

BRIEFS

Mongolia appoints free-market PM

ULAN BATOR, July 22: The Mongolian parliament Tuesday formally approved the appointment of free-marketier Punsagyn Jasray as Prime Minister, officials said.

Australian wine export grows by 36 pc

ADELAIDE (Australia) July 22: Wine exports from Australia grew by 36 per cent to 77.6 million litres (20.2 million gallons) in the year to June 30, an industry body said here Wednesday.

Vietnam plants 1,352 m hectares of rice

HANOI, July 22: Vietnam has completed sowing and transplanting 1,352 million hectares of summer-autumn rice, VNA reported Tuesday.

Gold purchase declines

LONDON, July 22: Purchases of gold for sale to consumers fell by just over one per cent to 121.8 tonnes in the first quarter of 1992 compared with the same period in 1991.

US, Saudi coop on oil price

WASHINGTON, July 22: The United States has long tried to influence global oil prices through its dealings with Saudi Arabia, the world's biggest oil exporter.

Nicaraguan Minister held hostage

MANAGUA, July 22: A band of ex-soldiers demanding immediate payment of back pay held Nicaraguan Finance Minister Leonel Rodriguez for an hour Tuesday as riot police took up positions in parts of the capital.

Oil price seesaws amid rumour

LONDON, July 22: World oil prices seesawed on Tuesday in a market hit by fears of new Western military moves against Iraq and unconfirmed rumours that Iraqi President Saddam Hussein had been assassinated.

Pak rupee falls against pound

KARACHI, July 22: The Pakistani rupee, steady against the internationally weak dollar since June 4, has fallen sharply against other currencies, dealers said.

BCCI compensation plan now uncertain

LONDON, July 22: The decision by a Luxembourg court to consult creditors of the Bank of Credit and Commerce International (BCCI) SA over a controversial compensation plan has cast doubt over the whole scheme.

But it will finally establish whether most creditors support or oppose the plan. "Either creditors agree and the argument is over, or they say no, in which case the whole thing is put into question," said one financial source.

radically as a result of the Luxembourg ruling. "This thing cannot go all the way back to the start," one source close to the liquidator said. BCCI creditors lost 9.25 billion US dollar when the bank was closed last July amid allegations of fraud.

British BCCI creditor committee, said it was a slap in the face for the liquidator, accountants Touche Ross, and a victory for creditor democracy. The scheme must be approved by the Luxembourg court before it is activated.

give up legal claims against the emirate. If a majority of creditors say they are not satisfied with the plan, the Luxembourg court is expected to canvass their opinions and may request changes to the scheme, as the English high court did last month.

But legal action against Abu Dhabi would be long, costly and, according to the liquidators, not nearly as attractive as taking the certainty of 30-40 per cent already on the table. The English High Court judge said accepting the scheme was "prudent and sensible" when he approved the plan last month.

ASEAN for tariff cut to maintain economy

MANILA, July 22: Foreign Ministers from Southeast Asia said here that the region might be overtaken by other economies if it failed to agree on import tariff cuts, reports Reuters. They said some businessmen in ASEAN were resisting the scheme, but that they would eventually benefit from the removal of tariff protection.

Ministers from Brunei, Indonesia, Malaysia, The Philippines, Singapore and Thailand, which make up the Association of Southeast Asian Nations (ASEAN), said the creation of an ASEAN Free Trade Area (AFTA) through was essential if ASEAN was to meet the challenge for greater economic competition.

through preferential tariff agreements. Sarasin said his government was committed to reducing virtually all import tariffs to a maximum of 30 per cent by January 1993, and to 20 per cent by 1994. Ministers are also expected to discuss tariff reductions under the Common Effective Preferential Tariff (CEPT) scheme.

AFTA is designed counter fears of being shut out by larger trading blocs in North America western Europe. Singapore's Foreign Minister, Wong Kan Seng, said trade arrangements such as AFTA insure against disruptions in global trade. He said that lengthy delays in negotiations under the General Agreement on Tariffs and Trade (GATT) would have an adverse effect on the multilateral trading system.

Shanghai opens first private school

HONG KONG, July 22: Shanghai has its first privately funded school since the Communists took over China in 1949, a semi-official Hong Kong China news service said Wednesday, reports AFP. The New Century Middle and Primary School, funded by the private sector, is the first institution to break past the state-controlled of the educational system in China's biggest city, the agency said.

About 30m unemployed in OECD states

PARIS, July 22: Unemployment in the world's richest countries will approach 30 million in 1992 and a pick-up in economic growth will not be enough on its own to deliver a significant drop, the OECD said on Wednesday, reports Reuters. The Organisation for Economic Cooperation and Development, a think-tank of 24 rich industrial countries, said in an annual report that unemployment across its member nations would average 29.9 million in 1992, up from 27.9 million in 1991.

results. The OECD is particularly concerned that the skills of people aged 55 or more were wasted because they were being forced into early retirement. Incentives to leave jobs early ought to be reviewed and phased retirement encouraged, it says. It also wants economic policy to take more account of social factors now that inflation has been tamed.

One of the themes of our social policy ministerial meeting will be looking at social policy as an investment in the economy... as an important tool of governments in their policy-making, not simply a remedial tool that is called upon to fix the problems that have arisen," Alexander said. OECD social affairs ministers are due to meet in December. Alexander's directorate was mandated by OECD governments at the top-level ministerial meeting in June to look at the causes of high unemployment and the economic policy

mix appropriate to tackle it. The report is due early next year. One of the tasks we have set ourselves is to try and encourage governments "to see policy-making as a holistic process," Alexander said. The OECD has been pushing hard for active labour market policies - asking governments to retrain the unemployed rather than just dole out benefits - and also wants national education curricula to reflect the needs of industry more closely. One bright spot in the report is a growth in self-employment. Since 1979 after a long-term decline until the 1970s, by 1990, - one in eight of the non-farm workforce was self-employed. This turnaround might partly reflect labour market rigidities but the OECD said governments should seek to nurture a revival in the entrepreneurial spirit by giving the self-employed better access to finance and training courses.

Sweet new home for Russian scientists

MEXICO CITY, July 22: Some 100 Russian scientists have come to work in Mexico because salaries are higher than what they earn back home, National Council of Science and Technology Director Fausto Alzati said Tuesday, reports AFP. The low wages in Russia have made it possible (for Mexico) to import scientists, Alzati told journalists. The 100 Russians took up an invitation from the Council and could stay indefinitely "if they find that the conditions will allow them to conduct their research and to develop professionally," he said. He also said only 250 of 900 Mexican scientists, working abroad, had returned as a result of a "repatriation fund" created three years ago to lure them home.

Miyazawa to survive despite party's setback

TOKYO, July 22: A ruling party setback in Sunday's Japanese national elections would hammer the stock market, pull down the yen and seriously disrupt economic policy but Prime Minister Kiichi Miyazawa would survive, reports Reuters.

while 57 per cent felt an unlikely LDP landslide of 72 seats or more would boost the economy. Few would expect any major changes in economic policy. But a ruling party score of fewer than 60 seats would set alarm bells ringing.

That is the view of economists, brokers and dealers surveyed by Reuters on the worst-case scenario for the Conservative, pro-business Liberal Democratic Party (LDP). Most leaders of the LDP, which has ruled since 1955, are confident the party will achieve its target of winning over half of the 127 seats at stake in the partial upper house elections.

The two samplings differed in the effect of a worst-case scenario on the yen and on Miyazawa's personal position. Just over 57 per cent of respondents said they thought an LDP showing of fewer than 60 seats would cause the Japanese currency to fall significantly, against 70 per cent who gave a similar answer three weeks ago. Thirty-three per cent, up from 25 per cent last month, said it would leave the yen little changed.

Most agreed that, whatever the result, Miyazawa's position was secure because there were no other valid candidates within the LDP to take his place. More than 80 percent believed a ruling party score of around its 64-seat target would have only a neutral impact on the economy and the markets.

Respondents said the yen's movements at present were affected less by domestic factors than by overseas developments. "Recently, the Tokyo foreign exchange market has not been moved by domestic fundamentals," a dealer at Sakura Bank said.

Information gap hinders Arab investment in South East Asia

ABU DHABI, July 22: Arab businessmen are looking at South East Asia as a key market for their investment but lack of information about outlets is obstructing their plans, a Singapore official said on Tuesday, reports AFP. Zaher Mohammed Zaher, Chairman of the Singapore-based Arab Business Centre (ABC), said his office planned expansions to provide feasibility studies and information about investment opportunities to Arabs. "Arab businessmen are now looking towards Asia as a long-term strategy to diversify their trade and investment markets," he told AFP during a visit to the United Arab Emirates (UAE). "It is time that Arab investors realise the importance of the Far East and the Pacific Asian nations in providing technology, developing local

industries, and breaking the technological monopoly by others." ABC was set up several years ago by the Singapore-based Watan-Asia publications and the Singapore Manufacturers Association and is now a member of the government-run White House Consortium group. Its aim is to boost economic and investment cooperation between South East Asia and the 21 Arab countries, according to Zaher, who said the centre planned to open offices in Abu Dhabi and Dubai to promote investment and trade links between the oil-rich Gulf and South East Asia. "Many businessmen from Japan, China, Singapore and other Asian countries want to do business in the Middle East but they do not know where to start. The offices will help them establish business con-

tacts in the region." He said Arab investments abroad, mostly real estate and stocks, were estimated at 480 billion dollar by the end of 1991, of which around 16 per cent are based in South East Asia, particularly Singapore and Malaysia. Guangdong's GDP up by 13 pc BEIJING, July 22: The Gross Domestic Product (GDP) of China's richest province, Guangdong, rose 13 per cent during the first half of this year compared to the same period in 1991, Xinhua news agency said Tuesday. For all of last year, the GDP of the province bordering Hong Kong was 168.9 billion yuan (31.3 billion dollar), reports AFP.

Share prices drop in New York

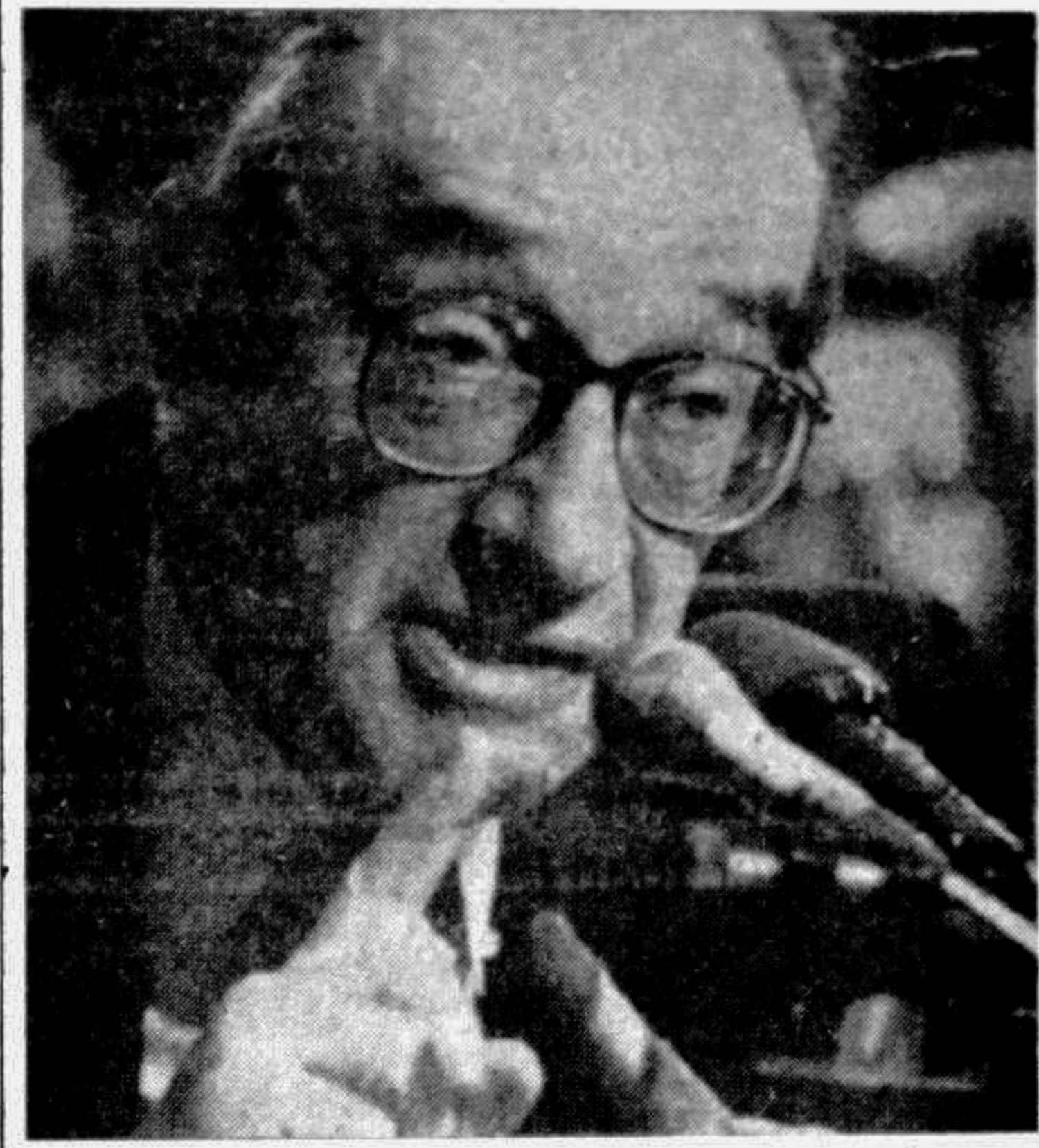
NEW YORK, July 22: Stock prices in the New York stock market dropped for the second straight session due to investors' worries about corporate earnings and political uncertainties, reports Xinhua. The Dow Jones average of 30 industrials dropped 28.64 points to 3,303.00, following a drop of 29.99 point on Friday. Declining issues outnumbered advances by about nine to five on the New York stock exchange, with 603 up, 1,123 down and 569 unchanged. Brokers said traders seemed to be disappointed that the market had failed to react positively on the withdrawal of Ross Perot from the presidential race last week. Analysts pointed out that even small disappointments in corporate earnings reports have frequently touched off sharp declines.

US House votes to deny China MFN status

WASHINGTON, July 22: The House of Representatives voted on Tuesday to deny China Most Favoured Nation trading status, overturning President George Bush one-year extension of preferential trade treatment for Beijing, reports Reuters. The bill, which passed by a 258-135 vote, faces a threatened veto. Lawmakers are unlikely to muster the two-thirds majority needed in both houses to override Bush. Every year since 1980, China has received the so-called MFN status granted to most US trading partners. Bush says continued contact is the best way of changing Chinese policy and encouraging improvement in its human rights record. The vote came hours after Bao Tong, the most senior official arrested in connection with China's 1989 pro-democracy protests, was sentenced to nine years in prison, his

US House votes to deny China MFN status

family told reporters in the Chinese capital. The former aide to disgraced Communist Party General Secretary Zhao Ziyang was arrested in 1989, one month before student-led protests were crushed with troops and tanks around Beijing's Tiananmen square with heavy loss of life. "We're going to embrace communism in China... we're going to recognise a country that has human rights abuses," said representative Douglas Applegate, Democrat of Ohio. "To continue this economic hypocrisy is cruel." Opponents of granting China the MFN status cite the Tiananmen massacre as clear evidence of Beijing's abusive human rights record. They also say the Communist country runs a massive trade surplus with the United States, which is expected to near 20 billion dollar this year. But last month Bush said he would again renew Beijing's preferential trade status through next July, aiming to draw it into the realm of friendly nations with economic contact. MFN status permits goods to enter the United States at the lowest tariff rate available. The so-called "disapproval" bill is not expected to survive a Senate vote. Representatives were due to vote later on Tuesday on a narrower bill that would let China's MFN status run through July 1993 but then impose restrictions on its renewal. The bill - also opposed by Bush - would bar the President from renewing China's MFN status unless he can verify that China has made "overall significant progress" in human rights, trade and weapons non-proliferation. If the conditions are not met, MFN status would be denied for goods made by state-owned enterprises. Private Chinese companies would not be affected by the conditions under the bill.



WASHINGTON: Federal Reserve Chairman Alan Greenspan delivers his semiannual report on the US economy before a July 21 Senate committee hearing. - AFP photo

Women workers victim of sex-discrimination in Japan

TOKYO, July 22: This country's weak economy has dealt an especially painful blow to Japanese women and set back their search for equality in the workplace: Many Japanese employers, looking to trim payrolls, are eliminating the jobs of female employees first, reports AP. The trend shows that despite some recent advances in their working conditions, women continue to play a subordinate role and are more vulnerable when economic good times turn sour. "Most companies don't consider their female employees as important as their male ones, so they feel they can cut them first," said Masaomi Kaneko, a labour consultant with the Tokyo city government. Take Japan's beleaguered brokerages. One of the sectors hardest-hit by the collapse of the 1980s speculative eco-

nomie boom, the industry is desperately trimming its ranks, which grew by 60 per cent from 1985 to 1991. Over a nine-month period ending in March, the industry's workforce shrank by 10 per cent, or 16,000 workers, of which three-quarters were female, according to the Securities Dealers' Association of Japan. Since firings and layoffs are still taboo under the tradition of lifetime employment, the companies made the reductions through attrition. Nomura Securities, the world's largest brokerage, plans to reduce another 2,000 jobs - one-sixth of its workforce - primarily by not filling secretarial-type jobs held by women. Nomura spokeswoman Tomoko Aikawa said it was easier to focus on reducing the number of women since many stay with the company only for

a few years until they get married. Targeting women in campaigns to trim work forces is not new. During the oil crisis of 1973, many female part-time labourers were cut, serving as a kind of "shock absorber," said Konosuke Odaka, Professor of Economics at Hitotsubashi University. Other industries also plan hiring cutbacks. Toyota Motor Co, for one, plans to hire 23 per cent fewer women overall next year, but 10 per cent fewer men, said a company official speaking on condition of anonymity. He said Toyota increased its number of women workers by about 900 during the boom years of 1988-90 and now needed to cut back due to the slowdown in the auto industry. Meanwhile, Japanese banks plan to reduce hiring next spring and women are likely to be more affected than men, according to the Federation of

Bankers Associations of Japan. Clerical and customer-related work that most female bank employees handle has declined along with the number of customers. "This year, as is characteristic of recession years, females are having a very hard time finding jobs," said Yoko Sano, a labour economist at Keio University. "Even in my own seminar, the female students are having a much harder time than the men." "It's not just the companies. Japanese society as a whole accepts the practice of treating men and women differently," Sano said. Although the government passed an equal opportunity employment act in 1986, critics argue that the law is vague and does not set penalties for discrimination. "Equality is only on the surface," said Yoshio Higuchi, professor of business at Keio University. "In a bad year, I think

women graduates will be hard-hit. It shows that the anti-discrimination law doesn't work." Some say big companies are more likely to scale back hiring of women than the less prestigious small and medium-sized firms, which have borne the brunt of a prolonged national labour shortage. "Women will still be able to get jobs this year, but they may have to compromise by going to the smaller companies" that offer less pay and security, said Kenji Kiuchi, head of job placement at Meiji University. Sano said structural factors such as office automation and an increasing demand for highly trained workers with long experience also are forcing women out of large companies. Other factors are more deeply entrenched. Only one-quarter of Japanese college

graduates are female, compared to one-half in the United States. Many Japanese women continue to accept the role of housemaker and mother that society encourages, a trend unlikely to change soon because of the lack of adequate child care facilities. The emphasis on harmony and lack of formal mechanisms to complain about management also has prevented women from agitating for better conditions and pay. A Labour Ministry survey indicated the average man makes about two-thirds more than woman. Sexual harassment is one area in which awareness of women's issues is beginning to bud. In April, a woman won damages in the first successful sexual harassment case in Japan. She argued that she was fired after complaining that her boss spread rumours that she was promiscuous.