## Japan's steelmakers

for govt help TOKYO, Sept 11: Japan's eight leading steelmakers plan to call on the government to finance projects to trim their work forces, in dustry sources said Friday The sources said a prolonged slump in the domestic economy was forcing steelmakers to conduct an imminent, large-scale labour reduction. The Japan Iron and Steel Federation, representing the firms, led by the world's biggest steelmaker, Nippon Steel, would file an application for subsidies with the Labour Ministry by the end of this month, the sources said reports AFP.

#### Philippines's gold exports rise

MANILA, Sept 11: The Philippines' export earnings from gold went up in the first half of 1992 despite bleak global demand. According to the latest figures released by the National Statistics office, gold exports reached 69.67 million US dollar in the first semester, up 78 per cent from last year's 39.07 million US dollar. The improvement came as the country's exports reached new markets in Britain. As of June, actual purchases by Britain amounted to 25.59 million US dollar, comprising 37 per cent of the country's total exports, reports Xinhua.

#### Indonesia to hire 50 foreign pilots

JAKARTA, Sept 11: Two state-owned Indonesian airline companies plan to hire 50 foreign pilots to fill a temporary shortage for skilled pilots, the Antara news agency said Wednesday. The country's flagship airline Garuda Indonesia is due to start hiring a total of 10 foreign pilots in October to fill up the gap left by Indonesia DC-10 pilots who were now moved to the fleet's new MD-11 aircrafts, Antara quoted Garuda Director Wage Mulyono as saying. The foreign pilots, to be recruited mostly from European airlines, will be hired for a year's term, Mulyono said, reports AFP.

#### 3 Chinese men protest jet sale

BEIJING, Sept 11: Police scuffled with three Chinese men and detained them Wednesday as they tried to wave protest signs outside the US Embassy compound protesting the US decision to sell fighters jets to Taiwan. The three men, who identified themselves as students of the School of Broadcasting in Beijing, were whisked into a guardhouse outside the US Embassy's visa section at about 4:45 pm (0845 GMT). "We support the government, we support the government," one shouted as they were taken away, reports AP.

#### C'wealth ministers' meet Sept 16-17

LONDON, Sept 11: Commonwealth members' Finance Ministers will hold their annual meeting in New York September 16-17, the Commonwealth secretariat announced here on Wednesday. More than 40 ministers will take part in the meeting. which will particularly focus on enhancing private investment flows for development the announcement said Participants will also discuss the world economic situation and subjects connected with the International Monetary Fund and the World Bank which will hold a joint meeting in Washington the following week, reports AFP.

### Moldova to sell 3 TV towers

MOSCOW, Sept 11: Moldovan television will sell three television towers with antennas once used to jam foreign broadcasts to the former Soviet republic, a news agency said Wednesday. The equipment had been used to jam broadcasts of the Voice of American and other foreign broadcasting stations that were deemed subversive, the ITAR-Tass news agency reported. Under Soviet rule, foreign broadcasts were regularly jammed, but the practice began to ease under for mer Soviet President Mikhail \$ Gorbachev, reports AP.

#### 700-gram of heroin seized in Hong Kong

HONG KONG, Sept 11: Hong Kong police Wednesday arrested a 48-year-old man and seized 700 grams of suspected No 4 heroin valued at one million HK dollar (128.205 US dollar). Acting on information, police stopped a man in Mei Tung estate shortly before 12.30 Wednesday and found 700 grams of suspected No 4 heroin on him. The seizure was estimated to have a street value of about one milfion HK dollar, reports Xinhua.

# Bush unveils economic plan to make US 21st century global superpower

Business

WASHINGTON, Sept 11: President George Bush unveiled an economic plan on Thursday aimed at making the United States a 21st century global superpower, and lambasted challenger Bill Clinton for trying to fix the US economy with "the clumsy hand of government", reports Reuter.

...Our nation has never been seduced by the mirage that my opponent offers of a government that accumulates capital by taxing it and borrowing it from the people and then redistributing it according to some industrial policy", Bush said in a nationally televised speech to the Detroit Economic Club.

"We know that the clumsy hand of government is no match for the uplifting hand of the market-place," Bush said.

He renewed his pledge to reduce taxes across the board if re-elected on November 3 but offered no specifics, and said he wanted to slash some of the fat from the Federal government, including a 33 per cent cut in White House and Congressional Operational position sin the Federal bu-

spending. Bush also stressed the US role in the post cold war world should include trade pacts throughout the Americas, with countries in eastern Europe including Poland, Hungary and

Czechoslovakia and in Asia. "Bush's speech was important because it lays out his economic agenda," White House spokesman Marlin Fitzwater said earlier on Thursday. He said Bush's address contained 'a few little new twists, but no bomb shells.

By speaking in Detroit, a city that has come to symbolise America's economic decline because of its ties to the ailing US car industry. Bush was attempting to show he can manage the economy and thus deserves a second four-year

Arkansas Governor Clinton, the Democratic Challenger for the White House, was poised to respond to Bush's remarks in a news conference in little rock.

Clinton also proposes eliminating 100,000 unnecessary

reaucracy, and has said he wants Federal managers and workers to achieve a three per cent administrative savings in every Federal agency.



the economy the centerpiece of his campaign but has often been obliged to answer repeated questions about his Vietnam era draft record.

The Clinton - campaign

took aim at Bush's statement on Tuesday that he would not ever raise taxes, a reprise of a broken promise from the 1988 Bush - campaign. In a much quoted line, Bush told voters then to " ready my lips: No new taxes."

Fitzwater tried to soften Bush's comments on Tucsday by saying they did not constitute a pledge not to raise taxes.

Clinton spokesman George Stephanpoulos responded in a brief statement: " If it looks like 'read my lips', sounds like 'read my lips,' and reads like 'read my lips', it's 'read my lips."

Another report adds: Prest dent Bush said he seeks a 10 trillion US economy by the early years of the 21st century, saying this would enable America to pay down is debt and take care of its people.

"We can empower America to reach a grand goal - a 10 trillion economy by the first years of the 21st century, Bush said in a new 29 page economic agenda released to reporters

Bush was to address economists in Detroit later

With a 10 trillion economy we could provide the resources, private and public, to satisfy our most ambitious social and financial require ments". Bush said in the doc-

"We could simultaneously renew America and pay down our national debt," he said.

Bush said this goal could be reached if Congress would pass his economic proposals.

The Bush Document, called "agenda for American renewal", did not outline the specifics of across-the-board tax cuts Bush has promised to propose if re-elected. Bush said he would outline these after the election.

White House spokesman Marlin Fitzwater, who travelled to Detroit with Bush, said the document was not intended to provide a "laundry list" of proposals but to coordinate Bush's economic ideas and lay out an agenda for a second term.

## Creation of NAFTA won't hurt Asian exports

BANGKOK, Sept 11: The United States said Thursday that the North American Free Trade Area (NAFTA) would not shut out Asian exports, according to AFP.

"We are not erecting, new barriers for Asian exporters and investors, we are creating new opportunities," Robert Fauver, US Under Secretary for State for Economic and Agricultural Affairs, said.

Fauver was addressing economic foreign ministers from the 15-member Asia-Pacific Economic Cooperation (APEC) forum at their annual meeting

Several of the Asian ministers had earlier. Thursday voiced concern over NAFTA and the single European market, saying that failure of the on-going Uruguay round of trade talks could make the two associations protectionist.

Fauver said concern that NAFTA, a market grouping the United States, Canada and Mexico, would hurt Asia was unfounded.

 "Our multi-dimensional ties to the region run side and deep. Sustained US engagement in Asia is vital to the international system we all are trying shape," he said. He said the United States wanted a more open global nomic integration in the Asia-Pacific region and early con-

trading system, greater ecocluston of the Uruguay round. "A reinvigorated global trading system is essential to sustaining economic growth.

The US remains committed to

this goal," he added.

Thatland).

APEC groups the United States, Canada, South Korea, China, Japan, Taiwan, Hong Kong, Australia, New Zealand and the six Association of Southeast Asian Nations (ASEAN) members (Brunei, Indonesia, Malaysia, The Philippines, Singapore and

The APEC ministers are expected to approve several measures to bolster trade and investment flows in the Asia-Pacific region during their talks here, their officials said

The APEC was set up four years ago under an Australian initiative to provide a framework for consultations on economic issues among countries on the Pacific rim.

## India heading for economic recovery, needs more IMF loan

BOMBAY, Sept 11: India, helped by a good monsoon, is heading for economic recovery but needs more money from the International Monetary Fund (IMF) to tide over its worsening balance of payments position, the central bank chief said, reports Reuter. India is poised for recov-

ery. It may not be as swift as we would like it to be. But too fast a recovery would also be inflationary. So one has to balance inflation against the recovery of growth," Reserve Bank of India (RBI) Governor S Venkitaramanan said in an interview on Wednesday. He said India would discuss

the issue of further borrowing with the IMF at a meeting in Washington next week.

Venkitaramanan did not indicate how much more India would need from the IMF, but an RBI report published this week says the country needs exceptional financing of three billion dollar.

Israeli cabinet

okays budget

JERUSALEM, Sept 11:

Prime Minister Yitzhak

Rabin's government approved

the draft 1993 budget on

Tuesday, bowing to demands

by a coalition partner not to

scrap an office devoted to

helping Jewish settlers in

the occupied territories.

Interior Minister Arye Deri,

of the Orthodox Shas Party,

had threatened to quit

Rabin's coalition unless it re-

duced the number of cuts the

budget made from religious

institutions and Jewish set-

tlements in the occupied

West Bank and Gaza Strip.

The cabinet approved the

97.7 billion shekl (40.7 mil-

lion dollar) draft late on

Tuesday after a marathon de-

bate, reports Reuter.

Venkitaramanan estimated the current account deficit for the fiscal year ending next March at six to seven billion dollar, compared with a deficit of 2.8 billion dollar in

the previous year. Sitting in his wood-panelled office in front of a portrait of Indian independence leader Mahatma Gandhi, the central bank Governor said a team headed by Finance Minister Manmohan Singh would discuss with the IMF additional borrowing under a proposed Extended Fund Facility (EFF).

An EFF normally runs for three years. India has borrowed 2.2 billion dollar from the IMF under its present stand-by credit.

India went to the IMF to help solve a severe balance of payments crisis, triggered by higher oil prices during the Gulf War and a slump in exports following the collapse of the Soviet Union, India's

Venkitaramanan said bold reforms to restructure the economy and remove stifling controls were working.

But he said the country was not yet ready to move towards full convertibility of the rupee. " I don't think the time is ripe," he said.

The current good monsoon would help boost prospects for agriculture, still the mainstay of the economy of the country of 850 million people. He said exports were pick-

ing up, inflation coming down

and credit to industry had ex-

panded substantially, indicat

ing rising optimism among manufacturers. "After the rains the country has recovered a lot of confidence. It shows that India is a country very much dependent

Half of Indian Gross Domestic Product depends on agriculture. Some 70 per cent

on the monsoon," he said.

of India's population lives in rural areas and a good monsoon means higher income from good crops and more demand for goods.

In its annual report this week, the RBI said real GDP growth in the 1992/93 fiscal year ending March would rise by 3.5 per cent against 2.0 per cent for 1991/92.

But Venkitaramanan said with the good monsoon the economy was "poised for much better growth than we expected.

India's industrial output, hurt by a sharp slowdown in demand and high interest rates, stagnated in 1991-92. The RBI report forecast industrial growth would recover to between four and five per cent in 1992/93. But a recovery to the indus-

trial growth rates of around eight per cent achieved in the 1980s could not be expected before 1993/94, it said.



VICTIM OF NATURAL CALAMITY: Refugees from floods and volcanic mudflows do their morning chores inside Clerk Air Base evacuation centre Monday. President Fidel Ramos asked for assistance from foreign donors to help the victims of Pinatubo - AFP/UNB photo volcano.

## Japan's LDP collected \$ 240 m in '91

TOKYO, Sept 11: Almost 30 million yen (240 million dollar) in funds flowed legally into the coffers of Japan's scandalplagued ruling party in 1991, a record in terms of income, according to a government report released on Thursday, says Reuter.

Yet the haul was not enough to overtake that of the minor opposition Japan Communist Party, which has ranked as top fund raiser among the country's parties since 1975.

The ruling Liberal Democratic Party (LDP) took in 29.29 billion yen (almost 240 million dollar) in revenue last year, with the largest portion-8.20 billion yen (67 million dollar) coming in the form of annual fees from 5.5 million party members.

The LDP's 1991 intake dropped 1.6 billion yen (13 million) compared to the previous

But the 1990 figure included a 10 billion yen (18 million) special bank loan taken out by the LDP to cover expenses for the February 1990 general election campaign, according to the home affairs ministry which compiled the report.

After implication in the 1988-89 recruit stock-peddling scam, ruling party leaders had trouble raising the huge amounts of funds they required to run election campaigns by traditional means. As a result the party leadership was forced to seek loans.

Since then the LDP's thirst for funds has hardly been quenched.

About a dozen senior LDP politicians, including powerbroker Shin Kanemaru, are among those reported to have taken illegal funds from the Sagawa Kyubin trucking firm, at the heart of Japan's latest corruption scandal.

Kanemaru, dubbed the king-maker, resigned as LDP Vice-Chairman in late August after admitting he took 500 million yen (four million dollar) in Sagawa funds without declaring them. Many other LDP politicians are believed to have followed suit.

Yet according to the party's account book, the LDP received only 120,000 yen (975) from the Sagawa Kyubin firm in 1991 The opposition Socialist

the government released its The Sagawa scandal shows

Party attacked the LDP after

that the LDP is unable to clean itself up," according to a party spokesman. "We will press the govern-

ment to resume parliament as soon as possible in order to probe the details of how Sagawa money was circulated and make plans to put restrictions on political contribu-

## Savings account for pets

TOKYO, Sept 11: Not satisfled with having only humans as customers, a leading Japanese bank is creating savings accounts for other members of the animal kingdom, reports

Cats, birds, reptiles, and any other kind of pet will be eligible to open a "pet account" at Sanwa Bank, Japan's leading city bank, beginning Thursday - "as long as they have keepers," a bank official said.

The pets will get account books emblazoned with their names as well as special notebooks to keep pictures and personal data, said the bank official, who spoke on condition of anonymity.

The official said the accounts were created for people who 'care about pets as members of their family" and can be used to set aside money for pet expenses like food, haircuts, illnesses and funerals.

The Japanese were the world's biggest savers at the end of 1990, with per capita savings totaling 45,118 dollar according to the International Savings Bank Insti-

Japan's pampered pets already enjoy water beds. flush totlets and stress therapy using compact disc music.

The Sanwa official said the accounts must be registered under the pet keepers' names. Sanwa will also issue cards for the automatic teller machines, but the official said they are meant to be used by the pets' keep-

We don't expect dogs to visit us to put their allowances in their accounts," he said.

## Stocks plunge, dollar up in Tokyo

TOKYO, Sept 11: Prices fell sharply on the Tokyo Stock Exchange Friday, while the US dollar rose against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average closed at 18,107.69, down 800.78 points or 4.24 per cent. The index gained 32.92 points, or 0.17 per cent, on Thursday.

The Tokyo Stock Price Index of all issues listed on the first section fell 45.12 points, or 3.19 per cent, to 1,369.85. The TOPIX rose 1.45 points, or 0.10 per cent, the previous

### Inflation rate of EC lowest since 1988 while prices actually dropped BRUSSELS, Sept 11: The

European Community's annual inflation rate fell to 4.1 per cent in July from 4.5 per cent in June, the lowest rate since November 1988, the EC statistics organisation Eurostat sald on Thursday, says Reuter.

The drop was mainly due to the fact that the high monthly inflation for July 1991 (when the annual rate stood at 5.3

by 1.9 per cent in Greece and by 0.4 per cent in both Britain and Denmark. Reductions were mainly due to summer sale price cuts for clothing and household goods.

Elsewhere, price rises were small to moderate, ranging from 0.2 per cent in Italy and Luxembourg to 0.5 per cent in Belgium.

		the state of the s	
J	ULY 1992	JULY 1991	
MONTH	LY RATE	ANNUAL RATE	ANNUAL RATE
DENMARK	0.4	2.2	2.9
BELGIUM	0.5	2.6	3.8
FRANCE	0.3	2.9	3.4
NETHERLANDS	0.5	3.1	4.7
RELAND		3.2	3.6
GERMANY	0.0	3.3	4.4
LUXEMBOURG	0.2	3.3	3.8
BRITAIN	0.4	3.7	5.5
SPAIN	0.3	5.2	6.1
ITALY	0.2	5.3	6.7
PORTUGAL	0.5	9.6	11.3
GREECE	1.9	13.6	18.8
(Provisional estin	1.77		

per cent) is now outside the latest 12-month period.

But there was also just a small increase of 0.1 per cent in the monthly EC consumer price index between June and July this year.

The index for Germany was unchanged from June to July,

The following table shows monthly and year-on-year inflation rates for each country, expressed in percentages.

German rates are for former West Germany only. Ireland records inflation on a quarterly

Major's comment gives \$

# big lift at US close

NEW YORK, Sept 11: The dollar surged to the day's highs shortly before the US close after UK Prime Minister John Major said a weak dollar was harming the world economy. reports Reuter.

Major also ruled out a sterling devaluation, insisting he would stick to policies to help the pound and battle inflation. His words, the latest in the series of ERM - supporting comments from European officials, gave a further boost to a dollar already helped by the turmoil in Europe.

"Major's comments helped bring out the underlying bids," said Bill Bertha, chief dealer at Mellon Bank.

The dollar closed in the US more than a psennig higher at 1.4253/63 marks versus 1.4128/38 at the open. It also was up to 123.60/70 yen after opening at 123.04/09.

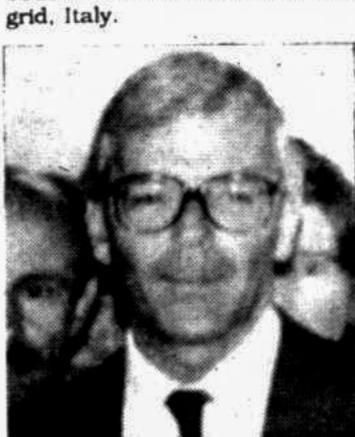
The dollar fluctuated in a wide range today, but trended higher in the afternoon, gaining on its role as a safe-haven currency after news an Iraqi jet apparently violated the nofly zone over northern Iraq. No shots were fired in the incident.

But the dollar didn't surge until Major, speaking to a group of Scottish businessmen, said problems within the ERM were being exaggerated by a

weak dollar.

The dollar jumped about the half plennig on Major's address to top out at 1.4260 marks.

Major's promise to defend sterling just reiterated earlier pledges, and was similar to comments by the UK's neighbour at the bottom of the ERM



Sweden and Norway also have taken pains to defend their currencies after the devaluation of Finland's Markka.

"There is going to be a lot of rhetoric about the ERM going into the Maastricht vote," said Bertha, referring to France's long-awaited referendum on the treaty on Sept 20. Polls still show about half the French voters saying yes.

# APEC moves to boost trade, information channels

BANGKOK, Sept 11: Measures to improve trade and information channels in the Asia-Pacific region are to be announced before the close of the Asia-Pacific Economic Cooperation (APEC) forum, officials said Thursday, reports

They said the measures would be formally adopted Friday before foreign and trade ministers from APEC member meeting in the Thai capital.

nations end a two-day annual The proposals include establishing an electronic tariff data base for APEC members in

the hope that improved infor-

mation channels will increase trade.

Other projects that will be adopted include a broader study of how to improved market access in Pacific trade, reduce non-tariff impediments to trade and the drawing up of a detailed guidebook on investment procedures.

According to a joint ministerial statement to be officially released Friday, "the implementation of these measures would provide a sound basts for further work on regional trade liberalisation."

APEC, formed four years ago on an Australian initiative, groups Canada, the United

China, Taiwan, Hong Kong, Australia, New Zealand and the six members of the Association of South East Asian Nations -Brunci, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

States, Japan, South Korea,

Officials at the talks here said that although originally conceived as a forum for consultation and the exchange of views on economic issues, the forum was now being institutionalised with the establishment of a secretariat. Vittaya Vejajiva, Permanent Secretary of Thailand's Foreign

Affairs Ministry, that the sec-

retariat would be sited in Sin-

gapore despite rival bids by Thailand, Indonesia and South

"We think this is a big step forward for APEC," Vejajiva said, while acknowledging that Thailand had made a strong bid to host the secretariat in Bangkok. Officials said that the for-

eign and trade ministers of the APEC member nations would also sanction the setting up of a small eminent persons group to draw up a blueprint for boosting Pacific trade.

The group, whose formation was proposed by Australia, will report its findings and recommendations to APEC's ministerial meeting in the United States next year where policy to liberalise trade will be the focus of discussions, the officials said.

The eminent persons will be asked to develop a mediumterm vision of how trade should develop in the Asia-Pacific region, identify constraints and establish priori-At the talks earlier Thurs-

day, the United States moved to allay concern among APEC's Asian members that the proposed North American Free Trade Area (NAFTA) could become protectionist if the on-

going Uruguay Round of trade negotiations failed. "We are not erecting new

barriers for Asian exporters and investors, we are creating new opportunities," Robert Fauver, US Undersecretary for Economic and Agricultural Affairs, said, according to a text released by the US delegation.

Japan's Minister for International Trade and Industry Kozo Watanabe told the meeting that Tokyo's decision last August to inject 10.7 trillion yen to expand domestic demand would generate new market opportunities for APEC members.

## 1<sub>C</sub> | Oil price falls in London

LONDON, Sept 11: Oil prices fell late on Thursday as crude futures prices on the US energy exchange failed to breach an important technical level, traders said, reports Reuter.

New York markets showed benchmark north sea brent blend crude prices the way down as US traders appeared unimpressed by US oil stockpile data issued on Wednesday, crude stocks showed a fairly neutral weekly increase of 1.24 million barrels, the American Petroleum Institute (API) said.