## \$8.5m gold bars

found in Shin's office TOKYO, Mar 10: Fallen kingmaker Shin Kanemaru, under arrest for alleged tax evasion, kept a stash of gold bars and cash worth one billion yen 8.5 million dollar at his office, the newspaper Mainichi reported Tuesday. If true, that would bring to roughly six billion yen 51 million dollar the amount of assets, found by prosecutors since the former deputy prime minister was arrested Saturday. Kanemaru, who as a key faction leader helped put four prime minis-

### Banker flees with investors' money

BELGRADE, Mar 10: Thousands of panicked investors on Tuesday mobbed the branches of a private bank whose highrolling owner fled Yugoslavia, leaving hardly any reserves behind. Jugoskandic is one of several private banks that have vacuumed up funds since the war began by offering monthly interest rates of up to 15 per cent. The bank reportedly had at least four million savings accounts with hard currency deposits of about two billion dollar, reports AP.

### Gold hits 7yrs low in London

LONDON, Mar 10: Selling by US investment funds and bullion producers pushed gold to its lowest London fixing for more than seven years on Tuesday, precious metal analysts said. Gold was fixed in London on Tuesday afternoon at 326.95 dollar an ounce. down 55 cent on the previous afternoon's setting, and it closed about an hour later at 326.75, dollar down 70 cent on the previous London elose. The morning fix on Tuesday was 327.20 dollar, says Reuter.

#### Compulsory AIDS tests for insurers

TOKYO, Mar 10: Japanese life insurance companies said on Tuesday they were considering compulsory AIDS tests for policy applicants. A spokesman for the life insurers association, an industry body, said: "we have started a broad study because it has become an issue that cannot be ignored". He said an industry panel would consider whether all those applying for policies should have a blood test, says Reuter.

#### One of biggest oil, gas found in N Sea OSLO, Mar 10: Norway's

state-owned oil company Statoil has made an oil and gas find which is among the biggest in the North Sea in recent years, a company spokeswoman said here on Tuesday. Statoil estimated that the reserves totalled about 300-400 million barrels of oil and 10 million cubic metres of gas, with an expected peak production of 100,000 barrels of oil per day, reports AFP.

### Rouble hits record low against dollar

MOSCOW, Mar 10: The rouble fell to a record low point against the dollar in light trading on the Moscow Interbank exchange on Tuesday, falling to 650 to the dollar from 648 at the last trading session on Thursday. Offers totalled 37.3 million dollar and demand was 37.6 million dollar with trading volume reaching only 33.4 million dollar, says an AFP report.

### Craxi closer to prosecution

ROME, Mar 10: Italy's anticorruption groundswel Tuesday bruised one of the country's largest state conglomerates and pushed former Premier Bettino Craxi a ster closer to prosecution. Amid plunging financial markets and growing public outery, the Cabinet scrapped plans to provide a partial amnesty for violators by limiting penalties in the year long scandal to fines rather than jail time. One by one the most important men in commerce and politics are being yanked from power as investigators, reports AP.

## Two largest Indian firms plan to merge

BOMBAY, Mar 10: India's two largest manufacturers of consumer goods have announced plans to merge in a strategic pooling of their resources to take on the competition and improve their bottomline, reports AFP.

Market leader Hindustan Lever Ltd (HLL), the Indian subsidiary of Britain's Unilever Group, and Tata Oil Mills and Co Ltd (TOMCO) set a March 19 meeting of their directors to discuss details of the tie-up.

# Clinton vows to back global trade reform

WASHINGTON, Mar 10: US President Bill Clinton said he was strongly committed to successfully completing a global trade reform agreement

this year, reports Reuter. He made the comments at a news conference with French President Francois Mitter-

The reforms of the world's trade system under the General Agreement on Tartiffs and Trade (GATT) have dragged on for seven years, with the European Community. including France, objecting to many of the changes wanted by the United States.

Clinton has said he would ask Congress to renew his authority to negotiate trade pacts which expired on March 2. He said he and Mitterrand would discuss GATT after

Asked about temporary retaliatory 'tariffs the US Commerce Department im posed on foreign steel, he said the decisions were in the wings when he took office.

US steel firms filed com-

plaints last June and the law required the Commerce Department's actions. Commerce Secretary Ronald Brown said at the time

the decision should not be seen as administration trade policy but only as enforcement of existing law.

Another report adds: French President Francois Mitterrand said reforms in farm subsidies must be part of a

wider agreement to reform the global trading system.

He said the reforms under the General Agreement on Tariffs and Trade in Geneva did not only cover agriculture, "and if therefore one looks at the discussion solely from the point of view of agriculture, then it can't work."

Mitterrand made his remarks at a news conference midway through a White House meeting with President

Washington has pushed for large cuts in farm subsidies as part of a GATT pact, but had met opposition from Europe.

But Mitterrand said that the GATT reform effort was a balance of negotiations in many economic sectors, including industries, services and intellectual property.

He added "There's no reason not to be able to succeed." Yct another report says: US -Commerce Secretary Ronald Brown said President Clinton was leaning toward backing renewed "super 301" trade legislation giving the administration new powers to open

closed foreign markets. The legislation requires the United States each year to identify nations with closed markets, to begin negotiations to open them and if no progress was made in a year. to retaliate.

Brown told a news conference that the administration was now discussing renewal of Super 301, named for its

clause in US trade law, and "my judgment is that it is very likely (to be renewed)," but no final decision has been made.

Brown also predicted considerable Congressional debate on the North American Free Trade Agreement but "the President has indicated clearly and unequivocally that he is for

And "I expect it to be ratifled," he added.

But Clinton has said he wanted the accord to include side agreements to protect US labour, businesses from surges of cheap Mexican imports, and the environment.

He also renewed the administration's criticism of a 1992 US-European Community agreement to restrict EC sub-

sidies to Airbus industries, whose passenger aircraft have cut into sales by the US make Boeing Co.

The accord is now being

reviewed by the two sides. Brown said that "we negotiated a bad agreement" and the administration would not renew it, but added that Clinton's criticism of the accord did not mean the administration was planning any subsidies of its own to any US

He added that 'what we are talking about, though, is having a relationship between government and the private sector as far as technology generally and commercialisation of that technology."

## Canada denies reports on NAFTA postponement

OTTAWA, Mar 10: Trade Minister Michael Wilson on Monday dismissed reports that Canadas outgoing conservative government may postpone ratification by parliament of the North American Free Trade Agreement, says A Reuter report.

"I will pass ... NAFTA will be passed by June, said Wilson. The Toronto Star newspaper reported on Sunday that Prime Minister Brian Mulroney may not ratify the trade deal with Mexico and the United States before he leaves office on July

is not the farmers war," he

visaged a trade regime in

which there would be no ex-

port bans on farm produce

even in times of domestic

shortages, no zonal restric-

tions on its movement, no gov-

ernment levies on farmers' out

put and reduced customs du-

fit from the export thus such

proposals would promote, he

Indian farmers would bene-

Joshi accused vested inter-

ties and subsidies, Joshi said.

The Dunkel proposals en-

## Industrial powers must consider urgent aid to Russia: Clinton

WASHINGTON, Mar President Clinton said after meeting French President Francois Mitterrand that the industrial powers must consider urgent aid for Russia even before a scheduled July summit, reports Reuter.

At a joint news conference following their first meeting, Clinton and Mitterrand also said they agreed France should send no more troops into Bosnia and the United States should only send troops to enforce and agreed-upon peace settlement.

They also agreed the world needs an agreement to break trade barriers but announced

no progress toward that goal. Clinton distanced himself from his previous criticism of European subsidies to the giant airbus aviation project.

Clinton stopped short of endorsing Mitterrand's proposal for leaders of the Group of Seven, or G-7, nations to meet in advance of their Tokyo summit. But he agreed G-7 members should "mobilise" sooner than July on aiding Russia in its drive for economic reform and stable democracy.

Japan opposes a summit devoted only to Russia because of territorial disputes with

"I don't believe we can wait until July for the major countries of the world - who care about what happens in Russia and who would like very much to keep political and economic reform on track there - to

move," Clinton said. He added that, rather than the leaders getting together, "perhaps there is some other way that we can engage the G-7 in trying to address the Russian situation."

White House spokesman George Stephanopoulos said the matter might be dealt with

by finance or foreign ministers. G-7 finance ministers meet in Washington in late April.

Clinton meets Russian President Boris Yeltsin April 3-4 in Vancouver, Canada, and he would consult Mitterrand again after the French leader meets Yeltsin next week in Moscow.

Last week Clinton said he examining some

"innovative ways" to help Russia and would be prepared to discuss money during his summit with Yeltsin. He discussed ways to help Russian on Monday at the White House with former President Richard Nixon, who recently had several meetings with Kremlin leaders and favours more aid to



US President Bill Clinton (R) meets with French President Francois Mitterrand (L) at the White House Mar 9. This is the first time that the two presidents have met officially. -AFP/UNB photo

## Poorest states bad days ahead: UN Many LDCs like Afghanistan.

GENEVA, Mar 10: The United Nations said the economic outlook was gloomy for the world's 47 poorest countries in the 1990s and warned that further decline could bring more Somali-style disasters in Africa and Asia, reports Reuter.

To head off collapse that would affect many other countries, the UN's Conference on Trade and Development (UNCTAD) urged the international community to provide generous backing to reform and efforts by these states to help themselves.

"Economic performance was well below expectations in most Less-Developed Countries (LDCs) in the early 1990s," UNCTAD declared in its annual report on the poorest coun-

WASHINGTON, Mar 10:

President Bill Clinton may be

willing to accept budget cuts of

as much as 90 billion dollar in

order to win a congressional

blessing for his economic

package, a key Senator said on

Chairman Jim Sasser and

other members of his budget

panel met Clinton at the White

House to shape the economic

have additional spending re-

ductions over five years to-

The Senate plan is going to

package unveiled last month.

Senate Budget Committee

Tuesday, reports Reuter.

"Social and economic progress has often been painfully slow and more often than not there has been retrogression. For the LDCs as a whole, there was a fall in per capita income in 1990 and again in 1991.

"There is little prospect that the year 1992 will prove to have been any better, nor does the outlook for 1993 appear very promising," said UNCTAD's Secretary-General Kenneth Dadzie.

The report said total output growth of LDCs was estimated to have recovered slightly in 1992 from the decline of 0.2 per cent in 1991. But with the more rapid surge in population, per capita growth had fallen and was likely to continue down in 1993.

talling 90 billion dollar over

the President's estimate,

session with Clinton.

ing economic blueprint.

in reductions.

Sasser told reporters after the

Congressional and administra-

tion thinking came as lawmak-

ers began voting on his sweep-

Democrats agreed on Monday

night to slash 63 billion dollar

from Clinton's five-year spend-

ing plan, even though the

White House earlier in the day

agreed to only 55 billion dollar

House budget committee

The new indication of

Cambodia, Somalia and Liberia have suffered-from long civil conflicts, while others - including Bangladesh, Tanzania. Zambia and Botswana - have been hit by natural disasters and drought. Efforts by many of them

from the late 1980s to introduce both economic and polit ical reform had been eased on the expectation of international support, the report said. But there had been little

progress in dealing with LDC debt burden, which remained around 113 billion and accounted for nearly three quarters of their combined Gross Domestic Product (GDP) in 17 states, it was more than their

And hopes in the late 1980s that the poorer countries

Asked on Tuesday whether

The House appropriations

he would accept deeper cuts.

Clinton, out for an early morn-

committee was scheduled to

vote on Tuesday on 16 billion

dollar in new spending re-

quested by Clinton as part of a

31 billion dollar stimulus

package to create 500,000

new jobs. The bill was ex-

pected to pass the committee

with only minor changes but

could face rough sailing on the

"The two committees

House floor.

ing jog, said, "Looks like it."

might boost revenues through export expansion had been dashed by the pervasive effects of the world recession, and a decline in prices for the basic commodities many of them

Official development aid had become a smaller portion of a smaller aggregate between 1989 and 1991, dropping from 0.09 per cent to 0.08 per cent of the combined GNP of key donor countries.

In a continuing recession, this could decline further due to tighter budgetary policies in the developed states that provide most aid and the growing demands for emergency relief and humanitarian assistance in crisis situations, the report said.

(House and Senate) have

slightly different positions,"

Clinton said. "But I Think that

in the end there will be fur-

ther cuts and there will be, I'm

convinced, a much more sub-

stantial reduction in the deficit

than the estimates show. I feel

Republicans have vowed to

fight the additional spending.

citing improved unemploy-

ment figures released last

week as evidence the economy

Conservative Democrats and

good about it."

is improving.

# Clinton may agree to budget cut upto \$90b to win Congress

Judge Joyce Hens Green he hoped a grand jury would deliver the proposed indictment around April 15. Clifford and his law partner, Robert A Altman are scheduled to go on trial on the federal charges in Green's court on June 1.

## Pindi, Moscow to float joint venture co

KARACHI, Mar 10: Pakistan and Russia have signed an agreement for floating a joint venture company to engage in the storage and trade of steel products within an outside Pakistan, business sources said Tuesday, reports AFP.

The agreement was singed here at the weekend between the state-owned Pakistan Steel Mills Corporation (PSMC) and Russia's Tiajprome state enterprise to set up the joint venture firm to be called Pak-Russia Sèrvices Ltd.

The new Karachi-based company would have an authorised capital of 500 million rupees (19 million dollar), and trade in various kinds of plant, equipments, machinery and spare parts. PSMC would own 51 per cent of the equity, and the Russian partners would have 49 per cent.

The joint venture firm would also render expert services in the field of steel tech-

## GCC budget deficit doubles to \$ 27.7b

ABU DHABI, Mar 10: The combined 1992 budget deficits of the six Gulf Cooperation Council countries doubled to 27.7 billion dollar in comparison with 1990, according to statistics made available Sunday, reports AP.

The statistics from the Riyadh headquarters of the GCC, received by official authorities here, reported an increase of 13.6 billion dollar over the 1990 combined deficit of 14.1 billion dollar for Saudi Arabia, Kuwait, Qatar, Bahrain, Oman and the United Arab Emirates.

Saudi Arabia's deficit was eight billion dollar against 6.6 billion dollar in 1990 and Kuwait's was nearly 16 billion dollar against 3.8 billion dollar.

Kuwait was overrun by Iraq in August 1990 and the richer countries among the GCC, particularly Kuwait and Saudi Arabia, bore the brunt of the cost for Operation Desert Storm which ended the Iraqi occupation of Kuwait in 1991.

## US prosecutors seek new indictment in BCCI case

WASHINGTON, Mar 10: Federal prosecutors said Tuesday they will see a new indictment in the BCCI bank scandal alleging that a conspiracy by former Defense Secretary Clark Clifford and his law partner to defraud regulators began earlier than previously stated, reports AP.

Lawrence Urgenson, Deputy Assistant Attorney General heading the federal prosecution, said the proposed indictment would allege that a conspiracy to mask the Bank of Credit and Commerce International's control of First American Bankshares Inc. began in the late 1970s instead of 1985.

Urgenson told US District

## Indian farmers' leader backs GATT plans

NEW DELHL, Mar 10: influential indian farmers leader Sharad Joshi threw his weight yesterday behind GATT proposals on agriculture, saying they would promote free trade, reports AFP.

Joshi, who heads the Farmers' Coordination Committee, threw down the gauntlet to Indian opponents of GATT Secretary General Arthur Dunkel's compromise plan to save the Uruguay Round of multilateral trade "Indian farmers have a

vested interest in opening-up of trade in agriculture rather than protection," he told a press conference here. "The' Dunkel plan is a move in the right direction towards liberalisation and globalisation of agriculture. "Unfortunately no one in

India is taling about trade, ev-

erybody is harping about intel-

lectual property rights, which

ests among pesticide and pharmaceutical manufacturers of spreading a misleading impression that Dunkel's proposals relating to intellectual property rights would cut

patented genes and seeds. The access would remain if users acknowledged the patents and paid money to the patent-holders, he said.

Indian farmers' access to

## Chinese economy to grow by 10 pc this year

BEIJING, Mar 10: China's economy will grow by more than ten per cent in 1993, according to initial projections by the State Planning Commission, the China news service reported yesterday, reports AFP.

China will again see rapid growth in the economy in 1993, with Gross National Product (GNP) increasing by more than 10 per cent, the commission's information section said.

Last year, the economy grew by 12.8 per cent, the strongest rise since 1988 and more than double an initial target of six per cent.

The forecast growth is greater than the range of eight to nine per cent set at last October's Chinese Communist Party (CCP) congress. The figure is also higher than the target expected to be adopted by the National People's Congress at its annual meeting, which begins March 13.

The Congress, which exists largely to rubberstamp party decisions is unlikely to propose double-digit GNP growth, despite experts' predictions. Many experts fear that the

Chinese economy is showing alarming signs of overheating, and some believe that short of reverting to the austerity measures of 1988-91, the central government does not have the means to curb the boom.

As ir. 1992, the Planning Commission said the construction industry will be one of the main sectors fueling economic expansion, with investment in the industry set to rise by 24.2 per cent.

The service sector, meanwhile, is expected to rise 11.2 per cent, outstripping growth in the economy as a whole for the first time.

The commission also expects Chinese imports to increase by 18 per cent to 100.5 billion dollar this year, compared with 85 billion in 1992.

## Russia for exchange of Mig-29 with Malay oil

KUALA LUMPUR, Mar 10: Russia, pushing hard to sell Mig-29 fighter jets, has offered to buy one million tonnes of Malaysian palm oil worth 400 million a year if the arms deal is secured, a Malaysian minister said on Tuesday, reports Reuter. "Palm oil is one of the

countertrade items under the proposed deal", Primary Industries Minister Lim Keng Yaik said. "It is willing to import one

million tonnes for its own consumption and for distribution to other (Commonwealth of Independent States) republics," he told reporters. bim, speaking after talks with visiting Uzbekistan Food-

stuff Minister Nematulla Khamidov, did not give other details of the proposed palm oil-for-planes deal. Russian Vice-President

Alexander Rutskoi, on a visit to

Malaysia last week, outlined a

counter-offer on the Mig deal

fering to sell and arsenal of weapons, including laserguided missiles. Russia's offer to sell Malaysia weapons is seen as an attempt to outbid two US firms

keen on selling fighter jets to

Malaysia. McDonnell Douglas

Corp and General Dynamics

Corp have cut prices for F-18

said to be worth two billion

ringgit (770 million dollar), of-

and F-16 fighter jets to outbid Russia, Malaysian officials said. Malayasian palm oil sales to the former Soviet Union have fallen since its break up. Malaysia exported 26,297 tonnes in January-November 1992, down from 83,992 in the same 1991 period and

Malaysia, the worlds top palm oil grower, had offered the former Soviet Union credit of 100 million to help pay for up to 300,000 tonnes of

375,000 for the whole of

## Improvement in job creation hints at US economic recovery

dramatic improvement in job creation in February suggests that the US economy may at long last be starting to accomplish what has been its most elusive goal, reports Reuter.

The impact could be considerable as the improved frame of mind of the American consumer, less worried about the job outlook, is translated into sales of everything from cars to houses.

it would also raise new questions about the Clinton administration's push for a proposed stimulus package that has job creation as its key

vinced the job corner has been turned. The administration is sticking to its guns, arguing that the 30 billion stimulus will ensure that the US recovery does not stall out again as it has twice in the past. The government reported Friday a job creation surge that

cut last moth's unemployment rate to seven per cent its lowest point in more than a year, from 7.1 per cent. The Labour Department said the economy churned out 365,000 jobs in February about

three times as many as Wall

Street economists had ex-

pected and the biggest one-

But analysts are not con- month increase in about four leaders, appeared over. years. A meagre 44,000 were added in January It was part of a series of indications last week that

seemed to point to an improved outlook for the job Manpower Inc, the tempo-

rary employment company, reported that in a survey of 15,000 businesses, that 26 per cent of firms expect to add employee while seven per cent expect to make cuts. At the same time, the national association of manufac-

turers reported that the worst

of the layoffs, some of them

among the country's corporate

"Job growth started to pick up late last year and has continued, said Cynthia Latta of DRI McGraw-Hill Inc.

But most of the jobs created in February, according to ana lysts, were part-time, temporary or in the low-paying retail industry. There were few gains in

high-paying manufacturing jobs, where cautious employers continue to pay current employees for overtime, rather than hiring new workers. While there was debate on

how significant the February

data was, analysts generally

agreed that at least some of

David Jones of Aubrey G Lanston and Co in New York. There is no way that you can look at these numbers as being some kind of a special case situation. It confirms that We're in a solid expansion." The data comes as the US is

"It's solid," said economist

should be taken seriously.

experiencing a dramatic retreat in long-term interest rates, Analysts and traders concluded that the outlook will consist of a slow march forward by the economy with little inflationary pressure.

The Clinton vow to cut the vast budget deficit has been

timism and substantial rethinking on the direction of the economy. Merill Lynch, for instance,

the job creation was real and viewed on Wall Street with op-

noting what it called a "seachange" in Bond market sentiment because of the Clinton plan, redrew its economic parameters for this year, upping its growth forecast to 3.5 per cent from the current three per cent.

The low rates have already given new vitality to the housing market, a major job producer once it gets rolling, and the bricks and mortar of any strong economic recovery.

## Dollar finish higher in Tokyo TOKYO, Mar 10: The dollar

Malaysian palm oil a year.

closed at 117.90 yen on the Tokyo foreign exchange market Wednesday, up 0.97 yen from the previous day's finish of 116.93 yen, reports AFP. The closing rate here was

lower than 118.63 yen quoted in New York late Tuesday. After opening at 117.96 yen, the greenback moved between 117.62 yen and

118.06 yen here Wednesday. Spot turnover came to 6.239 billion dollar, compared with Tuesday's 6.231 billion

dollar.