OPEC members obey output accord

CARACAS, Mar 9: OPEC President Alirio Parra said member nations of the producers group are complying with a recent accord to cut production that was designed to buy prices. "All the rest are complying," Parra, Venezuela's Energy Minister, told reporters. Parra said a monitoring committee comprising energy ministers from Libya and Qatar and the Secretary General of OPEC are closely surveying mem bers', reports Reuter.

Brazilians fear price freeze

BRASILIA, Mar 9: Brazilian business leaders' greatest fear is that the government will freeze prices to control inflation, O Globo newspaper reported Monday. The 21 business leaders polled by the newspaper also overwhelmingly believed last week's turmoil in President itamar Freanco's economic them had harmed Brazil's international image, says a Reuter report.

Borrowing exceeds lending in Pakistan

KARACHI, Mar 9: Borrowing heavily exceeded lending in the Pakistan money market, leading to aggressive quoting in term positions, dealers said. The central bank has auctioned Tbills worth 3.81 billion rupee at an average yield of 12.43 per cent, a dealer said. The auction would ease the liquidity position by a net inflow of 10 billion rupee, out of which three billion would go toward offsetting the current deficit in the market, said a Reuter report.

Turkey, Azerbaijan agree for oil link

ANKARA (Turkey), Mar 9: Turkey and Azerbaijan will sign an agreement for a Baku-Mediterranean oil pipeline link, using some of the pipeline that Iraq had used before UN sanctions, Azerbaijani Oil Minister Sabit Bagirov said Monday. Bagirov said the link would cost 1.25 billion dollar and take two years to construct. He said the accord would be signed Tuesday. The new pipeline will have as much as 25 million tons a year flowing through it, Bagirov told reporters after meeting with Turkey's foreign minister and with Premier Suleyman Demirel, reports AP.

Tokyo stock index crosses 18000 point

TOKYO, Mar 9: The key index on the Tokyo Stock Exchange surged past the 18,000-point level in Tuesday morning trading for the first time in nearly half a year, while the US dollar moved lower against the Japanese yen. The 225-issue Nikkei Stock Average rose 357.8 points, or 2.02 per cent, closing the morning session at 18,043.95 points. The Nikkei last hit the 18,000-point level in intra Day trading in September, says an AP report.

Winter to decide OPEC oil prices

CARACAS (Venezuela), Mar 9: Winter will determine how long the oil glut from February production will continue affecting oil world market, OPEC's president Alirio Parra said on Monday. 'It depends on the consumption. It depends on the winter," said Parra, also Venezuela's Energy and Mines Minister, speaking to reporters outside Miraflores Palace. "Despite the glut caused by the (February average production of) 25.4 million barrels, prices are slowly raising, thanks to the production cut OPEC members put into effect on March 1," Parra said, reports AP.

Stocks finish record high in NY

NEW YORK, Mar 9: The Dow Jores industrial average soared to record levels Monday, buoyed by low interest rates, and higher stock prices abroad. Broader market averages also soared. The market received impetus early on from gains abroad. In Tokyo, the 225-issue Nikkei Stock Average surged 5.17 per cent, while in London, the Financial Times-Stock Exchange 100-share index closed at a record high, reports AP.

EC calls on Japan to press for conclusion of GATT talks

BRUSSELS, Mar 9 trade commissioner Leon Britain called on Japan here Monday to press for a conclusion to GATT trade talks when it hosts a summit of O-7 industrialised countries in July, reports AFP.

Addressing a meeting of EC foreign ministers, he also called for maximum pressure on Tokyo to make Japan open its markets to rice and other products.

The Uruguay Round of trade talks under the General Agreement on Tariffs and Trade (GATT) is stalled after more than six years of negotia-

Britain added that other countries were also waiting impatiently for the United States and the EC to settle their differences over agriculture and other areas of trade so that a GATT settlement would be possible.

production of oilseeds - part of a broader agreement between the EC and the United States last November to cut farm subsidies.

On Japan's forthcoming

chairmanship of July's summit

of the Group of Seven, Britain

said, as quoted by a

spokesman: "This would be a

good moment for Japan to

show its leadership lover

showdown over the explosive

offseeds issue here Monday.

which has threatened to pit

France against the United

States and torpedo the GATT

scheduled to ratify an agree

ment to limit the subsidised

The meeting had been

The meeting avoided a

GATT)"

threatened earlier to veto the The farm accord is hugely

But the vote on ratification

was postponed after France

unpopular in France, where

the government faces defeat in the upcoming elections.

EC agriculture commissioner Rene Steichen said no vote would be taken on the oilseeds dispute until the next foreign ministers' meeting on April 5 - after French parliamentary elections later this

French Foreign Minister Roland Dumas warned that ex cessive US trade demands on the EC "could drag us into the infernal spiral of a trade war and protectionism."

He said France wanted the farm deal renegotiated, along with other elements of projected trade reforms under GATT Responding to threats that

the French opposition could spark strong trade reprisals from Washington, Dumas said "where is the American threat? I don't see it".

lie added: "the Americans must stop believing that the community has the means to make a string of unilateral (trade) concessions, which their companies pocket without offering any sacrifice in exchange.

Dumas said compromise proposals for a GATT scttlement proposed by GATT Director-General Arthur Dunkel could form the basis of an accord, provided that is agricultural elements were renegotiated.

But Dumas demanded that the United States made concessions in tariff negotiations and open up its transport and telecommunications indus

Dumas called on Washington to settle its current steel dispute with the EC by agreeing on a multilateral solution instead of imposing anti-dumping duties on steel

Kohl favours investment in Asia

BONN, Mar 9: Chancellor Helmut Kohl said on Monday Germany should boost its investments in Asia to avoid losing out on the fast-growing countries of the Far East, re ports Reuter.

It is in our own interest to have a far greater presence in booming South-East Asia than we have had previously," Kohl told a Leipzing industrial fair in depressed eastern Germany Kohl, a tireless campaigner

for greater investment in struggling Eastern Germany which faces record unemployment said the country needed to ensure its place as a top competitor in the world.

"Despite the problems we have to solve in our own country, we must continue compet ing with the young up-andcoming industrialised nations and also invest there," said Kohl, who returned from a five nation Asian tour last

We must take this more scriously than before," he said.

India to open mining sector to foreign firms

BOMBAY, Mar 9: India expects tie-ups with mining companies from Australia. Canada, the United States and South Africa after throwing open most of its mining sector to overseas firms for the first time, Indian officials said, reports Reuter.

In the latest phase of its reform programme, India announced one Friday a new national minerals policy allowing foreign companies up to 50 per cent equity participation in mining concerns, and more on a case by case basis.

The government said it planned to remove restrictions on 13 minerals earlier reserved for the state sector.

The minerals opened for the private sector are iron orb manganese, chrome, sulphur, gold, diamonds, copper, lead, zinc, molybdenum, tungsten, nickel and platinum.

Coal and minerals linked to atomic power remain restricted, but the government

has already authorised foreign participation in certain coal extraction projects in both Tamil Nadu and Bihar, industry officials said on Monday.

Mining used to be regarded as part of the closely-guarded core sector of India's former socialist economy

But in a series of bold reforms introduced form mid-1991, the government has opened up the power sector and oil refining to overseas investors, lifted some controls on industry, liberalised trade' and floated the rupee.

The new mining policy is expected to be approved during the current session on parliament according to Minister of State for Mines, Balaram Singh Yadav.

Indian officials believe that companies from Australia. Canada, the United States and South Africa are interested in Indian joint ventures. They did not name them.

Clinton, Mitterrand hope to overcome simmering differences over trade

WASHINGTON, Mar 9: President Clinton and French President Francois Mitterrand hope they can establish a strong personal bond that will help resolve simmering differences over trade, reports AP.

France is the oldest ally of the United States, but conflicts between the two nations have been the norm for years.

The current period is no exception as the 76-year-old French statesman prepared to meet his 46-year-old American counterpart for the first time

High on the agenda for the White House meeting was the upheaval in the former Yugoslavia, where the two countries are in agreement on most aspects of the situation. France has about 4,400 troops on the ground there helping to deliver humanitarian supplies, more than any other nation.

But the conflict between Washington and Paris over French subsidies to farmers was highlighted Monday when Premier Pierre Beregovoy accused the Clinton administration of intransigence.

"Europe has no reason to make sacrifices if the United States of America doesn't consent to any," Beregovoy said in a radio interview.

France has threatened to veto European Community acceptance of an accord reached with Washington last fall that would cut European Community subsidies to grain farmers, particularly those growing oilseeds.

The dispute is the major hurdle holding up completion of the long-delayed Uruguay Round of trade talks among 108 nations under the General Agreement on Tariffs and Trade, or GATT.

After speeding across the Atlantic in a Concorde supersonic jet, Mitterrand planned

meetings with Clinton totaling about 90 minutes, first alone, then with aides. He was to spend about five hours on American soil.

Officials on both sides were hopeful that a strong rapport would develop, perhaps helping to ease differences over trade and other issues.

In addition to trade, the two leaders were expected to exchange views on Russia. Mitterrand will meet with President Borts Yeltsin next weck in Moscow. A Clinton-Yeltsin meeting is set for April 3 in Canada.

Clinton, House Democrats agree on extra \$63b spending cuts

opposition on Maastricht Treaty

WASHINGTON, Mar 9: President Clinton and House Democrats appear to have agreed to cut spending 63 billion dollar more over five years than the administration initially sought, reports AP.

With that extra slice from federal budget deficits, the White House and Democrats on the House Budget Committee took a giant step late Monday toward shoring up conservative support in their own party for

the President's economic plan. But conservative Democrats still want to trim a separate White House package that

LONDON, Mar 9: Defiant

Tory Euro-rebels on Monday

threatened to side with the

labour opposition to slap Prime

Minister John Major with a

humiliating defeat on the

Maastricht Treaty on European

sioned weekend plea for party

solidarity on the treaty, warn-

ing, "Disunity is a luxury we

some 25 in number and vowed

to defeat Maastricht at any

would vote against Major

But his party's dissidents,

They made it clear they

Major had made an impas-

unity, reports AFP.

cannot afford".

cost, were unmoved.

would quickly boost spending public works and other programmes by 16 billion dollar to create jobs. The House Appropriations

Committee 'planned to consider the 16 billion dollar measure Tuesday in Congress' first votes on Clinton's recov-In the Monday night

Maastricht Amendment con-

cerning composition of a new

an innocuous one and its pas-

sage would not endanger the

Major, and would force time-

consuming debate that would

wreck his hopes for parlia-

mentary approval of the treaty

by the after Denmart holds its

second Maastricht referendum

oppose the Maastricht agree-

ment tooth and nail", said

"We reserve the right to

in mid-May.

Lebanon.

Monday night on an obscure rebel MP leader James Cran.

Brussels-based committee of

The labour amendment is

But it would embarrass

dickering, Democrats on the House Budget Committee added several billion dollar in cuts at the last minute to satisfy conservatives. Committee members emerged from a closed-door meeting with a 1.5

trillion collar budget for fiscal 1994, which begins Oct 1.

That budget contained 63 billion dollar more in five-year spending reductions than

anticipated no administration problems with the deal.

facing solid Republican opposition, it has become crucial for the Democratic majority to retain the support of its conservative wing. Their agreement reached, lawmakers seemed upbeat about reaching their goal of approving a budget and the separate 16 billion dollar spending measure by

The committee feels very strongly that the basic direction of the President . . . is right for this country," said flouse Budget Committee Chairman Martin Olav Sabo, D-

Sabo's committee plans to debate the spending plan on Wednesday.

Pindi invites bids to build oil terminal

KARACHI, Mar 9: The Pakistar government has invited international bids for the construction of an oil terminal at port Qasim, 65 kilometers 40 miles) east of here, post sources said Monday, says an AFP report.

The cil terminal will have an annual capacity of eight mil lion tons, the sources said.

Meanwhile, a 12-member delegation of Korean industrialists Sunday visited port Qasim, Pakistan's second lar gest after Karachi, in con nection with a proposed 500acre (200 hectare) industrial complex, to be set up by Daewoo corporation there with an estimated investment of 500 million dollar.

The delegation, in talks with port officials, showed keen interest in setting up industrial units for the production of automobiles, electronics, leather goods, tele com equipment, and textiles and garments.

Philippine draws new rehabilitation programme MANILA, Mar 9: The Phili-

ppine central bank is drawing up a new rehabilitation plan to shore up its financial position and cut losses before formation of the Central Monetary Authority (CMA), Central Bank Governor Jose Cuisia said reports Reuter.

The plan will help cut liabilities to be assumed by the government in the CMA to 135 billion peso from 308 billion

Approval of the CMA in the Philippine congress has been held up by opposition from congressmen who have balked at inclusion of liabilities incurred by the central bank in the CMA.

Under the plan, government deposits worth 156 billion peso will be retained by the CMA instead of being transferred to the government. But interest payments will be paid only on 11.5 billion peso and not on the remaining 144.5 billion peso.

The reserve requirement will be reduced to only 18 per cent by 1998 instead of the original proposal submitted to congress in creating the CMA to cut it 12 per cent.

16 US firms to invest in S. Africa, open offices in the United States.

NEW YORK, Mar 9 : Sixteen US companies have opened offices or otherwise established economic links to South Africa in the past 1 1-2 years, reversing the disinvestment trend of the late 1980s, a research firm says, reports AP.

The Investor Responsibility Research Center Inc. in Washington said last week the new investments were facilitated by then-President Bush's 1991 executive order repealing a ban on new US investment in South Africa. That ban was included in the Comprehensive Anti-Apartheid Act of 1986.

Three firms invested in 1991, the IRRC said, and the other 13 went into South Africa last year.

The IRRC declined to name all 16, saying it wanted to protect its research. But it did say Visa International, Lotus Development Corp. and Cummins Engine Co. Inc. were on the list.

The news was not welcomed by apartheid opponents

"It looks like I'll have to deal with this again," said Rev. Leon Sulltvan, author of an operating code for companies in South Africa called the Sullivan Principles. The principles called for integration of the South African workplace and fair treatment of workers in

None of the 16 new companies are signatories to the Sullivan Principles, the IRRC

The African National Congress, through its president Nelson Mandela, has said it welcomes investment in South Africa, but only when a new government is in place. On Feb 18, the ANC for-

mally agreed to govern jointly with whites and other parties for up to five years after the end of apartheid. The current, white-led government said black people could join the national government in a largely advisory capacity by

GCC ministers to talk OPEC oil cut impact

DUBAI, Mar 9 : Gulf Arab oil ministers will meet in Saudi Arabia on Saturday to discuss the impact of OPEC production cuts and worries about the possible return of Iraq to the bloated world oil market, Gulf Arab diplomats said, reports

They said the oil ministers of the six-nation military and economic Gulf Cooperation Council (GCC) alliance would hold the one-day meeting in the Red Sea port of Jeddah.

The GCC, which controls more than half the world's oil reserves, groups four OPEC heavyweights - Qatar, Kuwait, the United Arab Emirates and Saudi Arabia, the world's largest oil exporter— and the small independent producers Oman and Bahrain.

The OPEC cut oil production from March 1 in a so far successful bid to shore up weak oil prices. But members are worried about the possible impact of a return to the market of Iraqi exports barred under UN sanctions since Iraq's invasion of Kuwait in August

Although there are no sings

of an early decision by the UN Security Council to lift sanctions against Iraq, the potentially disruptive effect of an Iraqi return has overhung market sentiment for several months, acting to depress

The diplomats said the Gulf ministers were also concerned about Baghdad's claims that it is increasing capacity to some three million barrels per day by the end of the year, which could mean a return of Iraq to the market with a much larger volume than previously fore-

The ministers will possibly discuss the reports that Iraq will boost its output," a Gulf official said.

A Reuter survey put current Iraqi output at 430,000 barrels per day (BPD) which is used for local consumption.

Iraq said on Monday it lost 55 billion by the end of 1992 and Oil Minister Ussma Al-Hiti said last month Baghdad did not consider itself a party to the OPEC deal that cut actual output by more than 1.5 million BPD to 23.582 BPD.

Thousands of migrant Asian workers true losers of the Gulf War

AMMAN, Mar 9: Hundreds of thousands of migrant workers caught in the crossfire of the 1991 Gulf War are still struggling to recover their money and property they left behind when they escaped from Kuwait- perhaps never to return, reports IPS.

In Damascus, the UN Development Programme (UNDP) is running a special Gulf task force to study the social and financial consequences of the crisis on thousands of workers from developing countries, many of whom used their incomes to support whole families.

They found that while some Arab workers can get to their assets without difficulty, there is a two-tier division that discriminates against former migrant workers from Bangladesh, Sri Lanka, Pakistan, India and the Philippines.

Workers from some of the Arab countries - Syria, Lebanon, Egypt - can visit Kuwait not only to collect their financial assets from Kuwaiti banks, but also to check on other assets, commercial interests or real estate.

And while Palestinian and Jordanian workers cannot go

back to Kuwait to retrieve any physical assets left behind, they can at least draw from their financial assets. As a result, their former deposits in Kuwait's banks are now helping to fuel a building boom in cluster of countries, most notably Jordan, Syria and

Asians, however, have a different story to tell. Expensive airfares mean that the majority of migranf workers form the Indian sub-continent and South East Asia cannot go back to retrieve or sell assets they may have left behind - though many could easily pay for the tickets with the proceeds.

Many have yet to get their wages from employers they cannot track or contact, or have money in savings bank accounts they cannot reach from their home countries or through their under-developed international banking systems.

In Amman, the UN Economic and Social Commission for Western Asia (ESCWA) has produced a string of reports detailing the impact of the crisis on Third World countries

Their reports say there were more than 550,000

Clinton had proposed in his economic plan last month. Trimmed would be defense and a wide range of domestic A White House spokesman

With Clinton's programme

"And that is what we are going

of parliament who in their guts

colleagues were denounced as

"Irresponsible, self-indulgent

and outrageous" by Tories loyal

man of the 1922 committee of

loyal Tory back-benchers,

Asians in Kuwait and a further

75,000 Asians in Iraq before

the regions estimated 717,000

pre-crisis migrant workers

population. They sent a con-

siderable amount of money

back to their home countries

around 370 million US dol-

lar a year to Pakistan, 200 mil-

lion US dollar to India, 160

million US dollar to

Bangladesh, and 90 million US

economies have been com-

pounded by increased fuel bills

the Asian countries had to pay

as a result of higher oil prices

in 1990 and 1991 brought on

by the Kuwait crisis, ESCWA

most adversely affected Asian

countries by the Gulf crisis and

among the least able to cope

with its repercussions", says

90,000 Bangladeshis has com

pounded the country's eco-

annual remittances worth 160

million US dollar, Bangladesh

had to repatriate and rehabili

tate the returnees at a cost es-

nomic difficulties," it adds.

The return of an estimated

In addition to the loss of an

"Bangladesh is one of the

These losses to their

dollar to Sri Lanka.

one ESCWA report.

They made up the bulk of

But Sir Marcus Fox, chair-

to the Prime Minister.

the crisis.

Cran and his Euro-rebel

simply do not like this bill."

to proceed to do.

Tories threaten to support Labour

called "outrageous" a rebel

claim that passage of the amendment would not damage "I think We've got to accept that there is an opinion in the the government. "Nobody believes this is the house of commons which extends beyond those of us who case," he said in a BBC radio exchange with Cran. "It is cynare prepared to vote on these particular Amendments, " said ical in the extreme to behave like this. I hope there are "It goes to other members enough of your colleagues who

> ing about a defeat". The Euro-rebels, said Marcus, were "out to delay and

will think twice before bring-

destroy this bill". A less-than-enthusiastic stand on Maastricht, warned Heseltine, would sway wouldbe investors away from Britain toward other EC countries.

turnees from Sri Lanka. The timated at 36 million US dol-UN International Labour Organisation (ILO) says three The UN agency also says the quarters of the 101,000 Sri Gulf War cost Bangladesh 120 Lankan returnees were domillion US dollar in lost exmestic servants, and they left ports to Iraq and Kuwait and their jobs with their wages un-302 million US dollar in in-

creased fuel import costs. Overall, it says the impoverished South Asian nation may have lost as much as 1.5 billion US dollar - a heavy chunk of its normal gross domestic product of 23 billion US dollar.

ESCWA has also collated comparable figures for other countries. The cost of the Gulf crisis to India were put at 3,045 million US dollar for 1990 and 2,869 million US dollar for 1991. Pakistan estimates its losses at 2.1 billion US dollar not least because before the crisis it was receiv ing half its oil from Kuwait at a concessional price of just 15 a barrel US dollar.

The Philippines is estimated to have sustained losses approaching 500 million US dollar on remittances as a result of the crisis, while increased oil costs in 1990 and 1991 were of the same magni-

On a human scale, perhaps the hardest hit were the re-

paid for up to three months. Moreover, the UN notes: They were paid a meagre 65 US dollar per month on average, and thus it would take them a long period just to repay the debt they incurred to finance the original journey to

their jobs in Kuwait. Although the Jordanian and Palestinian returnees had considerable political prob lems with which to contend, many of them were much bet ter placed to cope with the economic consequences of the Kuwait crisis.

They were after all, as one UN official remarked in an unguarded moment, the people running Kuwait. Now, the official added, "the real test is to try to get these people com mitted or engaged in setting up business at home."

But countries such as Egypt Jordan, Syria, Lebanon and Yemen - all traditional recipi ents of large-scale remittances from expatriate workers in

marginally better. UN officials noted that

countries tended to exaggerate their potential losses in the immediate aftermath of the crisis to secure the maximum possible aid from the Kuwaiti and Saudi authorities.

Thus Syria at one stage claimed to have sustained no less than 9.1 billion US dollar in losses, largely as a result of the scizure of Syrian assets in

Infact, one UN official told IPS: "A lot of assets were there — but no harm was done to them." This was because the Kuwaiti government, while in exile, was able to secure the cooperation of the international banking community and impose an effective freeze on transfers.

With the complete records of all bank accounts as of Aug 2, 1990, the day of the invasion, it was able to put into ef feet a ruling that all transactions carried out between that date and liberation on Feb 27, 1991 would be deemed null and void. This action was taken primarily to secure the assets of the Kuwaitis themselves. But it is also providing a life-line for the hundreds of thousands

Kuwait or Iraq - have done of migrant workers from Jordan, Lebanon, Egypt, Syria and Palestine.

Today, there is again a considerable outflow of funds from Kuwait to long-term migrant workers who have left the country who are able to negotiate the system.

"Pensioners, retired civil servants and school teachers are basically receiving their entitlements," says ESCAW's principal economic affairs officer Nazem Abdalla. He adds that the agency is focusing on helping solve" the main problem of the area at this time the migration of two million people working in this area."

Abdalla notes these movements were not just caused by the Kuwait crisis. There were mass movements out of Iraq, with hundreds of thousands of Egyptians returning home, as a result of Saddam Hussein's eight year war with Iran.

There was also migration of

Yemenis back home from Ethiopia and Somalia in the wake of civil war and economic collapse there, and a mass expulsion of some 850,000 Yemenis from Saudi Arabia because their country was held to have taken too neutral a line in the Iraq-Kuwait crisis.