

BRIEFS

China, India resume border trade

BEIJING, July 15: China resumed border trade Wednesday with India after a 30-year suspension, an official news report said.

Russia allows wages in hard currencies

MOSCOW, July 15: The Russian parliament has formally allowed its citizens to receive wages in hard currency, ending a legal limbo that barred earning in dollars but allowed people to spend them.

Steel production, consumption to fall

BRUSSELS, July 15: World production and consumption of steel will fall in 1992 for the third year running, according to the Organization for Economic Cooperation and Development.

Dunkel to stay in office till June

GENEVA, July 15: Arthur Dunkel, Director-General of the General Agreement on Tariffs and Trade (GATT), has decided to remain in office until next June 30, even though his term expires at the end of the year.

UK's economic slump to last beyond '93

LONDON, July 15: Britain's present economic "slump" will last beyond 1993 and the nation's economic problems are exacerbated by membership of the European Exchange Rate Mechanism (ERM).

US consumer prices mark moderate rise

WASHINGTON, July 15: Consumer prices rose a moderate 0.3 per cent in June as the biggest jump in energy prices in 20 months was partly offset by muted cost increases — or even declines — in other categories.

Algerian PM favours predecessor's policy

NICOSIA, July 15: Algeria's new Prime Minister Belaid Abdesselam will maintain his predecessor's policy of attracting foreign investment in the country's oil industry.

Free-fall of dollar may hinder US, world economic recovery

NEW YORK, July 15: A dollar free-fall would lead to higher interest rates in the US and Europe, further strain the European Monetary System (EMS), and ultimately stall the recovery in the US and the world, analysts say, reports Reuters.

US bond market, pushing up rates and discouraging capital investment. "The US officials don't want that to happen, especially in an election year," he said.

Some G7 nations, including the US, have already voiced concern over the dollar's sharp decline. Last week, the French Finance Minister Michel Sapin said that none of the G7 ministers wanted to see the dollar trend lower.

"We are still a bit away from the elections (in the US), but we will not be surprised to see Japan and Germany try to prop up the dollar a bit to help out Bush," said Jack Griffin, Assistant Vice President at Fujitsu Bank.

US companies likely to invest \$4b in India

SINGAPORE, July 15: Foreign investment in India has soared to one billion dollar in the year since the government introduced economic reforms, Indian High Commissioner Yogesh Tiwari said Tuesday, reports AP.

"We are interested in increasing cooperation with Singapore Airlines," Tiwari said. India also welcomed investment in the ports in Cochin, Calcutta and Visagapatnam as they sought to go private, he said.

IBM, Siemens, Toshiba join hands to create 'super-chip'

NEW YORK, July 15: IBM, Siemens and Toshiba announced Monday an unprecedented accord to create a 21st-century computer chip — the latest in a series of bids by IBM to share the risks and costs of developing new technologies, reports AP.

Lebanon cuts public spending to stabilise economy

BEIRUT, July 15: The Lebanese cabinet announced steps to revive the economy by cutting public spending, reports Reuters.

Public sector deficits averaged 80 per cent of expenditure between 1984 and 1991. Since 1985 servicing the growing public debt has meant interest costs have exceeded budget revenues.

Despite the end of the civil war in 1990, Lebanon has failed to attract sufficient foreign aid and investment so far to bring the economy back to life. Repairing war damage is estimated at 15 billion pound.

Bombay bond scam Key suspect's son kidnapped

BOMBAY, July 15: The son of an Indian exporter whose links with a key suspect in a billion-dollar securities scandal are under investigation, has been kidnaped, police said on Tuesday, reports Reuters.



SARAJEVO: A woman gestures beside a dead man lying on the street in Sarajevo killed in an attack on July 12 by Serbian forces. The Bosnian capital has been under siege for over three months. —AFP photo

Stock market opens mixed in New York

NEW YORK, July 15: The stock market opened little changed Tuesday morning, reports AP.

US trade retaliation to hit GATT

BRUSSELS, July 15: Trade retaliation planned by the United States against European Community aid to soybean producers would work against reaching agreement in multilateral trade negotiations, British Agriculture Minister John Gummer said here on Tuesday, reports AFP.

Washington is also demanding commitments for a substantial EC reduction in volume terms (24 per cent over six years) of cereal exports — a demand that is rejected by several community members, including France.

Gummer was speaking after EC agriculture ministers head European Farm Commissioner Ray Macsharry report on what he saw as highly unsatisfactory negotiations on the Uruguay Round of world trade talks at the Group of Seven summit in Munich earlier this month.

UK economic recovery underway

LONDON, July 15: British Prime Minister John Major said he expected the UK recovery from recession will begin in the second half of this year, reports Reuters.

Japan's business pledge to further open market

TOKYO, July 15: Japanese business leaders pledged Tuesday to further open their nation's market, while a prominent American business executive warned that US-Japan economic relations had come to a critical point, reports AP.

"We have a choice. We face either breakdown breakthrough," Joseph Gorman, Chairman of TRW Inc, said business and trade issues between the two nations.

Chinese need to grow more food is urgent

BEIJING, July 15: With seven per cent of the world's land and one-fifth of its population China is already hard pressed to feed its 1.2 billion people. But with farmlands shrinking and population growing, the need to grow more food is urgent, reports IPS.

Broken contracts are taken seriously and often lead to court or mediator settlements. Fracis Foo, UN Food and Agriculture (FAO) Head Extension Consultant in China, is enthusiastic about the experiment.

The country is big, and if extension is funded by the government, a huge budget is involved," he said. "With farmers paying for the extension service provided for by farmer technicians, costs are minimised while the problem of funding is sidestepped."

ered part of the extension network, more than just demonstrating a new technique to a few friends and relatives, the farmer-technician is expected to take on a real training job with his fellow farmers.

collectives. Today, thousands of collectives have been replaced by 200 million farm households. The commands have also had to be replaced by persuasion and motivation techniques.

W Bengal to build reserve of flood essentials ahead of flood

CALCUTTA, July 15: The West Bengal government has decided to build up a reserve stock of essential commodities in different districts to meet any possible shortage of them because of floods in the current monsoon, reports PTI.

Dollar gains against yen in Tokyo

TOKYO, July 15: The US dollar moved higher against the Japanese yen Wednesday morning, while share prices on the Tokyo Stock Exchange gained moderately, reports AP.