Sharma seeks support for

market reforms

### India may allow

more private banks BOMBAY, Feb 22: India many allow several new private banks to start operating up in the coming financial year, the first to do so in al most a quarter of a century. the Governor of the Reserve Bank of India (RBI) said. "We do find considerable interest in this area," C Rangarajan said in an interview with the fortnightly magazine Business World, published on Thursday. "I am not able to give a number but I think there will be quite a few (Private Banks) that might come into existence during the year," reports Reuter.

### Lader made Clinton's budget executive

WASHINGTON, Feb 22: President Clinton appointed Phil Lader, founder of the "Renaissance Weekend" seminars in South Carolina to be deputy director of management at the Office of Management and Budget. Most recently, Lader served as president of Bond University in Queensland, Australia, where he has lived for about a year. Clinton has attended the high-brow seminars on political and personal topics for the past nine years, reports AP.

### Nixon praises Polish reforms

WARSAW, Feb 22: Former US President Richard Nixon on Friday praised Polish market reforms as a "miracle" and urged the West to pay more attention to the newly-independent East European democracies. Nixon is making a brief, private visit to Poland, at the invitation of President Lech Walesa. It is apart of his fivenation fact-finding mission that began Feb 7. Nixon, who turned 80 last month, arrived in Warsaw Thursday after visiting the Ukrainian capital Kiev, reports AP.

### Taipei's GNP growth slows to 6.06 pc

TAIPEI, Feb 22: Taiwan's gross national product (GNP) growth slowed to 6.06 pc cent last year from 7.24 per cent in 1991 as the weakness of the global economy hurt the island's export boom, thegovernment said yesterday. Growth feel mainly because of slower expansion in exports," said Hsu Jan-Yau, a senior official at the Directorate General of budget, accounting and statistics. But the economy showed signs of picking up again in the fourth quarter of 1992, reports Reuter.

### Boeing's spare parts base in Singapore

SINGAPORE, Feb 22: American aircraft manufacturer. Boeing sets up a spare parts base in Singapore to service the growing demand of the airline industry in the region, a top official of the company said. Gordon Bethune, the Vice President of Boeing's commercial airplane group said the spare parts centre would enable the company to provide 24hour service to its customers in the Asia pacific region in much shorter time and with less dependence on its plant

### Press approves Clinton's budget

is Seattle, reports AFP.

WASHINGTON, Feb 22: Most major American newspapers cautiously approved President Bill Clinton's ambitious budget deficit reduction plan that would raise taxes and sharply cut spending over the next four years. The New York Times said Clinton had promised a new economic plan but the plan he unveiled before congress on Wednesday "offered something ever rarer along the marshy rim of the potomac -a vision", reports AFP.

### Quayle criticises tax rise plan

WASHINGTON, Feb 22: Former Vice President Dan Quayle rallied conservatives with a broad indictment of President Clinton, criticising proposed tax increases, defense cuts and steps to allow homosexuals in the military. "I fear that we are entering a late 1970s style period of disarmament," Quayle said in criticising Clinton's decision to seek deeper defense cuts than proposed in the last Bush administration budget. Quayle's speech to the annual Conservative Political Action Conference was his first speech in Washington since

# Most Americans positive to Clinton's budget deficit cut plan

NEW YORK, Feb 21: Most the Time-CNN poll taken on Americans are willing to make February 18. sacrifices under President Bill

Clintons plan to cut the federal

budget deficit, according to

two polls released Saturday,

surveyed in a Time magazine-

CNN poll approved of Clintons

plan, which was unveiled

Wednesday before Congress,

while 59 per cent of those

polled by Newsweek favoured

Americans believe Clintons

economic plan means real change and 85 per cent be-

lieve it should be given a

chance to work, according to

BAGHDAD, Feb 22: Iraq's

ruling Revolutionary Command

Council (RCC) will issue death

sentences and other punish-

ments against dealers of im-

ported , "luxury" products

banned by the authorities, Al-

Baath Daily said Sunday, re-

ing chaired by President

Saddam Hussein, "has decided

to assimilate the sale of banned

products to economic sabotage

in time of war," the organ of

the ruling Baath Party re-

Those selling so-called

"luxury" products could face

'capital punishment, life im-

Japan plans to

boost ODA

by 50 pc

TOKYO, Feb 22: Japan plans

to boost its Official Develop-

ment Assistance (ODA) in

1993-97 by 50 per cent from

the previous five years, news

reports said Saturday, reports

foreign and Finance Ministry

officials as saying Japan would

seek to set a new ODA target

for 1993-1997 at 75 billion US

would virtually attain its 1988-

92 goal of 50 billion dollar be-

cause it had completed a total

of 38.35 billion dollar in ODA

The news agency said Japan

HONG KONG, Feb 22: The

US dollar ended the week

mostly lower against Asian cur-

rencies owing to a lack of fun-

damental support and uncer-

tainty over the impact of US

President Bill Clinton's pro-

second straight week, which

some Asian dealers said con-

tributed to dollar weakness.

and the Taiwan dollar contin-

tinued to surge, ending on

Friday at 119.23 to a dollar, a

record close in Tokyo and 1.22

yen stronger than its 120.45

ment remained weak although

several positive factors were

emerging, including talk of

dollar-buying by the Bank of

Japan to keep the domestic

currency from rising too

marginally on news that Finan-

cc Minister Yoshiro Hayashi

On Monday, the yen firmed

Dealers said dollar senti-

finish a week earlier.

Japanese yen: The yen con-

package, reports AFP.

ued to soften.

rapidly.

posed economic stimulus

The yen rose sharply for the

Kyodo news agency quoted

The council, during a meet-

ports AFP.

ported.

Reuter.

by 1991.

Seventy-six per cent of

Sixty-two per cent of those

reports AFP.

his proposal.

But 75 per cent of the respondents believe the wealthy will find loopholes to avoid paying higher taxes, according to the Newsweek telephone poll conducted February 18

Forty-five per cent of the Newsweek respondents be lieved the extra tax moncy would be used to cut the deficit - while 46 per cent believed it would be swallowed up by government spending.

Rally to protect causes

a report from California says: Angry Bosnian,

prisonment or at least 15 years

singled out 146 products --

such as imported beer and

cigarettes and certain house-

hold appliances - as "luxury"

goods and banned their sale in

The measure was aimed at

cutting imports and increasing

the purchasing power of the

dinar in cash-strapped Iraq,

where the economy has been

crippled since a United

Nations Security Council trade

embargo was imposed in

and US Treasury Secretary Llo-

yd Bentsen had agreed to avoid

artificial manipulation of the

dollar slid to 25.943 to a US

dollar Friday, down 0.8 Taiwan

cent from the previous week's

ground to major European cur-

rencies, closing at 37.64 to the

British pound against 36.86

the previous week, at 4.71 to

the French franc against 4.63,

at 0.0167 to the Italian lira

against 0.01685, and at 15.94

to the German mark against

ending Friday at 68.70 US cent

from 67.48 US cent.

further next week.

Australian dollar: The Australian dollar firmed in Sydney,

Analysts said they expected

Dealers said expectations of

the domestic dollar to firm

lower interest rates and a re-

duced need for foreign capital

to help fund the deficit helped

the Australian dollar streng-

then against the US unit.

finish of 25,935.

Taiwan dollar: The Taiwan

The Taiwan dollar also lost

August 1990.

In December the authorities

in jail," the newspaper said

Traders of luxury Products to face

capital punishment in Iraq

Macedonian, Serbian and Korean protestors turned out Sunday to press their causes with President Bill Clinton, who stopped here on a whirlwind tour to pitch his eco-

nomic plan. Clinton was to peddle the plan here Sunday at a university gymnasium before heading on to Silicon valley, in California, and then to settle, in Washington on Monday for speeches expected to be simiar to those he gave on the sales swing in St Louis, Missouri on Thursday and Hyde Park, New York on

The Presidents plans to slash 250 billion dollars from

Mohammad Mahdt Salch

meanwhile told a Jordaman

newspaper that Western firms.

namely French ones, wanted

trade links with cash-strapped

executive projects or export

(to Iraq) food and medicine

and receive payment after the

lifting" of the embargo, Saleh

of foreign firms had been visit-

ing Baghdad to secure eco-

LILLE, France: French potato growers from around the Lille region dump Feb 19 loads of

Hong Kong dollar: The

Hong Kong dollar firmed nar-

rowly to 7.732-7.733 to a US

dollar against 7.733-7.734 a

week earlier. The effective ex-

change rate index stood at

on the week.

week earlier.

previous week.

dollar since 1983.

114.3 Friday, down 0.5 points

been pegged at 7.8 to a US

indonesian rupiah ended the

week little changed at 2,066

to the dollar against 2,067 a

\*The Hong Kong dollar has

Indonesian rupiah: The

Malaysian ringgit: Bolstered

by uncertainty surrounding

new US economic initiatives,

the ringgit strengthened agai-

nst the US dollar to close at

2.6280 from 2.6340 the

German mark to close at

1.6100 from 1.5985 previously

and also weakened against

sterling to finish at 3.8130

Singapore dollar ended firmer

against the US dollar at a rate

Singapore dollar: The

from 3.7350 a week earlier.

The ringgit fell against the

potatoes onto the motorway to protest the fulling prices of their products. - AFP /UNB photo

Iraqi authorities.

Iraqi Commerce Minister firms but said they were

Dollar falls against Asian units

nomic and trade deals with the

Saleh did not identify the

He said that representatives

told Al-Desture newspaper.

"Some firms are willing to

the federal budget deficit over four years with tax hikes have brought out opponents at his political pitstops waving signs reading, "cut spending first and Bill lies", a reference to his campaign pledge not to

raise taxes on the middle class Most of the 200 to 300 demonstrators were Serbians who denounced Washington for being hostile to their cause, Bosnians condemning Serbian atrocities and Macedonians demanding that Washington recognize their country's independence.

The three groups from former Yugoslavia were demontrating nearly side by side, hough the Bosnians and

"namely French." He also pre-

dicted a brighter future for the

dinar and called on the Iragis

to hold on to their dinar.

which trade for 3.1 dollar at

the official trade while 30 di-

nar fetch one dollar on the

Saleh said Iraq had five mil

lion dollar frozen abroad and

that a resumption of its oil ex-

ports could bring in an annual

income of 15 to 20 billion dol-

reconstructing with its own

means" what was destroyed

during the January-February

of 1.6455 here Friday against

yen had helped weaken the US

against sterling at 2.4193.

against 2.4180 a week earlier.

It fell against the yen to

1.3855 from 1.3690 the previ-

closed marginally lower Satur-

day at 796.90 to the dollar,

0.30 lower than a closing

Daily turnover averaged

Dealers renewed their pre-

Thai baht: The Thai baht

diction that the won would

weaken to 800 against the

firmed to 25.44 to a dollar

from 25.50 the previous week

owing to US economic uncer-

tainty, the Siam Commercial

ppine peso eased to 25.32 to a

dollar from 25.21 peso the

Philippine peso: The Phili-

796.60 the previous week.

some 400 million dollar.

dollar in March.

Bank said.

previous week.

South Korean won: The won

Dealers said the stronger

The local dollar was weaker

1.6535 a week earlier.

dollar in Asia.

ous week.

He said Iraq had saved 100

dollar

black market.

billion

1991 Gulf War.

Serbians watched each other with angry expressions.

The United States should restrict its role to playing intermediary, said Srboslav Topalski, a Serb and a natural tzed U.S cittzen who has lived in California for 27 years. Everybody is guilty in this war, he added

Added to this scenario were several dozen Korean businessmen whose shops were burnt and pillaged in the Los Angeles last April, who have not been compensated for

And as at each stop along the way, Clinton also was met by a group of anti-abortion

Iran, Cuba to

expand trade

Cuba Sunday said they would

seek to expand their bilateral

cooperation and boost ex-

changes of Havana's sugar and

Tehran's oil, reports AFP. Visiting Iranian Foreign

Minister Ali Akbar Velayati.

here on a 24-hour official stop,

said "there is no ceiling for us

"Until now," Velayati de-

He told reporters a high-

level Cuban delegation would

travel to Iran in March to dis-

cuss bilateral cooperation in

the sugar industry and on

trade hits

record in '92

between China and Latin

America hit a record in 1992

of three billion US dollar,

China's general administration

of customs data showed, re-

The figures, published by

Xinhua news agency on

Saturday, showed that China's

exports to Latin America

climbed 35.3 per cent to 1,1

billion dollar while imports

grew by 21.5 per cent to 1.9

Panama and Mexico each im-

ported more than 100 million

dollar worth of goods from

China, sharply up on 1991

when only Cuba's imports had

Global warming

may kill upto

900m people

thru' starvation

warming may kill upto 900

million people through

starvation over the next 40

years according to a respected

German science institute, a

magazine said Saturday.

The Fraunhofer Institute in

Munich said its estimate was

based on climate researchers'

predictions that the amount of

carbon dioxide gas in the at-

mosphere will double by 2030.

duced by burning fossil fuels,

traps heat from the sun in the

destruction of arable land and

infrastructure, natural disas-

ters and starvation resulting

from global warming by 2030

would cost 900 trillion dollar

The institute's findings

were released by Focus news

magazine, in a report ahead of

publication on Monday.

The institute estimated that

earth's atmosphere.

worldwide.

Carbon dioxide (CO2), pro-

reports Reuter.

BONN, Feb 22: Global

surpassed that amount.

Cuba, Argentina, Chile,

ports AFP.

billion.

BEIJING, Feb 22: Trade

but also in practice".

health care issues.

Agriculture Minister.

HAVANA, Feb 22: Iran and

solved through bilateral dia-

Muslim strife, Sharma said New Delhi was committed to rebuilding the razed Babri Mosque and also to constructing a Hindu temple, adding it would seek the advice of Hindu and Muslim leaders before

launching the projects. 'Secularism has suffered after December 6 and we seek to reestablish communal harmony," Sharma said, referring to Hindu-Muslim bloodshed that claimed 2,000 lives after the toppling of the mosque in Ayodhya by Hindu fanatics.

The rightwing BJP, which is at the forefront of a drive to build a temple on the ruins of the Babri Mosque, opposes New Delhi's pledge to restore the Islamic shrine in the tiny northern town.

## G-7 ministers favour stronger yen

Tokyo, Feb 22: Group of Seven deputy finance mintsters met Saturday in New York and agreed on the need for the yen to appreciate gradually to counter Japan's yawning trade surplus, Japanese newspapers

President Shankar Dayal

Shrma launched parliaments

budget session today, calling

for an end to Hindu-Muslim

strife and urging support for

the government's market

The speech, boycotted by

friendly reforms, reports AFP.

the Hindu-revivalist Bharatiya

Janata Party (BJP), Indian

People's Party, coincided with

a crackdown on activists of the

opposition group to prevent

them from holding a banned

Sharma also slammed Pakistan

for allegedly fuelling Muslim

ing the dispute over the

northern state had to be re-

Speaking on the Hindu-

secessionism in Kashmir, say

In his 45-minute speech.

rally here next week.

to purchasing sugar and selling said Monday, writes AFP. The agreement is to be rati fied next Saturday in London clared, "we have had very good when finance ministers and progress not only on theory central bank governors convene, the reports said.

> Japan's Finance Ministry neither confirmed nor denied the New York meeting, which had been called to prepare for the London session.

But an informed source said That visit would be followed Tadao Chino, Vice Minister of in April by a meeting here of Finance for International the fourth session of a bilateral Affairs, was in the United panel led by the Iranian States during the weekend and was due back in Tokyo later China-L America Monday.

The Japanese reports said the Group of Seven- Britain.

Canada, France, Germany, Italy, Japan and the United States - had agreed to tackle the causes of Japans trade surplus, which hit a record 107 billion dollar last year.

Letting the yen rise, thus making Japanese products more expensive abroad, would also be encouraged, so long as the appreciation was not brisk or artificially guided, the reports said.

However, this support for a higher yet will probably not be stated in a very precise fashion at nest Saturday's meeting.

The dollar closed sharply lower at 116.62 yen here Monday, down 2.38 yen from Fridays finish of 119.23 yen. In New York, the US ... unit had closed at 118.25-35 yen Friday, when US... Treasury Secretary Lloyd Bentsen said he favoured a stronger yen.

## 'Prospect for Indo-French cooperation promising'

NEW DELHI, Feb 22: French Foreign Trade Minister Bruno Durieux said India offered France'very promising prospects for economic cooperation, reports AFP.

Durieux, who wound up two days of talks here yesterday with Prime Minister PV Narasimha Rao and five government ministers, said the existing French presence in India was "insufficient".

Durieux's visit follows a whole series by world leaders, including British Prime Minister John Major, Russian

President Boris Yeitsin, Spanish Prime Minister Felipe Gonzales and German Chancellor Helmut Kohl, all eager to assess the economic potential of India in the wake of liberalising economic reforms.

French exports to India fell last year to 3.55 million franc (700,000 US dollar) from 4.2 million franc in 1991. Imports from India last year reached 3.7 million franc.

Overall French investment in India reached 59 million franc in 1992, compared with 38 million franc in 1991.

## Fall in US jobless rate unlikely this year

WASHINGTON, Feb 22: Despite President Clinton's 30 billion dollar short-term economic stimulus programme, the US unemployment rate will be little improved this year, the nation's top business economists said Monday, reports AFP.

The consensus of 35 professional economic forecasters surveyed by the National Association of Business Economists predicts the nation's jobless rate will average seven per cent in 1993, compared to 7.4 per cent in 1992.

There were nine million jobless people actively seeking work in January, when the unemployment rate stood at 7.1

In its semiannual economic projections released last week, the Federal Reserve said it expected an unemployment rate at the end of 1993 of between 6.75 per cent and seven per cent. The Clinton administration predicts the rate this year

to average 7.1 per cent. The association said its forecasters believe the economy will grow 3.1 per cent this year, up from 2.1 per cent in 1992, and then 3.2 per cent

in 1994. The consensus calls for growth of 2.8 per cent in this quarter, 2.8 per cent in the second and 3.3 per cent and 3.4 per cent in the third and

The Fed projection calls for the gross domestic product, the sum of all goods and services produced in the United States, to expand between three per cent and 3.25 per cent this year. The Clinton administration is forecasting

2.8 per cent growth this year

and three per cent in 1994. The association's forecasters based their prediction of "continued lethargic growth in employment and only modest reductions in the unemployment rate" partly on strong gains in productivity.

## Commodities remain sluggish as Clinton's plan depresses industries

LONDON, Feb 22: Commodity prices remained sluggish last week with the slight strengthening of the pound sterling against the dollar affecting some goods and US President Bill Clinton's economic plan

preceding weeks, fell back again while gold profited from fresh investor interest as the dollar fell against sterling.

Brent North Sea crude oil fell below 18 dollar as barrel as dealers expressed scepticism over the chances that the 12 OPEC members would keep to a new, lower production limit, imposed after a meeting in Vienna.

On the London Metal Exchange (LME), copper and lead, quoted in pound sterling, slipped back as sterling gained against the dollar while aluminium rose on rumours of a cutback from a US producer.

Platinum: Lower. After having climbed the previous week to its highest level for six months on fears of a fall off in Russian output, the price of platinum fell as Russian sales resumed and Japanese imports tailed off.

The market was hit by the publication of Japanese Finance Ministry statistics which showed that Japanese platinum imports fell 19.4 per cent 1992 to 55.7 tonnes. Japanese car-makers account for half

the world's platinum market. Gold: Firmer. The price of gold rose above the 330 dollar an ounce level, briefly finding its role as safe haven following the fall in the dollar and fears of a slowing up in the United States' economic recov-

pound, slipped back in trading on the London Metal Exchange (LME), falling as sterling strengthened slightly against the dollar and hit again by higher stocks

Profit- taking also affected prices after the sharp rise of the two previous weeks. Copper now appears "extremely weak" on the technical charts, dealers said, and is bound to move lower over the coming

Lead: Lower. Lead's price, also quoted in pound, followed the same route as copper, slipping back over the week as sterling moved higher against the dollar.

Prices benefitted recently from a slide of the value of sterling which has lost 16 per cent of its international value since September. Zine: Steady. Zinc price finished the week almost

unchanged on the week before, settling back toward the end of the week after a brief rise early on. Dealers were unimpressed by news of mining group Kennecott's decision to close down Greens Creek mine in Alaska indefinitely following the fall in

most metal prices. Aluminium: Recovering from early fall. The price of aluminium recovered from an early fall following fresh rumours that a US producer was planning a cut in production.

slightly down on the previous Friday.

Little news emerged on demand or supply to shift the market which drifted in mainly technical buying, traders said. Coffee: Higher. The price of coffee, which fell 13

per cent in January, strengthened over the week, boosted by a technical recovery and industrial purchases.

Sugar: Sharply higher. The price of sugar rose sharply as disappointing harvests from two main producers and a recovery in western demand lead analysts to predict a balance in world sugar trade The London broker Czarnikow, which last

November predicted a world surplus of 1.43 million tonnes in 1992/93, said this week that the market would end up virtually balanced. Czarnikow predicted worldwide production would

be weaker than previously thought at 114.57 million tonnes with demand just off at 114.51 million. Taking account of "unrecorded dispersal" of 0.6 mil lión tonnes, the market would end in slight deficit, the broker said.

Vegetable oils: Uneven. The price of palm oil strengthened despite disappointing statistics from the palm oil registration licensing authority on Malaysian stocks and exports.

According to the authority, Malaysian stocks dropped to 535,455 tonnes at the end of January, their lowest level since July 1992, but not to the

530,000 tonnes level that had been predicted.

Oil: Slightly lower. The price of oil fell back below 18 dollar a barrel, with dealers sceptical on the prospects for the OPEC accord announced in Vienna

on Tuesday. The 12 countries announced that they would limit their production to 23.582 million barrels a day in the second quarter of 1992, down one million barrels on the limit announced for the first quarter and

1.4 million barrels below the actual daily output. Rubber: Lower: The price of natural rubber fell, suffering under profit-taking and a slight

strengthening against the dollar. Buyers generally sec the recent upward flight in rubber prices as exaggerated and hung back from the market. Since September rubber has risen by close to a third, with prices pushed up by the 16 per cent fall

in the value of sterling, prospects of a fall in Malaysian output and a recovery of demand in the United States and China. Grains: Steady. The price of wheat and barley re-

mained steady, supported by the economic plan announced by US President Bill Clinton which included no cuts in agriculture spending. However, the failure to resolve problems with

Russia, still suspended from the US agricultural export credits programme, kept the lid on prices, ensuring prices remained almost unmoved over the week.

#### Aluminium fell at the start of the week as dealers assessed the poor fundamentals of high stocks and Traders fear that the cuts announced in President Bill Clinton's state of the union address will suffocate low demand but then strengthened as ramours cirthe infant recovery before it has really got underway. culated of cuts in output. Copper: Lower. The price of copper, quoted in . Tin: Slightly lower. Nickel price dropped over the depressing industrials prices, reports AFP. Platinum and silver, which had risen sharply in week but recovered toward the end to finish only