed in 1994. Xinhua said local officials hope Hethe will be more attractive to outside investors after the bridge is opened. The Chinese-Russian border was heavily militarised for decades because of a bitter split between china and the former Soviet Union, reports

French firm drops controversial bid

WASHINGTON, July 7: French electronics giant Thomson-CSF has dropped its controversial bid for the missile division of LTV Corp. a spokesman for the Dallasbased defense contractor said Monday. Thomson-CSF. told the government Committee on Foreign Investment, which appeared to be opposed to the proposed takeover, that it would withdraw its 300 million dollar bid. LTV informed the committee it had no objection to the French company withdrawing its bid, LTV spokesman Jerry Dalton said by telephone from Dallas, report AP.

Largest 2 airliners

delay fare rise DALLAS, July 7: The nation's largest airlines, American and United, said late Monday they would postpone fare hikes scheduled to take effect Tuesday. American also decided to tinker with some of the proposed changes. The two carriers had planned to raise fares 4.4 per cent Tuesday. After American decided to delay the increases, United spokesman Joe Hopkins said his carrier would remain competitive and also put off implementing its new fares. Representatives of the other major carriers - Delta, Northwest, USAIR, Continental, TWA and America West said they were studying American's latest changes, which made the fare increases less steep in many markets. "We are not initiating any fare increases," said America West spokeswoman Daphne Dicino in Phoenix. "We're pretty much responding to the marketplace," reports AP.

Duran's top priority will be economy

QUITO, Ecuador, July 7:

President-elect Sixto Duran says his first priority as leader of this small Andean nation will be to lower inflation and spur economic growth. "All of our efforts will be aimed at containing and reducing inflation," Duran, a 70-year-old conservative, said Sunday night after learning he had won Ecuador's presidential runoff. Duran, the white-haired grandfather of 20 grandchildren, won voters trust, analysts said, with his soft-spoken manner, avoiding demagogic promises of miraculous cures for Equador's problems, reports

No breakthrough yet on world trade talks at G7 summit

MUNICH, Germany, July 7: The United States and the European Community tried on Monday to unlock jamed world trade talks but, as the G7 summit began, there was no sign of a breakthrough on farm policy, the central sticking point, reports Reuter.

U S Secretary of State James Baker said after talks with British Foreign Minister Douglas Hurd and Frans Andriessen, the EC's top trade negotiator, that the two sides would keep on seeking a solu-

"We had some very interesting talks and there'll be some more," Baker told reporters.

A senior U S official later said Washington was optimistic that steps toward a deal could be made at the three-day Munich Summit. But European officials were more cautious.

"I did'nt detect this morning any substantial changes in position," said one EC official, but he added Andriessen, in charge of joint EC trade negotiations, still hoped to see substantial progress at Munich.

trade body. The next scheduled bilateral talks on the sidelines of

Resolution of the farm row and success for the GATT US Secretary of State James Baker said after talks with British Foreign Minister Douglas Hurd and

Frans Andriessen, the EC's top trade negotiator, that

the two sides would keep on seeking a solution.

the Group of Seven (G-7) Summit are between U S President George Bush and EC Commission President Jacques

Delors on Tuesday. A Commission official said Andriessen and Baker are expected to attend the talks, which are likely to be domi-

round would boost global trade by more than 100 billion dollar a year, stimulating economic growth and creating jobs,

nated by the EC-U S farm row

which has heldup a deal on the

stx-year-old Uruguay Round of

talks under the General

Agreement on Tariffs and

Trade (GATT), the world free

economists say. Bush and French President Francois Mitterrand late on Sunday briefly discussed trade, but it was unclear if they had narrowed the gap between the

two sides. Washington wants furthers cuts in European farm subsidies but the EC says its hardwon internal reforms to reduce price support and set a side some farm land is their best offer.

Britain, which as current holder of the rotating EC Presidency chaired Monday's talks with the U S, was cautious about the chances that Munich will be able to provide the top-level political impetus needed to complete the GATT

"I am not being optimistic, but it's something we care about," added a British official " It's the subject that the Prime Minister (John Major) has as his number one prior-

Japan's trade surplus soars by 100 pc

WASHINGTON, July 7: Japan sold 28.2 billion dollar more in goods and services abroad than it imported in the first three months of this year - the only one of five major trading countries to show a surplus, the International Monetary Fund reported Mon-

day, days AP. The figure was almost double the 14.3 billion dollar trade surplus Japan posted in the first quarter of last year.

According to the fund, the world's seven major industrial countries, whose leaders are in Munich, Germany, for their annual summit, reduced their total trade deficit to 5.3 billion dollar for the quarter, compared with 31.7 billion dollar a year carlier.

On a visit to Washington last week, Japanese Prime Minister Kiichi Miyazawa said he was embarrassed by his nation's 1991 surplus of 43 bil-

lion dollar in trade with the United States that came despite efforts by both countries in recent years to close the came despite efforts by both countries in recent years to close the gap.

The US deficit in trade with Japan reached about 60 billion dollar in 1987, and Miyazawa said he was confident it would not return to the record level.

Other big traders reported deficits in their international trade for the winter quarter Germany's was only 200 million dollar, but France reported 1.9 billion dollar, Italy 6.4 billion dollar and the United States 16.6 billion dollar. No figures were reported for Britain, which ran steady deficits through 1991, or for Canada, whose trade showed a modest 2.3 billion dollar surplus last year.

The new notes were printed in Germany in 1990 but their value had not been fixed until now because of a high inflation rate of 60 per

cent in 1991, she said. The dollar is currently worth 13,500 zloty.

Army crackdown unsettles Pakistan's foreign investors

KARACHI (Pakistan), July 7 Foreign investors adopted a wary approach to Pakistan's emerging capital market after an army crackdown on political violence and crime in the troubled Sind province, ana-

They said some investors had even temporarily retreated from the market which has been rife with rumours of a possible imposition of martial law, repeatedly denied by au-

"There are no new buyers from abroad," said Zahoor Chamdia, a broker on the Karachi Stock Exchange (KSE) which has fluctuated since the crackdown began in the southern province on May 23.

The KSE's 100-share price index has fallen 3.66 per cent since June 29, after the powerful ethnic Mohajir National Movement (MQM) party quit Prime Minister Nawaz Sharif's government and its parliamentary deputies resigned their scats to protest at an army sweep against its strongholds as part of the crackdown.

The MQM revolt posed no immediate threat to Sharif's

federal government, but could bring down the Sind provincial government of Chief Minister Muzassar Hussain Shah, politi-

cal sources said. Before June 29, the KSE index had risen to 1,560.32 from 1,439.65 on May 23, because of an end of the year buying spree by state-run institutions, broker Amanullah Sule-

Fiscal 1991/92 ended on

The fluctuation have jolted the confidence of foreign buyers, broker Abdul Majid said. "They have adopted a wait-and-

ment Bank had delayed plans for a 100 million dollar investment in Pakistan from this month. But no confirmation was immediately available from banking sources.

Securities, said he believed it was the right time to invest despite a continuous fall since June 29.

the bottom line," Rauf said. hit cotton and cotton yarn

broker at the Karachi Cotton Association (KCA).

He said the cotton business was dull in June as textile mills faced difficult times with their cotton yarn, mostly used units, piling up in stocks.

istani banks have liquidated their stock holdings and diverted funds to the government's six-month maturity Tbills and hard currency.

At the latest auction on June 29, the State (central) Bank of Pakistan sold T-bill worth 12.89 billion rupce, the largest sale since Pakistan opened the secondary market in March 1991.

The previous highest was 10.97 billion rupee on January 28, when stock prices also fell because of political uncer-

to hard currency because of the political unrest, Pakistan's foreign reserves rose to 917.9 million dollar in June, the highest during the past three years, compared with 682.5 million dollar in May and 491 million dollar in June last year.

Satellite service for taxi firm

TOKYO, July 7: A Japanese taxi firm has started using satellites to track cabs and improve customer service but the idea may annoy drivers who relish the freedom of their job, writes Reuter.

The system uses satellite and radio signals to monitor taxi movements so customers can be told how long they must wait.

Certainly, more taxi compa nies are going to use this system in the near future." said an official with the Japan Sca Taxi in Niigate prefecture in west Japan, which introduced the system three months ago.

It is a very good system, enabling us to offer a better service," he said.

took this job because it enables me to be a free man" said one Tokyo cabbie. "The Tokyo traffic is very difficult but at least I do not have to go to the same factory each day and be bossed around by people I do not like."

Malaysia's economy may register 8.8 pc growth

government-backed think-tank 8.5 per cent. has forecast an 8.8 per cent growth rate for Malaysia's cconomy this year, marginally higher than earlier government forecasts, reports AFP.

Noordin Sopiec, director of the Institute for Strategic and International Studies (ISIS) said that the main impetus for growth would come from strong expansion in domestic demand underpined by expanding private investments.

The central bank, Bank Negara, in March this year said it expected Gross Domestic Product (GDP) to grow by 8.7 per cent this year against an carlier Ministry of Finance forecast of 8.5 per cent.

Private sector economists have warned that labour shortages and infrastructural bottlenecks are causing the economy which has grown by more than eight per cent annually since 1988 to overheat.

Noordin said that public sector spending was likely to be channeled towards increas ing and improving infrastruc ture facilities to support further economic expansion.

Despite the threat of overheating, ISIS said it expected

KUALA LUMPUR, July 7: A growth in 1993 to be around

"The high growth, one of the highest in the world today reflects continuing pragmatic and prudent macro economic management and the political stability of the country," Noordin said.

ISIS has projected a merchandise account deficit o some two billion dollar (800 million US) and a current account deficit of 13.5 billion dollar (5.4 billion US) this

But it said the deficits would be offset by private longterm and short-term capital in flows and through fine-tuning of the economy.

Malaysian miners have been told not to rush into reviving mining operations in the cuphoria of recent sharp hikes in tin prices, local newspaper Reports said Sunday.

Hew See Tong, President of the All-Malaya Chinese Mining Association, said in northern Perak state that the recent price hikes might not be sustained long enough to make

the move viable.

Bush to fight for free trade in Munich

MUNICH (Germany), July 7 : The Group of Seven Summit in Munich will get more Americans working, President George Bush said on Monday, reports Reuter.

Heading into a pre-summit meeting with German Chancellor Helmut Kohl. Bush was asked if the three days of talks between leaders of the major industrial powers would produce jobs for Americans.

"Absolutely. It's a yes," he replied, without elaborating. Among other issues, the leaders of the G7 — the United

States, Britain, Canada, France, Germany, Italy and Japan will discuss measures to boost the world economy. Bush, who faces an election

in November, said before arriving in Munich that he wanted to make the summit a fight for cconomic expansion, and that means free trade".

Summit issues include the deadlock between the United States and its European partners at the free trade negotiations under the General Agreement on Tariffs and Trade (GATT).

Move to recover \$300m lost in bond scam

NEW DELIII, July 7: Britain's Standard Chartered Bank has moved to recover the 300 million dollar, it lost in India's billion-dollar bank scam, a bank official said here Monday, reports AFP.

Group communications officer John Pank said the bank's lawyer had arrived in India from London to deal with the matter and that Standard Chartered hoped to recover a large part of the money the Press Trust of India (PTI) re-

PTI quoted Pank as saying the bank had already provided 50 million pound sterling against sums which could not be recovered, and that the bank had brought in 800 million dollar to fund current op-

crations. Standard Chartered and ANZ Grindlays have both been implicated in the scam and the government has, since the fraud was discovered in April, also ordered in audit of two other foreign banks here,

Citibank and Bank of America. Fark said Standard Chartered was cooperating fully with the Reserve Bank of India in its investigation of the fraud, which involved a nexus o bankers and brokers diverting millions in bank funds into the then-booming stock markets.

Thousands of cars remain unsold

Engine behind economic growth of Seoul stalled

July 7: Thousands of red, white, black and blue cars are parked on curbs, walkways and between buildings. They fill every available space, reports

There are so many unsold cars that this sprawling Dacwoo Motor Co Plant west of Seoul stopped its night shift to cut its daily production of 1,200 vehicles by 40 per cent. Dacwoo officials anticipate further cuts.

Dacwoo, a joint venture between General Motors Corp of the United States and South Korca's Dacwoo conglomerate, is the nation's third largest carmaker. It is not alone in its problem.

The nation's car industry, the engine behind South Korea's remarkable economic growth of the last decade, is stalling. For the first time in recent years, it is trying to expand its markets at home and abroad to survive.

Inventories are backed up, according to the Korca Automobile Manufacturers Association. By the end of May there were 73,000 unsold vehicles three times more than at any time since the group started keeping records.

Officials who once boasted

BUPYONG (South Korea), that South Korea would be- combined yearly car produccome the world's 10th-largest carmaker in the world in 1992 now say their predictions were premature.

"The problem is serious," said Han Young-chul, Dacwoo's sales manager. "It's going to be a bad year for all Korean car companies, including Dacwoo." "Our auto industry is at the cross roads," Trade Minister

tion capacity from 1.9 million units in 1990 to 2.4 million last year. Plans for further ex-

Kia Motors Co, the no two Korean automaker, cut daily operation by two hours in mid-

By the end of May there were 73,000 unsold vehicles — three items more than at any time since the group started keeping records.

Korean cars, which used to be cheaper than competitors, are now often outpriced due to higher labour and production costs.

Han Bong-soo said recently. He pledged new government support, including low-cost loans and tax breaks, to make the industry competitive in price and technology.

Korean cars, which used to be cheaper than competitors', are now often outpriced due to higher labour and production costs. Research design and development, which was ignored, is gaining new atten-

The slump in sales comes on the heels of massive expansion that increased Korea's

South Korean companies are scrambling to diversify away from their main US market to Europe, Southeast Asia and South America.

Last year and early this year, Korcan-made cars found new markets in Thailand, Germany Denmark, Victnam, Russia, Brazil and Peru. Officials expect France to become a new Korean car market this year.

Venezuela could borrow to

make up the difference, but

doesn't consider that an ac-

ceptable option. Despite two

years of debt reduction, it still

think of big investments when

its product is getting critical

prices in the market," Pres-

ident Carlos Andres Perez said

rein in its investments pro-

voked frustration at PDVSA, a

23 billion dollar-a-year enter-

prise that is the world's third-

largest oil company and the

principal force driving Venezu-

"Postponing investments is

akin to having bread today but

hunger tomorrow," said Javier

Hernandez, Manager of the

Cardon refinery, which pro-

cesses 290,000 barrels of

crude a day on this remote

northwestern peninsula.

cla's economic engine.

Nevertheless, the order to

"No private company will

dollar foreign debt.

recently.

IDA to fund agri project of India, Pakistan

WASHINGTON, July 7: A World Bank subsidiary has agreed to lend India 92 million dollar to help finance a project to increase rubber production, the Bank announced Monday, reports AFP.

The International Development Association(IDA) granted the 35-year loan to replant 40,000 hectares (99,000 acres) of old, low-yield rubber plants, plant 30,000 hectares (74,000 acres) of new plants and strengthen the government's rubber board to make India a more competitive rub-

ber producer. In addition to the IDA loan, the rubber board provided 14.8 million dollar for the project, the private sector 20.9 million dollar and banks lent 16.1 million dollars.

The IDA is the World Bank subsidiary specialising in loans to the poorest nations.

Another report adds: Inter national Development Association has agreed to lend Pakistan 54.2 million dollar for an irrigation and drainage project in the northern state of Punjab, the Bank announced

Monday. The Pakistani government will contribute the remaining 16.4 million dollar for the 70.6 million dollar project to reduce waterlogging and high salinity in the poorest areas of the Punjab.

Japanese top the list of the world's richest

NEW YORK, July 7: Japan has the world's two richest individuals and surge in capitalist energy in Latin America has made the region a source of new fortunes, according to Forbes magazine, reports Reuter.

The magazine's sixth annual World's Billionaires edition says Taikichiro Mori, an 88-year-old Japanese real estate tycoon, overcame falling property prices to remain the world's richest individual in with a personal fortune of 13 billion dol-The issue, which goes on sale on Wednesday, says railway

and golf course tycoon Yoshiaki Tsutsumi, 58, is the world's

second richest person with a 10 billion dollar fortune comprising a 40 per cent stake in the family-run company, Microsoft founder William Gates is listed as the richest American. The 36-year-old Harvard dropout's net worth is

estimated at 6.4 billion dollar. The largest collective fortune - valued at 23.8 billion dollar - is held by the family of the late Sam Moore Walton, founder of Walmart Stores Inc.

Family heirs to the Du Pont and Mars confectionery business empires are listed as being worth 8.6 billion dollar and eight billion dollar, respectively.

The United States leads the list with 101 individuals or families out of 291 worth one billion dollar or more. Germany is second with 44 billionaire fortunes and Japan third with

It said the number of Latin American billionaires has nearly tripled to 21 from eight last year.

Mexico has seven billionaires, led by media tycoon Emilio "El Tiger" Azcarraga Milmo who is the richest individual in Latin America with a fortune of 2.8 billion dollar.

Here is a list of the countries or territories that are home to the world's wealthiest people, a ranking that appears in July 20 edition of Forbes magazine, released Monday. The Aga Khan IV, spiritual leader of 15 million Ismaili Muslims and worth more than one billion dollar was not assigned to a specific country by Forbes.

Realities shatter dreams of à superpower aspirant

PUNTA CARDON, Venezuela, July 7: Changing oil realities are forcing Venezuela to cut back a multi-billion dollar plan to turn itself into an energy superpower by the. turn of the century, reports

The five-year, 48-billion dollar plan is being cut down to essentials this year.

With lower-than-expected oil prices, the government instructed Petroleos de Venezucla SA, the national oil company, to cut 1.3 billion dollar of its expected five billion dollar in investments for 1992.

The new austerity is in sharp contrast to the speed and size of investment last year, when spending topped four billion dollar.

But unless oil prices rise well above current levels, the cutbacks will delay PDVSA's goal of becoming, in one official's words, "A global energy player.

The plan was ambitious. Venezuela eventually would refinc its own oil and sell a varicty of coal and petrochemical products. Oil production would rise dramatically, from 2.5 million barrels a day to 3.6 million. Experts at the state oil

company acknowledge the plan was based on overly optimistic assumptions. Their projections anticipated, for example, that the Gulf War would last long and that oil prices would stay about 20 dollar a barrel.

The oil company wasn't alone in being misled. Even the government estimated prices for Venezuelan crudes this year at an average of dirs 19 per barrel. Right now, they're only 14 dollar per bar-

That led to a federal budget shortfall of three billion dollar, nearly 20 per cent of the whole budget.

June 30.

see attitude". He said the Asian Develop-

Athar Rauf, a broker at MRJ

by handlooms and ancillary Several foreign and Pak-

With banks diverting funds

The refinery is one of the few signs of life in the barren Paraguana Peninsula, on the strategic Gulf of Venezuela, to

the north of oil-rich Lake

feels the impact of a 32 billion Maracaibo. Along with its sister Amuay refinery, located barely 10 kilometers (six miles) away, the Cardon facility is part of one of the world's largest refining complexes. The Amuay facility can process up to 600,000 barrels per day.

licrnandez, like most

PDVSA executives, is still un-

sure which projects will be de-

layed. But he believes that cur-

rent refining projects will not be touched. Refining is essential to Venezuela's oil strategy, especially during lean times.

"One way of protecting us against low prices is refining. Crudes may drop, but refined products usually don't," Luis Giusti, a member of PDVSA's Board of Directors, said in an

For Venezuela, refining adds as much as 1.70 dollar per barrel, or more than three million dollar daily, for the approximately 1.77 million barrels per day processed by PDVSA-owned refineries at home and abroad. These figures made a difference when the original plan was approved.

But while Cardon and Amuay plans are likely to survive, other projects, including the gigantic New Refinery of the East project, worth 5.8 billion dollar will probably have to wait, government officials say. Even plans to increase pro-

duction of "Orimulsion," the liquid coal that competes with coal in the generation of electricity, could be delayed. This product, developed in Venezucla, gets its raw material from the Orinoco Belt's bitumen, the coal tar of which the country has huge reserves.

What worries Hernandez

and other oil executives is that once a project is stopped, starting up again is almost like starting from scratch. But they remain basically

optimistic about the company's While the government takes

more than 80 per cent of its export revenue, PDVSA still | Reuter. makes a profit. If ongoing projects at both the Cardon and Amuay refinerics are completed by 1994 at a cost of 3.8 billion dollar the

complex will be able to pro-

cess 240,000 bpd of heavy

crudes, up from the current 100,000. The trend reflects another reality. Most of the nation's proven reserves of 62 billion barrels are now made up of

this sulphur-laden variety. Only a few refineries have been adapted to process this crude. Even fewer have been upgraded to meet environmental standards.

Ramos firm to ensure economic stabilisation

MANILA, July 7: The Philippines will continue taking bitter pills to ensure the economy remains on track and money from foreign creditors keeps flowing in, President Fidel Ramos said, reports

In a televised interview with a group of journalists, Ramos said he was confident the country would survive "very difficult times" and eatch up with its Asian neighbours. He said he would continue the economic stabilisation

programme which his prede-

cessor, Corazon Aquino, had agreed with the International Monetary Fund (IMF). "This is the bitter medicine that we will have to (take) first before we can really talk of

economic recovery," he said. "And this includes honoring those debts that we have

made."

lysts said, reports Reuter.

"The prices have reached The army operation has also trade, said Nascem Usman, a

pansion have been temporarily

May. Hyundai Motor Co. the largest carmaker, plans to start early summer vacations

for its 24,000 assembly line workers as a means of reducing inventory. To cope with the situation,