

BRIEFS

Fund for environment protection sought

CANBERRA, Oct 17: Australian businessmen urged the government Thursday to give more money towards the 80 billion US dollar worth of environmental projects they say will be needed in East and South East Asia over the next five years.

Lankan outstanding debts increase

COLOMBO, Oct 17: Total outstanding government debts have increased to over 8.915 billion US dollar at end of June this year. According to central bank statistics, the debts consisted of 3.638 billion US dollar of domestic debt and 5.277 billion US dollar of foreign debt.

Coal-miners expected to call for strike

LONDON, Oct 17: The Coal-miners' Union was expected to call for strike action Thursday protesting against massive pit closures, leaving the government reeling from attacks on its economic policies and mounting unemployment.

Dollar rises in New York

NEW YORK, Oct 17: The dollar advanced against most major currencies Friday after the Bank of England cut key lending rates, but reaction was muted by built-in expectations of the reduction.

Australian co to sell TV network

SYDNEY, Oct 17: Australia's Westpac Banking Corporation announced Friday it has agreed to sell the channel ten television network to a consortium which includes Canadian broadcaster Canwest Global Communications Corporation.

Water, electricity restored in Sarajevo

BELGRADE, Oct 17: Water and electricity, cut off for more than a month in Sarajevo, were restored Friday, the United Nations Protection Force (UNPROFOR) announced.

Compensation for Nicaraguans

MANAGUA, Oct 17: People whose property is ruled to have been confiscated unjustly under the leftist Sandinista regime will receive government bonds as compensation, the Nicaraguan finance minister said Friday.

EC, US still divided over GATT deal

TORONTO, Oct 17: The US and the European Community square off again this weekend at a country in near here over the fate of a world trade agreement, after a round of talks in Brussels earlier in the week failed to get a deal.

Trade ministers from the US, Japan, the EC, and Canada — members of the so-called quadrilateral group — will meet Saturday and Sunday in Cambridge, Ontario.

The fate of the six-year-old Uruguay Round of global trade negotiations under the General Agreement on Tariffs and Trade (GATT) will be at the top of the agenda.

The EC and the US failed earlier this week in Brussels to bridge their differences over agriculture, particularly the timing of cuts on subsidies for oilseed producers.

European Commission President Jacques Delors made clear that Europe will stand up to the US in the negotiations and that it would be difficult to strike a deal before the US presidential election on November 3.

On Thursday, US president Bush sent a letter to EC leaders saying the US would be making no further concessions to Europe in order to get a quick deal.

The US and EC are expected to hold bilateral talks in Canada on the margins of the ministerial meeting.

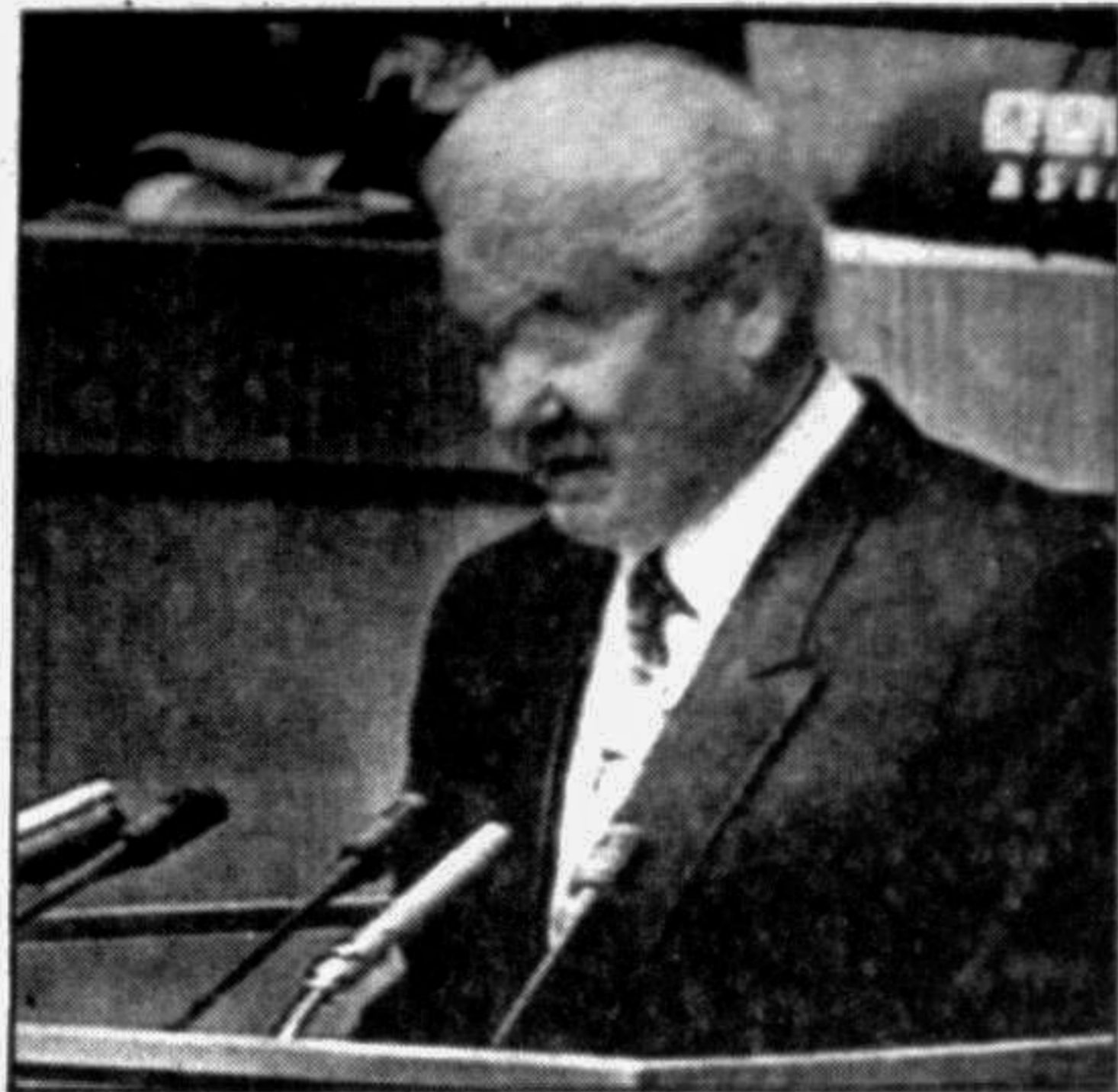
"It (the weekend meeting) is a continuation of the discussions they had... in Brussels," said Roy Christensen, a spokesman for the European delegation in Ottawa.

But officials are not optimistic a breakthrough will be achieved. The US demands European farmers cut the subsidies they get from the EC drastically so that American farmers can ship more grain, livestock and oilseeds to world markets.

French farmers fighting for

European Community Chief Trade Negotiator Frans Andriessen and Japan's minister of international trade and industry Kojo Watanabe will attend the weekend retreat in Canada.

"If you are going to have any surprising developments... it will more likely be on that



Jacques Delors, President of EC speaking at the Birmingham summit. —Star TV photo

their rural way of life have taken to the streets recently demanding that the European negotiators reject the American demands.

US Trade Representative Carla Hills, Canada's Trade Minister Michael Wilson,

cord is agreed. Trade analysts say a deal on agriculture would open the door to overall agreement on reducing barriers which could boost global trade by 200 billion dollar.

Japan's Minister of Trade and Industry Kojo Watanabe said in Japan that other issues for the talks would be emerging trade blocs in North America and Asia, and the link between trade and environment.

The link between trade and the environment has been highlighted by recent cases of GATT members erecting barriers citing environmental reasons.

The US and Canada have slapped high duties on each others' bear in a dispute over a Ontario tax on canned beer aimed at protecting the environment, but which affects mainly US imports.

"We expect the ministers to focus on all the trade and environment issues," said the Canadian official. There is a growing consensus this will be a major focus for attention internationally.

France avoids GATT talks

AFP from Birmingham adds: France succeeded in avoiding discussion here Friday on problems preventing agreement in the GATT world trade talks, despite US pressure and wishes by France's European partners to conclude a deal.

The state of the stalled

General Agreement on Tariffs and Trade talks was reviewed during lunch at the special European Community summit with a report from EC external relations Commissioner Frans Andriessen.

The leaders agreed on the importance of reaching agreement before the end of the year if possible, an EC official said.

But according to a source close to Andriessen, the surprise announcement Thursday by the United States of plans to subsidise vegetable oil exports has strengthened the stand of the French, who are resisting any reduction in their cereal exports.

"This announcement pointed up a big gap between the Americans statements of principles and their acts, and that does not help the climate of discussion," the official said.

Earlier Friday in Birmingham, French European Affairs Minister Elisabeth Guigou condemned those who call for a cut in agricultural subsidies but at the same time increase export support for their own farmers.

Implicitly rejecting US and German pressure for a rapid conclusion to the GATT world trade talks, Guigou told reporters: "Why do we have to wrap them up in a few weeks when we've been negotiating 1986?"

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

France, which is concerned to defend its large farming community, is being blamed for preventing an early conclusion of the talks which have snagged on differences between the EC and the United States over farm subsidies.

Rao defends decision to import wheat

NEW DELHI, Oct 17: India, which is importing three million tonnes of wheat, needs to buy food from exporting countries to build up adequate buffer stocks, Prime Minister P V Narasimha Rao said on Friday, World Food Day, reports AFP.

Rao refuted criticism of food imports at a conference there, saying it was his government's duty to ensure that adequate stocks existed.

"It is wrong to say that we should completely stop the imports," he said. We do not resort to imports because we have extra dollar.

Farmers and opposition parties have protested food imports, saying they forced down prices of domestic produce. Farmers have also accused the government of paying more for the imported wheat.

India, which has a subsidised food distribution system for low- and middle-income families, is buying three

million tonnes of wheat from the United States, Canada and Australia and 140,000 tonnes of Vietnamese rice.

Imports were ordered amid reports of falling food reserves and low procurement from local farmers.

Rao's remarks came a day after a Food and Agriculture Organisation official S I Zakhariyev, said here that 190 million of India's 860 million people were undernourished.

Zakhariyev said food was available but the problem was of unequal distribution and low purchasing power.

Rao said Friday his government hoped to improve the situation. "We should aim towards increasing the per capita consumption of food grains in view of the fact that a well-fed people work harder."

India, which was seriously dependent on food and before achieving a "green revolution" in the 1960s, produces about 170 million tonnes of food grains annually.

Taiwan second among new industrialised states

TAIPEI, Oct 17: Taiwan is ranked second to Singapore as the most competitive among 14 newly industrialising economies in the world, the Council for Economic Planning and Development (CEPD) reported Friday, according to AFP.

CEPD, citing survey results by the Switzerland-based International Management Institute and World Economic Forum, said Taiwan was strong in science and technology, but weak in government functioning and infrastructure.

Last year Taiwan was ranked only fourth. Singapore was top for the second consecutive year, while

Korea slipped to fifth from third last year and Hong Kong dropped from second to third, CEPD said.

The competitive power of the surveyed countries was measured against domestic competitiveness, internationalization, government functioning, financial power, infrastructure construction, management, science, technology and labour force.

The surveyed economies were those of Taiwan, Brazil, Hong Kong, Hungary, India, Indonesia, South Korea, Malaysia, Mexico, Pakistan, Singapore, South Africa, Thailand and Venezuela.

Major cuts interest rates to boost battered economy

BIRMINGHAM (England), Oct 17: British Prime Minister John Major, reeling from criticism of his domestic policies, cut interest rates on Friday in a bid to boost battered economic confidence, reports AFP.

The pressure on Major, hosting EC leaders at the EC summit here, has been growing since Tuesday when the government announced the closure of half the coal industry, closing down 31 mines and sacking 30,000 miners.

In London, the Bank of England announced a one-point cut in interest rates, down from nine to eight per cent, bringing some relief to the stock market and businesses but depressing the pound.

Iran raises oil output to four million BPD

NICOSIA, Oct 17: Iran raised its oil output to four million Barrels Per Day (BPD) this week as a "show of strength" to secure a bigger production share once OPEC reverts to output quotas, Tehran radio said yesterday, reports Reuter.

It said the Organisation of Petroleum Exporting Countries would go back to a quota system once Iraq resumes exports, cut off since it invaded Kuwait in 1990.

"At that time, new quotas will be determined on the basis of each member country's production capacity. So the increase in Iran's oil production capacity... is particularly significant," the radio said in a commentary monitored by the BBC.

US trade gap shoots higher as exports slump

WASHINGTON, Oct 17: The US trade deficit shot up by 23.8 per cent in August as foreign sales that had supported a weak domestic economy earlier took their sharpest plunge in five years, the Commerce Department reported on Friday, says Reuter.

The nine billion dollar shortfall on trade in August was the biggest deficit in 21 months, since a 9.49 billion dollar gap in November 1990, and was up from a revised 7.28 billion dollar in July.

Previously, the department said July trade was in deficit by 7.82 billion dollar.

Exports fell 6.1 per cent in August to 35.51 billion dollar, the sharpest monthly fall in foreign sales since a 6.9 per

cent drop in August 1987, department officials said.

Imports were down by 1.3 per cent from July levels to 44.51 billion dollar, as the sluggish recovery apparently sapped consumers' demand for many foreign goods.

The nine billion dollar August deficit was far above Wall Street economists' expectations for a 7.4 billion dollar shortfall on monthly trade.

The Bush administration has been hailing the country's strong trade performance as a bright spot in a generally moribund recovery from the 1990-91 recession so the evidence of a slowdown in August is a blow for the economy's progress. The department said the

trade deficit was running at an annual rate of 77.84 billion dollar in the first eight months of 1992. The total trade deficit for all of 1991 was 65.40 billion dollar.

Exports of automobiles fell by 235 million dollar in August from July, while foreign sales of tobacco were down by 162 million dollar, chemicals sales fell by 227 million dollar and pharmaceuticals dropped 110 million dollar.

President George Bush, trailing democratic challenger Bill Clinton in opinion polls, has stressed the trade benefits for the United States from bringing Mexico into a three-way free-trade pact with Canada called the North American Free Trade Agreement.

World trade order liable for hunger in Third World

ROME, Oct 17: Hunger faced by millions in developing countries is caused by the world trade order, the head of the UN Food and Agriculture Organisation (FAO) said on Friday, reports Reuter.

In a speech marking World Food Day, FAO Director-General Edouard Saouma praised rich countries' generosity and sensitivity to the distress of the poorest states.

But he also noted "their failure to see that the current world trade order condemns millions and millions in the developing countries to hunger and malnutrition."

Saouma said poor countries would stay poor and their people malnourished "until such a time as a more equitable trade regime is established and they can expect a better return for their exports."

Malaysia still expects Japan's joining to ASEAN

TOKYO, Oct 17: Malaysia still hopes Japan will join an Asian-only economic grouping which Kuala Lumpur is proposing against opposition from the United States, Malaysian Foreign Minister Abdullah Ahmad Badawi said on Friday, reports Reuter.

"I believe Japan has continuing interest in EAEC (the East Asian Economic Caucus). I'm happy that interest is there," he told a news conference.



CAIRO'S EARTHQUAKE: Bulldozers have been engaged to clear up the rubble of the earthquake. The Egyptian government would require \$150M to reconstruct the damaged establishments. Meanwhile Saudi Arabia and Kuwait have pledged to donate \$70M for the purpose. —Star TV photo

Uganda trying to lure back Asians for economic reasons

LONDON, Oct 17: In 1972, Ugandan President Idi Amin expelled the country's entire Asian population — some 80,000 people. More than 30,000 of those who left went to Britain. They were given 90 days to leave the country and allowed to take no more than the equivalent of 50 pound.

Twenty years later, Uganda is trying to tempt them back in an effort to kick-start its economy, writes IPS.

They left friends, homes and businesses to start a new life in another country. But now, the new Ugandan government is encouraging many of them to return home.

"This was a great human rights violation and we want to correct it," says Professor George Kirya, the Ugandan High Commissioner in London. Kirya has been making a special effort to do just that visiting the Ugandan Asian communities scattered across Britain.

He is taking them the message of a new tolerant Uganda and the promise that all land and property confiscated by the former government will be returned to the rightful owners.

Yet observers argue this new spirit of generosity is not without other motives. The International Monetary Fund (IMF) has stipulated that all the confiscated property must be returned before Uganda can expect a new agreement with the agency.

Kirya dismisses this. "The President had all of this in mind when he was fighting in the bush," he says. "We have it in our own minds. We want those Asian brothers and sisters in Britain to know there is a new Uganda."

He argues that the country's inflation has come down from 300 per cent seven years ago to its current level of 25 per cent and that the recently implemented economic policies will continue to bring inflation down.

Kirya also points out that the government has removed all restrictions on foreign exchange and has set up a Ugandan promotion association in London, which it hopes will attract foreign investment.

Even British Airways, which has not had direct links with Uganda for 16 years, has just resumed a twice weekly service between London and Kampala.

K D Patel left three Mercedes, six buses, three house and four petrol stations behind when he was forced to flee the country. His family of six arrived in Britain with 1,500 pound. Today they own a string of petrol stations across the country.

"The country needs Indian or Western business," says Patel. "But no ways will I go back. Lots of us will go and have a look, but no one will go to stay. The property I left is in a very bad condition now. It would not be worth it."

Patel's success in Britain is typical of many of the Ugandan Asians, forced to start building up a new life from scratch. It is estimated that the Ugandan Asians have created 30,000 jobs through their businesses. Several have become multi-millionaires.

This was not the picture when they arrived in Britain in 1972. Conservative government Minister Norman Tebbit wrote to the then Prime Minister Edward Heath saying the government was "utterly and completely wrong" in accepting the Asian refugees. Today they are courted by all political parties.

Yet Journalist Joel Kibazo, who left Uganda 11 years ago, says there is a danger in paying too much attention to this particular group of exiles.

"What about the 500,000 Africans who died at the hands of the death squads after the Asians left?" he says. "Whole families died. They could not leave. They would have liked to have been refugees."

"May be the younger generation who have suffered racism in Britain will return, and because they know racism their attitudes will be different."

For Kanti Nagda, a social worker, the 20-year separation is now final. "After five years I could have easily gone back," he says. "But not now. When I think of my roots they do lie in Uganda, but for many of us it is too long."

Uganda U-turn on Asians

- 1962: Uganda gains independence from Britain
- 1971: General Idi Amin takes power in military coup
- 1972: 80,000 Asians expelled, and their properties confiscated
- 1979: Amin overthrown
- 1982: Laws passed to compensate or return property to Asians
- 1986: President Yoweri Museveni's National Resistance Army wins protracted guerrilla war against Obote's troops
- 1991: Museveni appeals to Asians to return to invest in Uganda



Ukraine, India defence contract talks reach deadlock

KIEV, Oct 17: Talks between Ukraine and India on defence contracts are deadlocked over India's refusal to pay for its supplies in dollar, a Ukrainian government minister said.

Viktor Antonov, Ukraine's Military Conversion Minister, told Reuters India's Defence Minister was insisting during talks in Kiev on the simple renewal of New Delhi's previous contract with the now-defunct Soviet Union.

"I was never informed about the content of the Soviet deal. But I do know that all payments went to Russia," he said. "Our factories are not prepared to work for nothing. We want to conclude a trilateral agreement (with Russia). Indian officials were unavailable for comment."

Indian press reports have suggested that Defence Minister Sharad Pawar would sign a deal to buy spare parts for Soviet-supplied military hardware during his three-day visit.

About four-fifths of India's military equipment is of Soviet design, Ukraine has one of the most developed military industries in Europe.