## **BRIEFS**

Despite aid, 2000

Somalis dying a day PARIS, Aug 21: Despite new aid to Somalia, French doctors and U.N officials warned Thursday of vast areas where people chew filthy rags and goatskin to survive, dying at a rate of 2,000 a day. Airlifts will bring some urgent help, they said, but far more has to be done to save victims unaided during 1 1/2 years of civil strife and drought. "We cannot allow food to go only to the big cities," Frederic Vigneau, a spokesman for Doctors Without Borders, said by satellite phone from the Somal capital of Mogadishu, reports

#### Mills closure affect workers

CALCUTTA, Aug 21: Around 55,000 workers have been af fected by the closure of 17 jute mills all over the country in past few months, according to the Jute Commissioner, RN De. De, told newsmen here. that of the 11 closed mills in West Bengal, at least eight had been shut down during the last six to eight weeks. There were jute mills all over the country of which 59 were in West Bengal, he said, adding that an acute demand recession, coupled with the lack of export orders, were leading to the closures, reports PTI.

#### German banks earn record profits

FRANKFURT, Aug 21: Rising interest rates and soaring demand for credit in the first full year of unification gave German banks record profits of 27.3 billion mark (18.69 billion dollar) in 1991, the Bundesbank reported on Tuesday. Profits after tax for the 3,800 banks and other financial institutions in Germany were 12.1 billion mark (8.28 billion dollar), an increase of 25 per cent on the figure for 1990, the central bank said in its monthly report. "Western German bank had a good year," the Bundesbank said, nothing that its own rise in interest rates had boosted bank's volumes and profit margins, reports AFP.

#### Germans won't work longer hours

FRANKFURT, Aug 21 German trade unions united in angry rejection of a leading employer's proposal that Germans should work longer hours to boost the country's competitiveness. Hans-Peter Stihl, President of the Federation of Germany Chambers of Commerce (DIHT), joined a recent chorus of employers calling for working hours to be extended, reports Reuter.

### Life back to normal in Alaska

ANCHORAGE(Alaska), Aug 21: Businesses reopened and stranded travelers jammed the airport Thursday as Anchorage got moving again after the city was blanketed with corrosive ash from the summer's second eruption of Mount Spurr. The 11,100-foot (3,400 meter) volcano, 80 miles (130 kilometers) west of Anchorage. erupted violently on Tuesday for the second time this summer. Winds sent a huge black plume of ash and smoke six miles ( 10 kilometers) into the sky, reports AP.

### Iraq pays gold for Australian wheat

CANBERRA (Australia), Aug 21: Iraq paid gold bullion for Australian wheat after the government of Saddam Hussein, fettered by United Nations trade sanctions, could not raise enough cash, the Australian Wheat Board said Friday. Wheat Board Chairman Clinton Condon said Iraq has bought 900,000 tons of Australian wheat since the Gulf War ended in February 1991 Most of the Iraqi payment was in gold with some paid from offshore cash reserves. Condon did not say how much the deal was worth, reports AP.

### Congo leader for reviving economy

BRAZZAVILLE(Congo), Aug 21: This former French colony's first democratically elected president and its outgoing Marxist leader are urging all sides to work together to revive the bankrupt economy. "It's my duty to offer my hand to my brothers for the reconstruction of our country," said Pascal Lissouba, who won the election with 61 per cent of the vote. President Dennis Sassou-Nguesso, who was defeated in the first round of presidential voting, said the Congolese "should rally around Lissouba to meet the economic challenges facing us, reports

## Iraq bans import of consumer goods

BAGHDAD, Aug 21: Iraq banned the import of most consumer goods and gave hard-pressed traders three months to clear them from their shelves, reports Reuter. Trade Minister Mohammad

Mehdi Saleh warned mer chants, their number diminished by the reported executions of 42, "profiteers" late last month, that "stern punitive action will be taken against violators".

His ministry, putting President Saddam Hussein's newly-announced plan of action into effect, published in Baghdad newspapers a list of 157 items covered by the import ban, alongside a much smaller list of permitted imports.

Toys, apples, bananas, whisky, christmas trees, foreign beer and spirits and computers appear on the banned list, matches, chicken and baking powder are on the ap-

SCHROBENHAUSEN(Germa

ny). Aug 21: German and

Russian firms formed the first

joint venture between the two

countries to convert arms to

peaceful purposes, spokesmen

for both sides said, reports

biggest such joint venture in

the world," a German industry

spokesman said of the con-

tract, signed in this town near

Munich after a year of negotia-

tonnes of conventional muni-

tions from Soviet cold war

stocks will be destroyed in

Russia in a manner sensitive to

the environment in Russia and

expensive dishes.

ATHENS, Aug 21: Some

10,000 Greek workers mar-

ched to parliament in central

Athens on Thursday to protest

against a government-imposed

austerity programme, reports

the General Confederation of

Greek Workers (GSEE) which

The March was called by

Reuter.

Under the deal, 1.6 million

This could also be the

Iraq last month launched a major crackdown on hoarders and middlemen, denouncing as "traftors" those who had become rich since UN sanctions came into force in August,

The reported executions of the 42 merchants led to shortages of food as some traders fled the country and others cancelled orders to import food from Jordan, Irag's main lifeline.

Cheese, onions, tomatoes, personal computers, vacuum cleaners, washers, driers, ovens, radios and cassette recorders, riders, deep freezers, perfumes, videos, watches, ready-made clothes, shoes and carpets are now barred from import.

UN sanctions imposed after Iraq's invasion of Kuwait only exempt food and medicine but iraq's private traders managed to smuggle vast quantities of goods into the country.

components will be recycled.

Munich based Deutsche

Aerospace AG(DASA) and Lub

Lurgi Umwelt-Beteiligungs

gesellschaft MBH, a subsidiary

of metals and engineering

group Metallgesellschaft AG in

Frankfurt, sealed the deal with

Arta, a Russian grouping of de-

No details were given on fi-

The two German companies

nancing or on how much the

entered the joint venture

through their newly estab-

lished joint venture E S T

Entsorgungs Und Sanierungs-

technik GMBH, based in

Both companies have expe-

fence industry firms.

agreement was worth.

Schrobenhausen.

German-Russian firms sign contract

to convert arms for peaceful use

NOODLES VS HAMBURGER: A girl is fed noodles at a vendor's stall August 20 outside the new MacDonald's restaurant.

Though the US hamburger chain does a booming business, many Chinese pass up its fare for more familiar and

10,000 Greeks march to protest austerity plan

workers and public employees

are expected to participate in

the stoppages while electricity

workers warned of power

six day strike next Thursday.

black outs when they begin a

But Conservative Prime

Minister Constantine Mitsota-

kis has vowed he will not

the private and public sectors.

The workers are protesting

against recent tax hikes in

many consumer products,

thousands of layoffs in the pub-

lic sector and a draft bill in-

creasing contributions for

of strikes next week that are

GSEE has called for a series

health care and pensions.

tea, cooking oil, legumes, baby milk and clothes, frozen meat and fish, eggs, tomato paste, razors, soap, batteries, tyres and optical glasses can be imported

AFP adds: Iraq Wednesday announced a ban on the import of luxury goods in a bid to stop the drain on is hard currency and counter the effects of a UN- imposed economic em-

Trade Minister Mohammad Mehdi Saleh, quoted by the of ficial INA news agency, said the private sector should concentrate on importing only essential goods so as to stabilise prices.

The ministry is publishing two lists of products, one of items that may be imported. the other of those banned. Traders have been given three months to get rid of

sives disposal as well as clean

ing up military-related pollu-

Under the deal, chemicals

E S T and Arta each hold 50

and metals will be extracted

from the munitions and used

per cent in the German

Russian joint venture, named

Artest AG and to be based in

cerned with the retrieval of

munition components and the

ucts," a statement by DASA and

disposing of 1.6 million tonnes

An Arta spokesman said

marketing of recycling prod-

"Artest AG is primarily con

in civilian industry.

those banned products they still hold in stock. On Saturday, President

rience of munition and explo- of munitions from bullets to

Saddam Hussein warned that the country should count more on its own resources to beat the two-year-old economic embargo imposed in the wake of the invasion of Kuwait.

Iraq's hard currency earnings have been hit by the ban on selling its oil abroad and the embargo has also prevented the country from drawing on its currency reserves held abroad.

Meanwhile, the official press has swamped its readers with details of new economic directives pumped out by the ministries - with the focus on austerity and life without imports.

'A minister with a problem linked to abroad must act to find a way out . . . in the interests of the country,' Hussein ordered last week.

Ministers face the challenge of reversing a sharp economic decline, after a recent crackdown on "profiteering" mer-

missiles would take about 10

German spokesman said

they hoped the deal would

pave the way for even bigger

joint ventures in arms conver-

sion, an increasing market

now that the east-west conflict

is over, military budgets are

being cut and governments are

implementing agreements to

scrap large numbers' of

weapons. They said Arta had been

commissioned to destroy about

five million tonnes of conven-

tional munitions in Russia.

where an estimated 70 million

to 80 million tonnes of ammu-

nition were stored by Soviet

- AFP/UNB photo

The government hiked

Government officials said

the measures are expected to

end of the year but will push

inflation to 15 per cent from

yield some one billion by the

petrol prices by 40 per cent

this month and increased taxa-

tion on interest for bank de

posits from 10-15 per cent.

military leaders.

chants and strong US pressure on Jordan, a key trade route for Iraq, to tighten the em-

The squeeze has sharply reduced essential supplies reaching Iraq. The trade ministry estimated that food imports had plummeted by 50 per cent.

The government, without referring to tighter controls on the Jordan border and a dispute between Kurds that has halted imports from Turkey, maintains that speculators and corrupt officials are causing the damage ...

Until last month, Baghdad's merchants were encouraged to go on an import binge. Now they have been accused of hoarding and blamed for the sharp rise in food prices.

Hussein lambasted \*people who can buy anything, even superfluous goods" for undermining the resolve of ordinary citizens.

## wheat sale to Russia

in its payments, reports AP.

The decision was reached after consultation with federal government, board official Bob Rochle said.

The suspension will remain in place "until such time as they get their payment problems under control and pro vide us with a plan of action for dealing with their out standing arrears," said Roehle.

Michael Bell, Canada's Ambassador to Moscow, said grain shipments could resume if the Russian government makes a payment on its bill

As of Monday, when the suspension of wheat sales was announced, six Russian ships were waiting to be loaded on he west coast, two were sitting idle on the St Lawrence River and and three vessels were heading toward the Hudson

The former Soviet Union

Average rose 949.12 points, or 6.22 per cent, to close at 16,216.88, its highest finish since July 17. On Thursday, the average jumped 617.02 points, or 4.21 per cent, rising above 15,000 points for the first time in eight sessions.

Traders said the market continued to react favorably to a Finance Ministry announcement Tuesday that vaguely outlined measures to stabilise the market, after it dropped to a new 6-year low earlier that

The government is scheduled to announce additional pump-priming measures Aug

possible attack by the forces of UNITA, the US-backed rebel

group. The wider conflict, which ended last year, overshad-

field only about 750 active guerillas, but have wide support

among the population. They operate from bases in the deep

Roman Catholic bishop, who favors a referendum on Cabinda's

future. "I'm worried things are going to get worse."

cause of their own designs of Cabinda's oil riches.

The separatists are divided into several factions and can

"They are few, but determined," said Paulino Madeca,

Portugal made Cabinda part of its Angola colony in the

Angolan officials accuse neighboring countries, including

France also has been accused of supporting the sepa-

Both the Angolan government and UNITA, the former

The separatists say they will accept only full indepen-

rebel group that became a political party, say they are willing

dence, however, and have ordered a boycott of September

elections that will give Angolans their first chance to chose a

Oil companies hope the Angolan cease-fire will allow ex-

EIF-Aquitanine of France already operates off the north-

ploration along the 41,513 kilometer coast, on shore and off.

west coast and Texaco, a US company, produces oil from

Angolan fields near the mouth of the Congo. Petrofina of

Belgium operates in northwestern Angola and in the Kwanza

Angola's oil production has increased nearly fourfold in 10

to negotiate statute of autonomy for Cabinda within Angola.

1930s, half a century after gaining control of the territory in

Congo, Zaire and Gabon, of supporting the separatists be-

ratist, some of whom want to replace Portuguese with

owed the activities of Cabindan separatists.

tropical forest of Cabinda's interior.

a treaty with local rulers.

government.

French as the official language.

River basin near Luanda, the capital.

# Canada suspends

WINNIPEG, Manitoba, Aug 21: The Canadian Wheat Board has suspended all sales to Russia because the former superpower is seriously behind

Bay port of Churchill.

long has been the Canadian Wheat Board's best customer buying an average of 4.3 mil lion tons a year during the 1980s. Earlier this year, it agreed to buy 25 million tons over the next five years.

## Shares soar, dollar up in Tokyo

TOKYO, Aug 21: Share prices soared over six per cent Friday on the Tokyo Stock Exchange, continuing a rally spurred by government promises of help for ailing financial institutions. The US dollar edged up against the yen, reports AP.

The 225-issue Nikkei Stock

Volume on the First Section was estimated at 430 million shares, roughly twice the shares traded in most recent sessions.

## Bush short on new steps to balance budget

HOUSTON, Aug 21: President Bush ducked the tough decisions needed to cut the budget deficit that lies at the heart of American's economic woes by giving responsibility for stemming the red ink to the US taxpayer, analysts said, reports Reuter.

In his speech Thursday to the republican party, which was long on attacks on democrat challenger Bill Clinton but short on new steps to balance the budget, Bush proposed allowing Americans to label up to 10 per cent of their taxes for deficit reduction. "It's a gimmick", said David Jones, Chief Economist at Broker Aubrey Glanston in New York.

"I don't see any possibility that system will work," Jones

That's bad news for the economy. Analysts said the big budget deficits that originated in the Reagan era are hobbling the economy and must be tackled for the sake of America's long-term economic

But they said that Bush's decision to duck responsibility for bringing the budget deficit down effectively ensures that one of American's most pressing economic problems won't be discussed in detail in this year's presidential campaign.

That's because Clinton's proposed economic plan also does little to reduce the 300 billion dollar plus shortfall.

Analysts said that both Bush and "Clinton have decided the voters can't stomach the tax increases and spending cuts that would be needed to reduce the red ink and have put off the day of reckoning until after the November elections.

The centerpiece of the economic plan Bush presented to his party's convention on Thursday - a vague promise of across - the board tax cuts match by spending cuts won't do anything to bring down the deficit and in fact



Although Bush promised to offset any tax cuts with reductions in government spending, analysts said that it would be far easier to accomplish the former than the latter. A key Clinton aide immedi-

ately attacked Bush's tax cut proposal as irresponsible. This proposal is one of the

most cynical ploys ever attempted by a presidential candidate", Clinton Communications Director George Stephanopolos said. "It's nothing but a blatant attempt to buy this election.

The trouble, analysts said, is that Clinton's economic plan isn't much better when it comes to reducing the deficit.

## Japanese companies may trim staff size

TOKYO, Aug 21: The prolonged slowdown in Japan's economy is forcing many companies to consider the unthinkable cutting the workforce, reports Reuter.

Thousands of company staffs are working part-time or not at all and firms have no way to using them productively, analysts and officials said on Friday. "If the economy continues

to slow, companies may be forced to fire some of their workers," said a top executive of a Japanese machinery maker. However, social tradition

and the need for future staff will probably prevent westernstyle mass layoffs. The economy started to

slow in mid-1991 and has yet to show signs of recovery despite initial expectations it would pick up in the months up to next March, the end of the 1992-93 year.

steelmaker, 1,500 of 30,000 workers are redundant and will move to other sections. At a company in another industry. 2,000 workers are underemployed and the management has no way to absorb them." said Minister of International Trade and Industry Kozo Watanabe this month. Major securities companies

"I heard that at one leading

have announced plans to cut workers. Yamaichi securities expects to cut its workforce by 20 per cent in three to five years through natural attrition and reducing recruits, if a slump in Tokyo's stock market continues.

For many firms, dismissals are not feasible even though necessary.

Life-long employment is a tradition in Japan and companies also know they will face acute labour shortages once the economy picks up, because of the low birth rate.

## G-7 deputies meet soon to discuss world economy

WASHINGTON, Aug 21: Deputy finance ministers from the Group of Seven will hold a regularly scheduled meeting this month that is likely to focus on the fragility of the world economy, the dollar and Tokyo stocks, monetary sources said, reports Reuter.

The meeting, which one source said would take place on August 28 and 29 in Paris, is also likely to discuss Russia's economic woes and ways to ease its foreign debt burden.

Deputies from the G-7 -Britain, Canada, France, Germany, Italy, Japan and the Unites States — traditionally get together before the September meeting of the International Monetary Fund(IMF)

and World Bank to discuss economic issues.

The deputy finance ministers will also be laying the groundwork for a regular meeting of G-7 finance ministers and central bank governors on the weekend of September 19 and 20 in Washington ahead of the IMF-World Bank convention.

Analysts said the deputies' meeting has taken on some added importance because of the weakness of the dollar, which is flirting with a record low against the mark despite concerted intervention on its behalf a earlier this month.

A senior US treasury official said at that time that the G7did not want the dollar to fall further, although he made clear it was not targeting a specific level for the currency.

## China's foreign debt reaches \$60b

BEIJING, Aug 21: China's foreign debt reached 60.56 billion dollar last year, up 15.2 per cent on 1990, the State Administration of Exchange Control announced Friday, reports AFP.

Most of the debt, about 50.26 billion, is medium and long-term, said the administration, cited by Xinhua news

agency. In 1991 the ratio of debt servicing to overall debt was eight per cent, well below the widely acknowledged critical level of 25 per cent, said

Xinhua.

Government debt accounted for 24 per cent of the overall total, monetary organsiations 52 per cent, Chinese enterprises 15 per cent and foreign capitalised companies nine per

Despite last year's rise in debt, experts noted that it was well below the 27.2 per cent increase recorded in 1990 and said Beijing should not have any problems repaying it.

#### certain to hit every sector of retreat from his belt-tightgroups 78 labour federations. 12 per cent which was the ening measures aimed at cut-Its more than a million memthe economy. Bank personnel, transport ting massive state deficits. target for 1992. bers are employed throughout Cabinda — an oil enclave in Angola faces new threat

CABINDA, Angola, Aug 21: Oil from Cabinda province kept the economy afloat through a devastating 16-year civil war and made Angola the second-largest petroleum producer in

black Africa, reports AP. The war is over, but Angola's oil riches are under a new threat from a revived separatist movement that is turning increasingly to violence.

"We want independence, and if we don't get it, there will be armed struggle," said Arthur Tchibassa, a spokesman for the Front for the Liberation of the Enclave of Cabinda. "Cabinda will never be at peace."

Cabinda is surrounded by Zaire, Congo and the Atlantic Ocean, separated from the rest of Angola by the Congo River and 464 kilometers of Zairian territory.

The symbol of its wealth is the heavily guarded base of Cabinda Gulf Oil Co. at Malongo, 419 kilometers north of Cabinda town. Cabinda Gulf, a subsidiary of the US oil company Chevron, produces 55 per cent of Angola's 550,000 barrels a day.

Oil sales brought 3.15 billion dollar into Angola last year, more than 90 per cent of all export earnings. Angola is the sixth-largest foreign supplier to the United States and second only to Nigeria as an African oil producer. Sixty per cent of Angola's oil comes from Cabinda, and the separatists say the province does not get a fair share of

the profits. Recently, they have increased attacks on Cabinda Gulf, burning company buses, firing at the base and threatening the

lives of employees. "We are not against the multinationals, but Chevron has exploited Cabinda's oil for 16 years with the Angolan government, and the Cabindan people have not benefited," Tchibassa said by telephone from Kinshasa, capital of Zaire.

Cabinda Gulf's 1,600 employees include 225 Americans, most of them from Chevron's home bases in Houston and San Francisco. Company spokeswoman Kim Lan Conradt said the Americans are not in danger because the Malongo base is well guarded.

During the Angolan civil war, Cuban troops allied with the Marxist government defended American oil workers from

