

BRIEFS

US owes \$80m phone bills

MEXICO CITY, Sept 5: Cuba says \$80 million dollar from the United States is all that's needed to restore phone lines snapped by a hurricane and left dangling because of Cold War-era hostilities communications between the United States and Cuba have been drastically reduced since Hurricane Andrew destroyed the over-the-horizon microwave system linking the two countries, reports AP.

Harare faces acute food crisis

HARARE, Sept 5: As many as 25 million people in southern Africa are facing serious food shortages, but there is no immediate risk of a famine comparable to the disaster in Somalia, officials say. Except in war ravaged Mozambique, few southern Africans are in imminent danger of death from starvation. Reggie Mugwara, head of a regional food unit, told the Associated Press on Friday. A group of British charities on Thursday forecast four million deaths in southern Africa if emergency food is not delivered quickly, reports AP.

Strikers' demands tentatively settled

LORDSTOWN (Ohio), Sept 5: A nine-day strike at a General Motors plant that had forced GM to close nine assembly plants has been tentatively settled, company and union officials said early Saturday. Negotiators from GM and United Auto Workers Local 1714, whose 2,000 members struck Aug. 27 over job security, health and safety issues, reached the agreement early Saturday after nearly round-the-clock talks, said GM spokeswoman Linda Cook, reports AP.

US drops condition on wheat sale

WASHINGTON, Sept 5: The US has now dropped its demand that if India wants to buy wheat from its markets, it must pay US prices and not world prices, i.e. American wheat subsidised by the taxpayer and then sold at world prices. The Bush administration's decision, earlier this month, allows India to buy up to one and half million metric tons of wheat during the 1992-93 marketing year for wheat, which ends on June 30, 1993.

24 hrs strike to force higher pay

RIO DE JANEIRO, Sept 5: Oil workers across the country will stop work for 24 hours next Wednesday to demand higher pay benefits, a union leader said Friday. The strike could affect exports of gasoline and other petroleum derivatives, said Jose Geraldo da Silva, head of the national strike command. "Everyone will stop, on refineries, platforms, terminals," da Silva said, reports AP.

Smoking hampers US stock trade

NEW YORK, Sept 5: Trading at the American stock exchange could not resume trade due to smoke caused by a fire in a nearby building, a spokeswoman said. The exchange halted trade at 1015 EDT/1415 GMT and evacuated its two buildings in the heart of the Wall Street financial district, reports Reuters.

Swiss unemployment rate reaches 3.1 pc

BERN, Switzerland, Sept 5: Swiss joblessness reached 3.1 per cent last month, the first time the rate has exceeded three per cent since the Great Depression of the 1930s, officials said Friday. The Federal office for Industry, Trades and Labour said 94,851 people were out of work at the end of August, an increase of 0.2 per cent over the 2.9 per cent jobless the previous month. The last time Switzerland had 3.1 per cent unemployment was in March 1939, when 61,100 people were out of work, reports AP.

China amends patent law

BEIJING, Sept 5: Chinese officials on Friday toughened the country's patent law to provide better protection of goods, the state-run Xinhua News Agency reported. According to Xinhua, the amendment "expands the range of patent protection and extends the duration of protection... (to) draw the patent protection of China closer to the international standard, says AP.

Mitterrand makes passionate appeal for 'oui' on Maastricht

PARIS, Sept 5: President Francois Mitterrand made a passionate defence of the Maastricht Treaty in a key television marathon, but analysts doubted on Friday he had made any major impact on the neck-and-neck race to win the September 20 referendum, reports Reuters.

Watched live by more than 22 million French viewers, the 75-year-old socialist president said the Maastricht Treaty would protect France while rejection would badly hurt both the country and Europe.

This is an admirable work for our generation, and even more for our children to imagine the kind of Europe they will live, he said.

Commentators said the three-hour programme in which Mitterrand successfully faced ordinary citizens, journalists and a leading anti-Maastricht politician, appeared to have failed to make a decisive impact.

One could safely bet all re-joined their own camps after switching off the television set, the newspaper France Soir said.

The debate made little impact on financial markets. Prices on the Paris bourse fell slightly by 0.3 per cent on profit-taking following a strong rise over the past few days.

After a surge of the "no"

vote last month, recent opinion polls have given the pro-Maastricht camp a slight lead. But margins of error kept the race very uncertain three weeks from the referendum.

Socialist supporters, including European Community Chief Jacques Delors, praised Mitterrand's performance. Critics called him a liability and said he should leave the pro-Maastricht campaign to pro-Europeans in the opposition.

Mitterrand received powerful backing from West German Chancellor Helmut Kohl who ignored charges that he was interfering in domestic politics and urged French voters to seize the opportunity of European union.

Those who want to ensure the future must say yes to Europe, he said in a satellite link-up from Bonn.

Mitterrand, at a popularity ebb, faced blunt criticism over rural despair, unemployment and Japanese economic competition from a panel of voters — a rare event for viewers used to tame presidential interviews by tame journalists.

He admitted his own unpopularity could sway the public to vote against the treaty. But he declined to say whether he would resign if it was rejected — or even, as a journalist suggested, promise to quit if it was approved in order to

boost the "yes" vote. Commentators saw Mitterrand winning on points a duel with neo-Gaullist nationalist Philippe Seguin who said Maastricht led to a technocratic Europe leaving its eastern former communist neighbours out in the cold.

Mitterrand tried to reassure voters that the treaty would bring Brussels technocrats under tighter political control by elected leaders, and that eastern European countries were welcome to join as soon as

they felt economically fit.

Socialist former Prime Minister Michel Rocard said the debate had dignity and panache and would give the campaign fresh momentum.

But centrist Gerard Longuet said Mitterrand had failed to make a decisive impact.

Only the opposition can ensure a victory for the yes vote, he said. "A discredited socialist party can no longer do it."

The leaders of the main conservative neo-Gaullist and conservative UDF parties back



Maastricht, but face a rebellion from party supporters defecting to Seguin's no campaign. AP adds: European Community President Jacques Delors said he will resign if the Maastricht treaty, named after the Dutch town where the 12 EC leaders signed it last December, fails to pass in France, his home country. Britain will scrap treaty ratification if France fails to muster majority support.

Military planners say that without French support of Maastricht, Europe is unlikely to develop a viable military alliance to complement or replace NATO.

Opponents charge that the treaty will create a faceless "superstate" in which Germany will gain influence at France's expense.

Spanish Prime Minister Felipe Gonzalez, calling himself a "convinced Europhile," this week pleaded for a French "oui." German Chancellor Helmut Kohl appeared live on French television Thursday to assure voters that a "Yes" vote would not create a German-dominated federation.

In Britain and the United States, there is concern that uncertainty about the French verdict is fueling a run to the German mark. The pound and the dollar are at historic lows against the mark.

"If the French decline to ratify Maastricht, not only will the treaty dead but the ructions in the exchange markets are likely to be convulsive," Huge Young, political columnist for the Guardian, said Tuesday.

Italy is extremely worried about potential economic fallout from a French "no," which could force devaluation of the already-embattled lira. The Italian economy is struggling with high inflation and interest rates and a huge public deficit.

If France rejects the treaty, the Turin daily La Stampa said, "we face a deterioration of relations among Europeans, and between Europeans and the rest of the world."

Danes, the only Europeans so far to reject the treaty in a referendum, are closely following the debate in France. Danish opponents of Maastricht say a "no" vote would help their country gain more leverage in negotiating new terms.

Irish voters, mindful of EC benefits to their economy, approved Maastricht in their own referendum in June.

The economies of Spain and Portugal also stand to gain from the treaty. The Spanish newspaper El Pais predicted a defeat "would encourage separatist national tendencies which have had disastrous effects in eastern Europe."

Even the foreign minister of non-EC Austria, Alois Mock, warned Friday that Maastricht's failure would weaken peace and security that have been enjoyed "like never before in history."

Earlier report adds, European Community finance ministers gathered Friday for a weekend meeting faced with the threat of renewed exchange rate turmoil if France rejects a treaty on European union.

Britain and Italy each took dramatic steps shortly before Saturday's one-day meeting to maintain the value of their currencies against the powerful German mark within Europe's exchange rate mechanism.

British Chancellor of the Exchequer Norman Lamont, who was hosting a dinner Friday for his colleagues in this southwest England spa city, said originally the agenda would be a review of the monetary union programme.

Officials said the ministers might now issue a statement expressing renewed confidence in the exchange rate mechanism. But they denied that the main aim on Saturday was to devise a contingency plan for a French no vote.

"We're not at the stage of drawing up battle plans," said one French official, speaking on condition of anonymity.

EC to tighten sanctions on Yugoslavia

BRUSSELS, Sept 5: Top European Community officials agreed to tighten the screws on the rum Yugoslavia with a system to prevent exports to Croatia, Macedonia and Bosnia-Herzegovina being diverted to Serbia or Montenegro, reports Reuters.

EC diplomats said the triple-licensing system agreed by the committee of Permanent Representatives (COREPER) specifically excluded Slovenia which has no borders with the remains of the Yugoslav state. Under the system, which still has to be formally adopted by the council of ministers, exports to the three states will have to be accompanied by both a formal import request and an export licence, and receive a certificate of final delivery.

Taiwan's gold import up

TAIWAN, Sept 5: Taiwan's gold imports in August were up 67 per cent over a year ago to 15.4 tonnes (543,219 ounces) worth 174.5 million US dollars, buoyed by a decline in world gold prices, the Finance Minister said Saturday, reports AFP.

Gold bars made up 98 per cent of the imports in the month, the ministry said, adding that the island also imported 116 kilograms (4,092 ounces) of coins and other gold products.

Gold imports in the January-August period this year totalled 133.3 tons (4.7 million ounces), a 96 per cent surge over the same period of 1991, it added.

Market analysts attributed the rally in imports to sluggish gold prices in the international market and growing interest for gold coins by local consumers.

Under a long-awaited liberalization move which is expected to boost the gold market, Taiwan banks will be allowed to operate private gold

Indian Supreme Court okays probe into Bofors scandal

NEW DELHI, Sept 5: India's Supreme Court on Friday suspended a judgment which blocked investigations into bribery charges in a 1.3 billion Swedish arms deal signed by the government of former Prime Minister Rajiv Gandhi, reports Reuters.

A three-judge bench of the Supreme Court admitted an appeal by the federal Central Bureau of Investigation (CBI) against Wednesday's judgement by the Delhi High Court, which quashed the case because police had failed to name any suspects in 31 months of investigations.

The bench said the appeal would be heard on September 17, and the suspension, or stay, would be in operation until at least then.

The judges hearing the appeal will decide whether to ex-

tend the stay or not, the bench said.

The High Court judgement would have virtually ended investigation into the scandal, which erupted in 1987 when Swedish radio said Swedish arms maker AB Bofors paid bribes to win a 1.3 billion dollar artillery order from India.

The bribery charges have not been proved but they created a major political furore, leading to accusations by the opposition and the media that Gandhi and senior aides were involved.

The Bofors scandal was a major factor in the defeat of Gandhi's Congress party government in the 1989 elections.

Gandhi, who always vehemently denied the allegations, was assassinated in May, 1991. Investigations established that Bofors paid up to 53 mil-

lion dollar into secret Swiss bank accounts which have been frozen following appeals by Indian authorities. The owners of the accounts and the recipients of the funds have not been identified.

The High Court had also ordered the CBI to withdraw letters to Swedish and Swiss authorities asking for cooperation in the investigations.

The Supreme Court said: "The Delhi High Court judgement shall not be utilised in any Swiss court for the release of any frozen account or the release or return of any information or documents."

Bofors officials said the money in the accounts was paid as winding up charges to agents after the Indian government stipulated that no middle-men were to be involved in the negotiations.

Battle over US crude oil price

HOUSTON, Sept 5: US crude oil prices, caught in a battle between short-term technical and long-term fundamental concerns, will likely trade within a tight range next week ahead of the September 16 OPEC meeting, analysts said, reports Reuters.

There's a tug of war between the technicians and people who watch the fundamentals, said Donald Morton at PaineWebber Inc. "They're going in opposite directions."

Crude oil prices posted modest gains for the week, helped by technical buying linked to September product futures expirations and supply concerns following Hurricane Andrew.

Halal food in McDonald

SINGAPORE, Sept 5: McDonald's fast-food restaurants in Singapore now have "halal" certificates, allowing Muslims to dig into their first big Mac, a company official said today, reports Reuters.

Although McDonald's has been serving food and drinks prepared as per the Islamic halal tradition for several months, it was only on Friday that the Islamic Religious Council of Singapore (IRC) awarded the halal certificates to us, she said.

"We can now expect the Malays (mostly Muslims) to visit our 40 restaurants," she said.

Halal means "permissible in Islam". The IRC has set strict regulations concerning the way an animal is to be slaughtered and how the food is to be cooked and served for Muslim clients.

The IRC also lays down menus for hotels and restaurants which ban serving pork and alcohol. One of the regulations specifies that any Muslims can slaughter animals, cook, food and clean utensils.

Kenya liberalises rules on foreign exchange

NAIROBI, Sept 5: Kenyan businesses will soon be allowed to retain all foreign exchange earnings from exports in local commercial bank accounts, a central bank official said, reports Reuters.

Under Kenya's strict currency rules exporters have only been able to retain between 20 and 40 per cent of earnings in foreign exchange until now, bank superintendent Daniel Chege told a money markets seminar sponsored by Reuters in Nairobi.

As part of gradual reforms that economists hope will finally remove foreign exchange barriers altogether, businesses will be able to use their foreign exchange to import goods, service debts, remit dividends and promote their companies abroad.

But Chege said the central

bank had still not drawn up final rules, covering possible ceilings on foreign exchange retention and whether exporters to the 18-African economy Preferential Trade Area (PTA) would qualify.

PTA countries can currently trade with each other using the groups own units of account (UAPTA). The region accounts for a small proportion of exports, however.

Foreign exchange accounts will benefit from interest and can be used to buy and sell currency through the inter-bank market.

Banking liberalisation has been pushed through in an attempt to develop Kenya's financial markets and undercut the thriving black market trade in foreign exchange, analysts said.

N American free trade treaty Accord yet to reach in some areas, sources

WASHINGTON, Sept 5: President Bush's announcement three weeks ago that a North American free trade treaty had been concluded was premature, congressional and labour sources say, charging that agreement has yet to be reached in some areas, reports AP.

But a spokeswoman for US Trade Representative Carla Hills on Thursday called the claim "just plain wrong" and said any changes in the still-classified text are occurring as part of the legal review process.

Congressional sources close to the treaty talks said the United States, Mexico and Canada had not concluded negotiations on several fronts, including investments and government procurement.

There are still substantial negotiations in those two areas, a Capitol Hill source said,

speaking on condition of anonymity. "It's one thing to have to go back in and clean up and dot the i's and cross the t's, but when you still have substantial disagreement remaining it's quite a different thing."

A Senate aide concurred. "They said they were doing cleanup. Cleanup doesn't smack of substantive revisions."

But Assistant US Trade Representative Kathy Lydon said that assessment was a "cheap shot."

The work being done on the 2,000-page text is "cleanup work".

Lydon said, "These are minor details."

Sen Lloyd Bentsen, the Texas Democrat who chairs the Senate Finance Committee, said Wednesday it was clear the administration didn't have an agreement completed when it was announced Aug 12.

Brain drain—another dimension of Somalia's agony

MOGADISHU, Sept 4: As Dr Aways Omar entered the emergency room, filled with bloodied victims of the latest fighting, he bemoaned the lack of skilled help, reports AP.

"We had 20 doctors here last year, now we have only eight. All our best people are leaving," said Aways, the chief surgeon at Digfir Hospital. "There is a terrible brain drain in Somalia," he said.

That was last month. Aways has since gone to Saudi Arabia, cutting the staff to seven.

Somalia's few professionals have used their wealth to escape the devastating war and famine — an exodus that has robbed the country of those needed to rebuild it.

In the country's chaotic state, it is impossible to determine what percentage of skilled, educated Somalis have fled, but some experts say it could be close to half.

"Many have left. Those who have remained don't have much to do. All the institutions they need to function are gone," said Scifalaziz Milas, a Mozambican consultant to the UN Children's Fund, UNICEF.

Doctors don't have enough medicine and they aren't being paid. There are no schools for the teachers. Merchants had their stores looted, and the fighting obliterated the commercial heart of Mogadishu, the capital.

Annalena Tonelli, an Italian charity worker who has spent 23 years caring for Somalis, is desperate for trained staff at the hospital, clinic, school and feeding center she runs at Merca, a seaside town south of Mogadishu.

"I would pay anybody to work here, but there are no qualified people," she said.

Rich or poor, Somalis want out of the nightmare that has engulfed their country, leaving two million in danger of starvation.

Some one million Somalis already have fled, mostly to neighbouring Ethiopia and Kenya,

where they are tolerated but hardly welcome. Most live in squalid refugee camps.

Those with a little money have paid for a boat ride to Yemen, across the Gulf of Aden. Yemen has barred some boats from docking and some sailing boats have sunk and the passengers drowned.

Those with more money manage to find their way to comfortable refuge in Kenya, Saudi Arabia, the United Arab Emirates, Europe and elsewhere.

For those with skills and connections, one of the most popular destinations is Canada, which has absorbed some 40,000 Somali refugees over the past three years.

The professionals who have stayed behind have had to scramble to make a living. Some have set up small stalls in the informal markets, the only part of the economy still functioning. Others work as drivers, interpreters or security guards for international aid groups, virtually the only way one can draw a regular salary.

During the Cold War, Somalia received large aid payments from the Soviet Union and later from the United States. But with that rivalry over, the Horn of Africa nation has virtually no prospect of finding a patron to provide the huge amount of assistance that will be needed for reconstruction.

And unless the country can rebuild, more of its talented people are certain to leave and few will return.

Abdi Hassan, 36, an aid agency employee who has permanent resident status in the United States, as well as the money to leave Somalia any time he wants.

He decided to stay after dictator Mohammad Siad-Barre was overthrown in January 1991 because "I thought I would have the chance to help build a better country."

"Unfortunately, things have fallen apart and I don't know when they'll get better," said Hassan, who worked in the Somali Foreign Ministry.

"I've got to think about my future," said Hassan, adding that he may leave at the end of the year. "It's no life going on like this forever."

Another AP story says: At 40, Hawa Hirab has buried a husband and seven children in the last two years.

After an armed gang took everything she had a year ago, and after her six-year old son starved in July, Hirab gave up.

She took her four surviving children, two also on the verge of starvation, and began a desperate trek out of Somalia.

With her came a 25-year-old friend, Hawa Ibrahim, also a widow, and her four children. She was cleaned out in the same bandit raid that cost Hirab's family everything.

The gunmen left a few animals. But soon they were gone—some eaten, some starved.

The wretched Hirab and Ibrahim survivors crossed together into Kenya, to the promise of food, shelter and peace.

Nasir Fernandes, a Kenyan official in the office of the UN High Commissioner for Refugees, asked the women why and how they fled their country.

IMF approves increase in lending body membership

WASHINGTON, Sept 5: The rules committee of the International Monetary Fund (IMF) has recommended that Russia and Switzerland be included on the lending agency's executive board, bringing the number to 24, reports Reuters.

The decision must be approved by the executive board and the board of governors but this appears to be a certainty because of the makeup of the rules committee.

The decision suggests that the United States backed away from opposing providing Switzerland a seat without removing another member from the board. The US had already said it favoured giving Russia a seat.

The US position was that the board was already too large and unwieldy for effective decision making.

Under the IMF system, some countries on the board represent only themselves while others represent constituencies made up of groups of countries.

The executive board, which currently has 22 members, has vast power, including the approval of loans and other IMF assistance efforts.

What is happening in Somalia results largely from 21 years of misrule during the Cold War by Mohammad Siad Barre and the current anarchy that followed his ouster Jan 26, 1991.

But to the victims—people like Hirab and Ibrahim—it's too complex to understand.

Who is responsible, Ibrahim was asked, as she and Hirab stood beneath a leafless acacia tree on the safe side of a 100-meter (330-foot) no-man's land between Kenya and Somalia.