

BRIEFS

Unemployment in UK reach 2.9m
LONDON, Nov 13: Unemployment in Britain rose in October to a 5 1/2 year high with almost 2.9 million people out of work, the government said Thursday.

Zimbabwe villagers eating cattlehide

HARARE, Nov 13: Hungry villagers say they've been eating cattle hide because they haven't received drought relief aid for four months, news reports said Thursday.

Singapore economy sees good days

SINGAPORE, Nov 13: Singapore's economy, which has been steadily slowing since 1988, appeared to have picked up in the third quarter, the Trade and Industry Ministry said Friday.

Demand, supply of platinum will fall

LONDON, Nov 13: Both supply and demand of platinum will contract this year, leaving the market close to balance, a marketing firm said in a forecast released Thursday.

Shares fall, dollar unchanged in Tokyo

TOKYO, Nov 13: Share prices on the Tokyo Stock Exchange fell moderately in Friday morning trading while the US dollar remained lower against the Japanese yen in quiet trading.

Dollar lower, gold up in New York

NEW YORK, Nov 13: The US dollar fell against most major currencies Thursday during trading described as uneventful. Gold prices rose. On the New York Commodity Exchange, gold bullion for current delivery rose 1.50 dollar a troy ounce to settle at 333.20 dollar.

Dutch-Shell's earnings rise

LONDON, Nov 13: The Royal Dutch-Shell Group of Companies said Thursday that earnings rose 55 per cent during the third quarter amid higher profits from oil and gas production and favourable shifts in currency exchange rates.

Clinton pledges aggressive action to get US economy moving

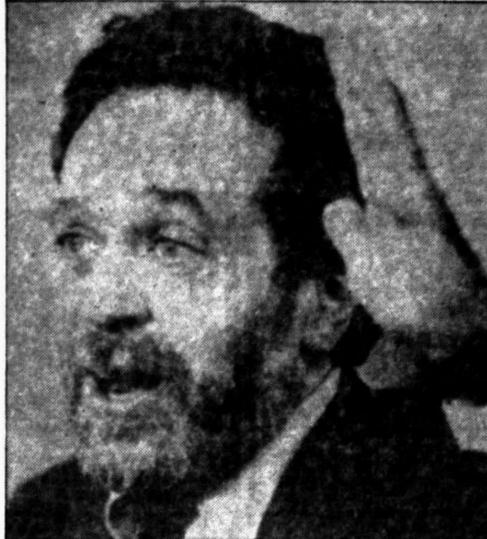
LITTLE ROCK (Arkansas), Nov 13: President-elect Bill Clinton pledged on Thursday to take "aggressive and prompt action" to get the US economy moving again and to create more jobs by spurring public and private investment, reports Reuters.

promised to both reduce taxes on the middle class by 60 billion dollar and halve the budget deficit over four years, in part by cutting wasteful government spending and raising taxes on the wealthy.

team and to take whatever steps that can be taken without new laws being enacted by Congress to revive this economy," Clinton said.

Americans worse off. He promises greater emphasis on government investment to spur economic growth, guiding the "invisible hand" of the free market rather than unshackling it as the republicans did in the

1980s through deregulation and tax cuts. Reich, 46, was the architect of Clinton's economic programme and has been a friend of the president-elect for 25 years.



CAMBRIDGE, Massachusetts: Harvard economist and longtime Clinton friend Robert Reich speaks at a press conference Nov 12 after being named to US President-elect Bill Clinton's transition team as chief economic advisor.

Clinton, who will be sworn in on January 20, said that he intends to speed-up government investment in infrastructure such as roads and bridges, and use tax credits to encourage companies to put more money in plant and equipment.

Long-term interest rates on everything from home mortgages to corporate bonds rose last month on fears that Clinton would ignore the need to cut the deficit and rush out a budget-busting programme to spur the lagging economy.

Like Clinton, Reich is a strong advocate of investment in public infrastructure and the need to enhance the skills of the American workforce. Free-market era to end

Ukraine breaks away from Russian economic control, rejects rouble as tender

KIEV (Ukraine), Nov 13: President Leonid Kravchuk on Thursday announced a long-awaited break from Russian economic control by declaring that the rouble would cease to be legal tender in Ukraine starting Friday, reports AP.

Ukraine has tried to build up its own currency and break from the Moscow-run monetary system to give it freer reign over its economy — the second largest in the former Soviet Union. But the move also could create new financial risks for Ukraine and other former Soviet republics.

'Latin American states again credit-worthy'

BASEL (Switzerland), Nov 13: Latin American countries that were unable to keep up with their debts during the 1980s are again credit-worthy, the Bank for International Settlements said Thursday, reports AP.

But it said a number of countries in Latin America had recently put their economic houses in order and that it had noted for the first time since the debt crisis began that investors were putting more money into Latin America than was leaving the area.

EC, US talks to resume next week

BRUSSELS, Nov 13: European Community negotiators will travel to Washington next week, with hopes of resolving the EC-US row over farm subsidies that it blocking a world trade pact, officials here said Thursday, reports AFP.

threatened to spark a trade war. "I'd give good money there is a deal," a MacSharry spokesman said ahead of next week's talks, the first direct high-level contacts since discussions collapsed November 3 in Chicago just short of an agreement.

Dunkel's appeal on behalf of GATT's 108 nations that the EC and the United States should resolve differences over how far to cut EC farm subsidies as quickly as possible.

"If the US tariffs come into effect as scheduled on December 5, it would be hard to conduct the GATT negotiations, progress so far might be lost," he told the Kangaroo Group, which lobbies for free EC movement of goods and services.

An EC source said Frans Andriessen, vice president of the community's executive commission, and agricultural commissioner Ray MacSharry, were "99 per cent" sure to fly to the US capital Wednesday.

But GATT Director General Arthur Dunkel has warned that much work remained to be done on other aspects of GATT's Uruguay Round of talks, which covers market access, services, textiles and intellectual property rights.

MacSharry told reporters on arriving for the talks that Dunkel's visit came "in the context of a final conclusion, we hope, for the Uruguay Round."

The Foreign Secretary's comments underlined the importance Britain attaches to an early resolution of the farm subsidies dispute between the United States and the Community which is blocking conclusion of a crucial GATT world trade agreement.

Rao tells Preston Savings from WB projects should be used for social schemes

NEW DELHI, Nov 13: The Prime Minister, P V Narasimha Rao, Thursday suggested to the World Bank President, Lewis Preston, that savings from the bank funded projects should be made available for the social security net and the national renewal fund, reports PTI.

Japanese banks, which have been cutting back on international activity, contributed to the decline, BIS said, but added that a major problem remained slow economic growth in the world and weak demand for credit.

It noted that Argentina, Chile, Peru and Venezuela had experienced sharp increases in economic growth. Brazil showed market economic improvement, but growth there were still weak and the country's leaders were having problems implementing economic reforms, it said.

Bonn to cut armed forces jobs by 1 pc

BONN, Nov 13: Budget experts from the three parties in the ruling coalition have agreed that one per cent of government and civilian jobs in the armed forces should be scrapped to save money, coalition sources said on Thursday, reports Reuters.



Boeing Jumbo jets of different airlines of the world are currently undergoing extensive safety checks. It was prompted by concerns after the mysterious crash of an El Al Boeing jet over the skies of Amsterdam minutes after take-off. 700 Jumbo jets with more than 3,000 landings come under this safety check programme for detection of any possible metal fatigue.

Rao told the bank president, who called on him Thursday, that savings from the International Development Assistance (IDA)-funded projects should be extended to the social schemes in the spheres of education and health.

India's development bank sees revival of economy

BOMBAY, Nov 13: Investment funding approvals by the development bank Industrial Credit and Investment Corporation of India Ltd (ICICI) rose 133 per cent in April-September, indicating a revival of India's economy, the bank said in a statement.

ICICI Chairman N Vaghul. "The growth in capital investment approvals is certainly very substantial." Fifth-eight per cent of loans approved were for four industries and the electronics industry, Vaghul told Reuters.

Rao hoped that Preston's visits to India and some of the projects financed by the bank would help in his understanding of the problems of implementation of various projects, official sources said.

World sugar supply will be excess for 3rd year running

LONDON, Nov 13: The world sugar market in 1992-93 will produce surplus supplies for the third season running, according to a trade forecast released Thursday, says AP.

Cuba's economic problems may worsen next yr

HAVANA, Nov 13: Cuba's economic problems will remain serious and may worsen in 1993, Fidel Castro's top economic aide said in a television interview, reports AFP.

former Soviet bloc. Lage, who became secretary of the cabinet and of its executive committee at the start of November, emphasized that Cuba managed to survive 1992, despite losing 75 per cent of its traditional markets, the tightening of the US economic embargo and "a host of other pressures."

Manila's policy of negotiating with creditors paying off in many ways

MANILA: Good-debtor behaviour is paying off in many ways for the Philippines. The Philippines serviced 6.3 billion US dollar of its debts. Total indebtedness rose from 26.3 billion dollar in 1985 to 30 billion dollar by December 1991. This is because of new borrowings of 10.8 billion dollar and a 3.7 billion dollar increment in total debts resulting from a depreciation of the American dollar vis-a-vis other currencies, particularly the Japanese yen.

Finally, it has improved the country's export earnings and thus its capability to service its debts. The debt service-to-exports ratio has been brought down from 35.8 per cent in 1985 to 20.6 per cent in 1991.

While economic fundamentals might find more than a match in political rhetoric in Congress, House Speaker Jose de Venecia has vowed to oppose any debt capping bill.

That episode in local financial history occurred during the deposed regime of the late President Ferdinand Marcos. Now the debate on the debt issue has become the new national neurosis replacing the controversy on American military presence which ended with the closure in September of the American naval base in Subic.

Actually, there is no need to go that far. The Philippines is itself a case in point of a borrower in default. But unlike Peru, it did not tell its creditors to go jump into the lake. What it did, like Bolivia, was to pursue negotiations with foreign banks until it was eventually accepted anew as a good credit risk.

Cuban trade has been slashed by the disappearance of its communist allies in the former Soviet bloc. Last February, another package was concluded amounting to 4.2 billion dollar and involving a stretch-out to 25 years of past-due and soon-maturing principal, another lowering of interest charges and reduction of the debt stock itself, in this case through buybacks of debt papers at discounts in the international secondary market. — DEPTHNEWS ASIA