India's reforms won't be affected

CHANDIGARH, Dec 27: The Deputy Chairman of the Planning Commission, Pranab Mukerjee, has said that there was no question of either any change or dilution of economic reforms undertaken by the Narasimha Rao government despite the left parties' alignment with the ruling party at the centre. Mukerjee was delivering the keynote address at "Punjab-2002," a conference organised by the Punjab government in collaboration with various indus trial organisations for Punjabi non-resident Indians and prominent Punjabis from the country for promoting investment in the state in view of the improved situation, reports PTI.

US oil-fields may open for foreigners

CARACAS, Dec 27: Congress is expected to approve by march a contract for foreign participation in the state-controlled exploitation of heavy crudes, a newspaper quoted an oil company executives as saying. The daily El Universal on Saturday quoted state oil executive Raul Antoni as saying that Petroleos de Venezuela, SA (PDVSA) is examining ways to attract more private investment. "Any expansion of the Venezuelan petroleum industry requires national capital and foreign capital on a greater scale to meet the technological needs of the market," he added, reports

Post X-mas sales hurt shoppers

SYDNEY, Dec 27: A crush of thousands of shoppers surging for post-Christmas department store sales here Sunday left at least four people injured, police said. One man was injured when the pressure of the crowd gathered outside the grace bros. Department store in the city smashed through a glass door, and at least three others were treated for cuts, police spokesman Rod Barry said. Police called to the department store appealed to people to disperse as ambulances were called, reports

Rental car company opens in Shanghai

Beijing, Dec 27: Foreign tourists visiting Shanghai can now drive themselves around in rental cars - if they dare. The Anji Car Rental Co opened for business Saturday, becoming the first rental car company in Shanghai, according to the official Xinhua News Agency. Beijing already has a rental car company. Xinhua said foreign tourists arriving at Shanghai airport can rent cars on the spot after undergoing an hour of "training on the city's traffic conditions, reports AP.

France, China sign 121 protocol

PARIS, Dec 27: France and China last week singed a 640 million franc (121 million dollar) financial protocol for 1992, French officials said, despite coolness in bilateral ties over the planned sale of French Mirage Warplanes to nationalist Taiwan. Officials, who had blamed delays in the accord on Chinese unhapping over the Taiwan deal, interpreted the signing as an indication that Beijing does not plant to react too strongly to the mirage sale, despite threats last week of economic and political retaliation by Chinese Foreign Minister Qian Qichen, reports AFP.

Jobless benefit seekers rise in US

WASHINGTON, Dec 27: The number of US workers seeking jobless benefits rose in early December but economists saw no setback to the modest economic recovery. The Labour Department said on Thursday that firsttime applications for benefits rose by 12,000 to 360,000 in the week ended December 12. It was the second week in a row that jobless claims had risen, reversing weeks of decline, reports Reuter.

Japan won't export

hardwares to 3 states TOKYO, Dec 27: Japan has decided to add Iran, Iraq and Libya to a list of countries to which it cannot export equipment and tecnologies that can be used for military purposes, as Trade Ministry officials said Thursday. The decision, approved by Prime Minister Kiichi Miyazawa on Tuesday, means a virtual ban of shipment of high-technology products such as advanced semi-conductors to the three countries starting January, reports AFP.

BRIEFS UNCTAD sets new orientations and priorities

by Chakravarthi Raghavan

GENEVA: The UNCTAD (United Nations Conference on *Trade and Development) Trade and Development Board ended its session in October with a number of decisions on the priorities in the work programme and orientations.

The Board meeting, chaired by Turkey's Gunduz Aktan, was the first since UNCTAD-VIII which addressed some substantive issues, and put into effect the 'new orientations and working methods' agreed upon at the conference and the Cartagena Commitment.

Among the subjects discussed at the meeting under the rubric of interdependence were the recent evolution of development problems and prospects; the performance, problems and reform of public enterprises; sustainable development; issues relating to national transparent mechanisms in the fight against protectionism; review of progress in the implementation of the programme of action for least developed countries (LDCs); and UNCTAD's contribution to the implementation of the UN's New Agenda for the Development of Africa in the 1990s.

During the meeting there were references to the new orientation and working methods in statements and interventions by delegations and groups. At Cartagena, the industrialised countries, and some of the developing countries, particularly from the Latin American region, had all spoken of the need for UNCTAD to change itself, and not to waste time in endless negotiations on commas and wordings in resolutions and decisions that no one implemented. The organisation should rather spend time in serious dialogue and promote consensus that could lay the foundations for future actions and agreements, they argued.

In line with the new 'orientation' set at Cartagena, there were some decisions at the Board and in its sessional committees on items of work programme. There was also a summing up at the end of discussions on each item by the chairman, and the Board's outcome itself was set out by Aktan in what was described as the 'President's Communique'.

Yet, when the Board ended, with an outcome probably better than expected, it still reminded one of the French expression, plus'ca change, plus c'est la meme chose - the

more things change, the more they remain the same' At UNCTAD-VIII and before, there had been references from the industrialised nations to the way their 24-member Organisation for Economic Cooperation and Development (OECD) functions and where after in-depth discussions quite often there is only a press communique at the end.

But when Aktan attempted to adopt the OECD practice. and drew up a 'Final Communique' which he planned to read out, he found himself forced to put off the meeting and, while delegates waited around in the hall, hold some last-minute consultations with key delegations as to how the outcome was to be described: as a 'communique' or merely as the Chairman's summing up, and how some of the summing up should be worded. Commas and semintics still seemed to

And even after he had consulted and changed the wording, and had read the statement out, Aktan and the Board had to wait while the European Community made some comments and reservations on how Aktan had presented the summing up in a sessional committee.

In various actions, the Board decided to establish an Ad Hoc Working Group to explore the issue of structural adjustment for the transition to disarmament, and adopted some

agreed conclusions on the priorities for UNCTAD's work. The Board recalled that UNCTAD-VIII had decided that orientations for developing fresh approaches to long-standing issues and insights for pursuing relevant new lines of work were listed as: a new international partnership for development; global interdependence; paths to development; and sustainable development.

In line with these, the Board decided that the particular needs of Africa should be fully taken into account in the formulation of work programmes of the intergovernmental bodies of UNCTAD. It also decided on some sub-programmes for high priority: international competition and trade policies, commodities, development, finance and debt, investment and technology, global interdependence, enlarged economic spaces, privatisation, environment, structural adjustment, poverty alleviation, trade efficiency, services development and

LDCs.

As Aktan's communique noted, the Board's debate on in-terdependence addressed some important global issues raised in UNCTAD's Trade and Development Report — which had warned of the dangers to the world economy of the debt deflation gripping several of the industrialised economies and the need for new solutions and instruments to promote increased demand and thus 'reignite' growth.

On the issue of protectionism, it was recognised that national transparent mechanism could be an important instrument against trade protectionism. In many cases such mechanisms had made significant contributions towards trade liberalisation.

Aktan said the Board identified the basic features for transparent mechanisms as:

 The agencies should be independent of political pressures;

 They should be open to all affected parties who should be given an opportunity to provide inputs and express their

The work should be limited to investigative factfinding, economic analysis and policy advice, and not involved in trade policy-making;

Its studies should evaluate the economy-wide effects of protection and should include the entire gamut of domestic measures impinging on trade, including anti-dumping and anti-subsidy actions as well as impact of protection on trading partners, particularly the developing countries;

. Studies should be by competent professionals using modern methods of economic analysis; and

In addition to policy advice before government decisions, there should be review studies on effects of deci-

Chakravarthi Raghavan is Chief Editor of SUNS (South-North Development Monitor), a daily bulletin, and the Geneva representative of the Third World Network

Bush to draw \$187,000 as pensions per yr

WASHINGTON, Dec 27 President George Bush's 21 years of government service mean he will collect a whooping 187,000 dollar government pensions annually after he steps down in January, reports AFP.

To ease his transition to private-life, Bush will also receive a life-long supply of Federal money to set up an office and hire employees. Salaries for the employees can run up to 150,000 dollar annually for the first 30 months and 96,000 dollar annually after

In addition, he will collect income from a personal blind trust valued at 1.3 million dollar and an inheritance expected following the death last month of his mother, Dorothy Walker Bush. That trust earned nearly 200,000 dollar in 1991.

Bush's 21 years working for the government included a two year stint as a representative from Texas, two years as UN Ambassador, one year as envoy to Bhinca, two years as Central Intelligence Agency head and four as Vice President.

The President and his wife also own an ocean-front estate in Kennebunkport, Maine, valucd at 2.2 million dollar and a vacant lot in Houston, Texas worth 79,000 dollar,

'NZ economic recovery sustainable'

WELLINGTON, Dec 27: New Zealand Finance Minister Ruth Richardson said on Wednesday the country's fragile recovery was sustainable and should be strong enough to ensure reelection of her conservative government next year, reports Reuter.

Richardson told Reuter in an interview that the painful recovery her economic policics have nurtured would not be compromised by an election

"I can't think of a better platform on which to seek reelection," Richardson said.

Economists agree New Zealand is gingerly dusting itself off after eight years of recession and Richardson said that should be reflected in the view of New Zealand by credit ratings agencies.

"By any measure of economic activity, in New Zealand we've really anchored the re-



Chrysler Corporation President Lee Iacocca talks to reporters in a Feb 13, 1986 file photo during a press conference in Detroit. Iacocca retires from Chrysler Dec 31 after 13 years as head of the third largest US automaker. - AFP/UNB photo

Delhi to create better climate for agriculture's development

NEW DELHI, Dec 27: The India government would make all efforts to create a positive trade and investment climate for agriculture and make the similar benefits available to agriculture a as are being given to industry, reports Xinhua.

This has been stated in a resolution adopted in Rajya Sabha (upper house of parliament) recently, which said that care would be taken to ensure that farmers are not subjected to the regulatory and tax collection machinery of

government. Farmers will also be exempted from payment of capi-

BEIJING, Dec 27: The

Chinese government, in an-

other step towards creating a

market economy, will no

longer finance triangular debts

between state enterprises,

Premier Li Peng was Saturday

quoted as saying, reports AFP.

"The state will no longer

subsidise firms which contract

new triangular debts," the

Saturday edition of the

People's Daily quoted Li as say-

will be fully responsible for the

future situation," Li said in a

holiday, reports AFP.

"Firms and local authorities

tal gains tax on compulsory acquisition of agricultural land. Further, the government

would continue to discharge its responsibility for ensuring remunerative agricultural prices to the farming commu-

To achieve the above objective, the government would continuously review the price structure and trade mechanism so as to ensure a favourable economic environment, the resolution said.

Land reforms would be so pushed as to channelise their energies for achieving greater

production, it said adding that

speech he made Friday to

around 100 representatives of

firms that have successfully

billion yuan (9.5 billion dollar)

over the last two years to clear

219 billion yuan (38 billion

dollar) of triangular debt -

closed circuits of debt created

when enterprises own each

other money - Vice Premier

Zhu Rongji, who is responsible

for economic restructuring,

This aid was issued almost

said at the same meeting.

entirely as bank loans.

The government spent 55

cleaned up their finances.

the government attaches highest importance to the quality of the country's land and reclaiming waste lands would be given the highest priority. Another report adds: The

Indian government decided to remove all central excise duties on processed food and vegetable products to promote development of food process ing industry, according to official sources here.

The government has requested the states to reduce the sales tax and other duties on these products.

The government is also considering reduction of du-

The government had al-

ready spent 51 billion yuan

(8.9 billion dollar) in 1990 to

clear triangular debts worth

150 billion (26 dollar) in 1990

to clear triangular debts worth

150 billion (26 billion dollar),

but this did not stop the gen-

eral situation of state firms de-

spent this year to support ail-

ing firms, while the current

annual state budget deficit is

yuan (3.7 billion dollar).

forecast to reach 21 billion

After three years of auster-

A similar amount has been

tics on package material as a further measure to stimulate demand for processed food and vegetable products.

A research and development scheme has been formulated to improve the quality of products, the sources said, adding that processors would be provided assistance in tackling problems relating to quality management.

The government approved proposals involving investment of 40 billion rupee (1.48 billion US dollar) in food processing sector since pursuance of the new industrial policy in August of 1991.

ity, economic growth soared in

1992 and "the situation of

some firms has deteriorated,'

Zhu said. He criticised the

making of irrational invest-

ments by firms already in debt.

of state companies are loss-

Chinese Communist Party de-

cided to accelerate economic

reforms and to let an increas-

ing number of firms "sink or

swim in the market," as the

Finance Minister Liu Zhongli

Beijing estimates two-thirds

However, this year the

Thai economy back on track

BANGKOK, Dec 27: The That economy, battered by months of political turmoil mid-year, had stabilised by year end despite the setbacks and was ready to take off again, a private think-tank said Thursday, says AFP.

The Thailand Development Research Institute (TDRI) said at a press conference Thursday the economy was back on track and that a real Gross Domestic Product (GDP) growth rate of 8.1 per cent could be expected in ,1993.

In 1992 GDP growth was expected to be 6.9 per cent compared with 7.7 per cent in 1991, pulled down mainly because of the political crisis last May, he said.

Indonesia to supply Taiwan 420,000 tonnes of coal

JAKARTA, Dec 27: Two Indonesian coal mining joint ventures have clinched contracts to supply 420,000 tonnes of coal to Taiwan next year, the Kompas Daily said here Thursday, reports AFP.

Pt Kaltim Prima Coal (KPC) and Pt Multi Harapan Utama (MHU) signed a contract, for the supply to coal from east Kalimantan, with Taiwan power company here late Wednesday, the daily said.

Under the contract, KPC will supply at total of 240,000 tonnes sent in four shipments while MHU will provide 180,000 tonnes sent in three shipments, the daily said.

Equal footing for foreign firms in India suggested

lowed to compete on an equal footing with national companies in the Indian market, says

ing changes initiated by the Narasimha Rao government in the fiscal, trade and industrial policies during the last one and a half year of its rule, Dr Irani said that the entry of multinationals should not cause any worry if they bring in their own money and technology and set up plants which we

Japan's '93 budget aims at stimulating sluggish economy TOKYO, Dec 27: The Minister Kitchi Miyazawa, will

Japanese government released its annual budget bill Saturday, providing for a 3.1 per cent increase in general spending focusing on public works to stimulate the sluggish economy, reports AFP.

The bill however showed an increase of only 0.2 per cent in the overall budget to 72.355 trillion yen (588 billion dollar). The small gain was due to the current economic slowdown eroding tax revenues by 1.9 per cent in the first decline in ten years.

The bill, approved by Prime

be discussed in the regular parliamentary session to be convened in late January. General spending is to rise

3.1 per cent to 38.917 trillion yen in the year starting in April, while public works expenditure is to go up 4.8 per cent to 8.565 trillfon yen to stimulate the stagnant domestic economy.

Business circles, however, said the scale of the expenditure plan was too small to achieve the government's target of an growth rate of 3.3 per cent next year.

Arab banks abroad will merge or raise fund to avoid closure

ABU DIIABI, Dec 27: Arab banks abroad wanting to avoid the risk of closure must merge or raise their capital to an acceptable adequacy level, the Arab League's Monetary chief was quoted on Saturday as

saying, reports AFP. Osama Al-Fagih, Chairman of the Arab Monetary Fund (AMF), said the more than 100 Arab banks abroad, mostly in industrial states, had no choice but to comply with the adequacy level set by the Bank of International Settlement (BIS)

"To avert closure, Arab banks abroad must raise their adequacy to at least eight per cent," he told the United Arab Emirates Daily Al-Wahda.

"Practically, this can be

achieved through boosting the paid-up capital of the bank, increasing the provisions or getting rid of high-risk assets. All these could be realised through mergers.

The BIS proposal, made by the basel committee in 1988, is to take effect on January I and banks with capital adequacy of less than eight per cent would be boycotted by industrial countries. The move on adequacy, the ratio between the shareholders equities and assets, is designed to ensure that banks have cnough funds to deal with a financial crisis.

Most of the Arab banks abroad were set up during the oil boom of the late 1970s, when wealthy Gulf states began building large investments.

CALCUTTA, Dec 27: Dr J J China won't subsidise state firms Irani, Managing Director, Tata NEW YORK, Dec 27: Iron and Steel Company (TISCO), Thursday suggested that foreign firms should be alsigning new triangular debts

Welcoming the wide-rang-

Referring to the steel industry he said, "as long as the sames rules are applicable, we are not worried of any foreign competitors."

Democrats deeply split over trade policy

Infighting over foreign trade policy has deeply split the Democratic Party less than a month before US Presidentelect Bill Clinton takes office, the New York Times said in its Sunday editions, reports Reuter. The newspaper, quoting

Democratic Congressmen, said the divisions could hamper Clinton's efforts to push trade agreements through Congress after he becomes president on January 20.

The disagreements centre on how aggressively the new administration should confront foreign countries over trade issues, the newspaper said.

Infighting grew especially bitter while Clinton was deciding whom to name to succeed Carla IIIlls as US Trade Representative (minister), the paper said. Clinton named his campaign manager Mickey Kantor to the post on Thursday.

The newspaper identified four factions within the party, each with its own approach toward trade. One faction has pushed for import restrictions and another had backed subsidiese for US high technology exports. Both are strongly protectionist.

Another faction's trade agenda calls for sweeping government programmes to train workers and build up US infrastructure, while a fourth faction links global trade issues to environmental concerns, the newspaper said.

Russia to issue

Greenback gains against Asian units ahead of X-mas

making.

recently put it.

HONG KONG, Dec 27 : The US dollar strengthened against almost all Asia-Pacific currencies in a week of trading that in most markcts ended Thursday, ahead of the Christmas

Dealers said the greenback was stronger on expectations the US economy would continue to recover, amid favourable US economic data for November.

Only the Taiwan dollar and Philippine peso posted gains. Japanese yen: Down 0.60 yen at 123.65 to

the US dollar Friday from the 123.05 yen finish a week earlier. The yen weakened in the absence of incentives. After opening at 123.18 yen on Monday, it moved between 122.90 yen and 123.95 through

the rest of the week, largely reflecting overseas trends. There was no trading in Tokyo on Wednesday, a national holiday.

Australian dollar : Down during a short trading week at 68.95 US cents from the previous weck's 69.11 US cents.

teriorating.

The central reserve bank indulged in some buying late Wednesday as the Ausie came under some selling pressure, but there was no evidence of activity in the halfday of trading Thursday.

The reserve bank's trade weighted index, which measures the dollar against a basket of major trading currencies, closed at 52.3 points from 52.1 the previous week.

the US dollar, against the previous week's close of 7.735-7.736. The effective exchange rate index Thursday was 114.0, up 0.30 from sterling at 2.5157 against the previous week's Wednesday.

follow from 2,5807 previously amid what dealers

Indonesian rupiah : Down to 2,062 on 1.3261 compared to 1.3219 previously. Thursday, against 2,059 the previous Friday. Malaysian ringgit: Down at 2.5978 to the US

described as thin and tightranged dealing. They said the ringgit would likely continue

its decline against the bullish greenback in the week ahead on continued demand for the greenback for year-end repatriation of funds. New Zealand dollar: Down at 51.53 US cents Thursday, against 51.75 cents the previous

Friday. Philippine peso: Up at 24.896 pesos to the dollar Thursday, the close of the trading week, against 25.37 the previous Friday.

Singapore dollar: Down at 1.6410 to the US Hong Kong dollar: Down at 7.7395-7.7405 to dollar at week's closing Thursday, against 1.6385 the previous Friday. The Singapore dollar was stronger against

> level of 2.5756, but weaker against the yen at South Korean won: Down 0.40 won at 789.20 to the US dollar Saturday, from the previous

week's close of 788,80.

The won weakened to 790.90 on Tuesday, but started strengthening as supply of the greenback improved on the foreign exchange market, with export-earning and foreign brokerage firms sending back to Seoul their investment funds.

Taiwan dollar : Up 3.15 Taiwan cents at 25.4355 to the US dollar Thursday, from the previous week's finish of 25.467. Market dealers attributed the rally to the central bank, intention to bolster the local currency.

The Taiwan dollar also strengthened against major European currencies, closing at 38.83 to the British pound against 40.1 the previous week, at 4.69 to the French franc against 4.76 previously, and at 15.98 to German mark against

Thai baht : Down at a mid-rate of 25.50 to the dollar at closing Friday, against the close of a mid-rate of 25.43 baht seven days earlier.

10,000-rouble note soon MOSCOW, Dec 27: Russia's

central bank will soon introduce a 10,000-rouble note to help keep pace with the country's fierce inflation ITAR-Tass said on Saturday, reports Reuter. The news agency said the

leadership of the Russian parliament decided on Monday to order printing of the notes, each worth about 24 US dollar. The highest denomination

note at present is the 5,000 roubles bill, introduced earlier this year to help ease an acute shortage in paper money that had caused a backlog in wage payments.