IBM cuts 10,000

jobs in Europe PARIS, Apr 2: IBM Europe

has begun cutting nearly 10,000 jobs and told four plants in Britain, France, Spain and Sweden to trim their losses over the next 12 months, IBM Europe spokesmen said Thursday. They are among measures by USbased International Business Machines Corp to streamline operations after losing 4.9 billion dollar worldwide last year. Among IBM's 11 plants in six European countries, 2,600 jobs - about 10 per cent of the total factory work force - are to be eliminated in 1993, said spokesman Alan Gillings, writes AP.

Ist diamond trade centre in Prague

PRAGUE, Apr 2: The first diamond exchange in eastern Europe opened in Prague recently and organisers said they hoped it would place trade with diamonds in the Czech republic under control. "We thought the social demand was mature enough to establish a bourse which trades diamonds according to rules common in the world," Frantisek Vomacka told journalists at the opening ceremony. He said the exchange aimed to set up a permanent diamond trading centre which would help connect the diamond bourses in east and west, write Reuter.

Dollar tumbles in New York

NEW YORK, Apr 2: The American dollar plummeted against major foreign currencies Thursday as investors went on a selling spree ahead of Friday's US employment figures. The Japayen, after hitting record highs against the dollar nearly every day this week, quickly set another postwar record in Tokyo trading on the first day of Japan's new fiscal year. The selling fever spread through European markets, where the dollar plunged through an important, psychological level against the German mark, and continued into New York trading, reports

Stocks finish mixed in New York

NEW YORK, Apr 2: Stocks ended mixed Thursday, after sell programmes all but erased a 17-point lead in the Dow Jones industrials. Blue chips outperformed the broader market for almost the entire session, until the sell programmes took over late in the day. The Dow ended marginally higher. "In a market as volatile and fragile as this one appears to be, investors are looking for better-quality stocks at the moment," said Alan Ackerman, market strategist at Reich and Co, adding that the drop in broad market was tied to "concern about' interest rates and unemployment," reports AP.

Filipinos protest electricity crisis

AMAYA, (Philippines), Apr 2: Filipinos are demanding the government solve the nation's grave electricity crisis, but protest over where to put electricity plants is bogging down government efforts to build new ones. The energy crisis worsened this week when an aging coal-fired plant broke down, causing blackouts of up to 10 hours, worsening an energy crisis that is devastating the country's sluggish economy, reports AP.

Dollar recovers in Tokyo

TOKYO, Apr 2: The US dollar recovered slightly against the Japanese ven in Friday morning trading on rumours that Japan's central bank intervened to slow the yen's rapid climb. Share prices continued to rally in active trading. The dollar was trading at 114.15 yen at late morning, down 0.39 yen from Thursday's close but higher than its opening at 113.95 yen on Friday, "It seemed that the central bank stepped into the market at around 113.85 yen," said Shigeru Murata, a Healer with Sakura Bank, reports

Plan to boost zinc use in Third World

LONDON, Apr 2: The International Lead and Zinc Study Group said Thursday it will launch a major programme to promote zinc consumption in the developing world. The effort will be financed by a grant of slightly more than one million dollar from the Amsterdam-based Common Fund for Communities, according to the study group, reports AP.

BRIEFS Prospects of world growth uncertain: GATT

GENEVA, Apr 2: The growth of world production and trade accelerated last year for the first time since 1988, according to the General Agreement on Tariffs and Trade (GATT), The growth was stimulated by the economic recovery in North America and the sustained strength of import demand in Latin America, the Middle-East and non-OECD Asia, says USIS Press re-

But the prospects of the upward trend continuing in 1993 are "uncertain with the balance of risks on the downside," according to a GATT study released March 29.

World merchandise trade grew by 4.5 per cent in vol-

ume terms in 1992, according to the GATT report, and its value expended by 5.5 per cent, reaching 3,700,000 mil-

lion dollar. North America (mostly the United States) and Asia (with the exception of Japan) were the highest performing regions for both export and import growth in 1992. North America and non-OECD Asia together accounted for 35 per cent of world imports last year.

World trade in commercial services is estimated to have grown by about 8 per cent to a value of 960,000 million dollar in 1992. It was the fourth consecutive year that the value of trade in commercial services - defined by the GATT to include transportation, tourism,

telecommunications, insurance, banking and other professional services - expanded more rapidly than trade in

merchandise. Trade expansion at the end of 1992, however, was below the average for the year as a whole. Trade growth will have to accelerate moderately in the course of 1993 if the yearoveryear gain is to match last year's 4.5 per cent. Achieving the same level of growth is plausible only if forecasts of a modest pickup in world economic growth in 1993 prove

In Central and Eastern Europe, last year was marked by a continued recovery in trade and reorientation toward

Western Europe. For the first time since their transition to market economics began, the group reported increased volumes of exports and imports in 1992. Western Europe's imports from Central and Eastern Europe were up an estimated 20 per cent in 1992, and its exports to the region grew by 24 per cent. The Russian Federation is also shifting away from its traditional CMEA partners: OECD countries now account for more than one half of the Russian Federation's

Trade has been a source of relative strength in an otherwise weak economic environment, according to the GATT report. It points to world

trade's role in "moderating the slowdown in global economic activity." Stressing the importance of keeping markets open, the GATT warns that "the failure of governments to seize the opportunity provided by the Uruguay Round, especially when the results are so close at hand, adds to uncertainty in the private sector and makes recovery harder to

By historical standards, trade growth in both 1991 and 1992 was exceptionally strong relative to output growth. The rising trade-to-output ratio is an indication of the ongoing integration of the world economy and has also recently been stimulated by the following factors, the reports says :

 The unification of Germany. In 1991 German import demand grew more than

ten times faster than output. - Stagnation in output and a rise in import consumption in the Middle East during the

Gulf War in 1991. - The booming re-export trade between Hong Kong and

- The decline in economic activity in Central and Eastern

Europe and the former USSR. - The strong growth of imports into North America as the economic recovery took hold, and into Latin America where trade growth was spurred by economic restructuring and a greater openness

to trade

G-7 needs plan to help Russia

WASHINGTON, Apr 2: A Wall Street be ker said Thursday that the toup of Seven industrialized nations needs to develop a 10-year plan to help Russia transform its economy. reports AFP.

Robert Hormats, Vice President of Goldman Sachs Inter national, told a Washington forum that a one-time injection of cash is not enough to help Russia make the transition to a market economy

Hormats said that "money, technical support and patience" as well as a 10-year commitment by the G-7 are needed to make any aid package work, adding that such a plan needs to be developed in the next two months.

Russia for free trade agreement to boost industrial exports

MOSCOW, Apr 2: Russia wanted to secure a free trade agreement rather than more western credits from a weekend summit between Presidents Boris Yeltsin and Bill' Clinton, Foreign Trade Minister Sergei Glazyev said on Thursday, reports Reuter.

He told a news conference such a deal would underpin an ambitious programme to boost Russian industrial exports. But he said trade discrimination by the West and the collapse of the communist world had made the task difficult.

"The Americans are talking about expanding aid to Russia. But we are not asking for additional credits," he said.

"What we demand is free access of Russian goods to the markets of developed countries, including that of the United States, and an end to discrimination against Russia in foreign markets."

US firm blasts

ROK trade policy

business organisation accused

the South Korean government

Wednesday of maintaining high

barriers to foreign products,

and demanded that Washing-

South Korea-US trade issues,

the American Chamber of

Commerce in Seoul urged the

US government to revive a law

that provides for retaliation

against trade practices det-

med unfair. The Clinton administration has been re-

ported considering such ac-

that the Korean government

will not make the shift to a

free-market economic policy

unless faced with the possibil-

ity of retaliatory action by the

US government," the report

It said the Korean economy

is "based on a developmental

economic model that encour-

ages exports of locally made

LONDON, Apr 2: Poor de-

veloping nations — growers of

coffee, cocoa and rubber — face

a long term future of free mar-

kets without the help of com-

medity accords to bolster

new world coffee pact after

brought home to Third World

countries that the era of com-

modity agreements as a way of

supporting prices seems well

tematic de-regulation of our

markets, we need to know so

we can do something about it."

Commodities Minister, told

the coffee talks that collapsed

without agreement on

Guy-Alain Gauze, Ivorian

"If the west now favours sys-

months of wrangling has

The collapse of talks on a

prices, reports Reuter.

and truly over.

"It is Cham-Korea's opinion

In its annual report on

ton retaliate, reports AP.

SEOUL, Apr 2: A major US

exports of crude oil and natural gas, which account for more than half of hard currency revenues. Glazyev said the fall in industrial exports had slowed last year and was only 20 per cent lower than in 1991, when the level fell by two-thirds compared to the previous year.

Russia depends heavily on

llis ministry's programme envisaged doubling exports within four years and bringing it to 15 billion annually by the end of the century. This meant restoring credits to exporting industries, creating an exportimport bank and a Russian bank for reconstruction and development.

Other measures included wider use of national currencies in payments with East European countries and permission for non-residents to operate rouble accounts inside

western European countries.

He said developing coun-

The idea of agreements be-

tries had always seen commod-

ity agreements as a key ele-

ment of international co-oper-

tween rich importing nations

and poor raw material produc-

ers to stabilise prices was born

in the 1960s as the brainchild

wealth from rich to poor coun-

tries and to keep a lid on infla-

tionary pressures in the in-

mentum in the 1970s, but fal-

tered on the rocks on free

market economics in the

Some commodity special-

The concept gained mo-

Its purpose was to transfer

of the United Nations.

dustrialised world.

Wednesday.

Coffee, cocoa, rubber growers face

long term future of free markets

Glazyev gave no timetable for the measures and admitted the ambitious plan faced

serious problems. The US decision to suspend imports of Russian uranium cost his country more money than promised western aid to convert its military sector.

He said the suspension, pending an investigation against a Russian company on dumping charges, was unfair no taken under pressure from French firms. Glazyev said the export

India, China, Arab states and Latin America as western markets were extremely compet-"There are fewer trade barriers, quality standards are

drive was principally aimed at

growing rapidly," he said. Former Soviet republics, keen to secure more industrial

ZAGREB: An elderly Muslim woman and her grandson from Bosnia-Herzegovina sit on the

ground of the Spansko refugee camp near Zagreb Apr 1 waiting for new from their relatives

in Srebrenica. Some 2,000 Bosnian refugees live in this camp expecting to get asylum in

ists point to the collapse of the

tin agreement in 1985 as the

main trigger for consumer

unease with interventionist ac-

council walked away from the

market, resulting in a default

of 900 million pounds (1.36

billion at today's exchange

frustration since the collapse

of the tin organisation ... that it

is hard to get any positive ini-

tiatives off the ground," said

Robert Vanschaagen, head of

the Dutch delegation at the

launch the idea of commodity

pacts have foundered on lack

Repeated attempts to re-

"We have seen so much

The international tin

lower and those markets are

goods, were next to bankrupt and Russia had to issue credits to enable them to make their purchases, Glazyev said.

The former Soviet Union's satellites in eastern Europe were cautious over Moscow's proposals to restore trade and remove trade barriers after earlier moves to switch all trade to hard currency. Glazvev

The European Community was slow in implementing its pledge to help Russia by removing trade barriers.

Russia was also seeking a fairer share of the world market for commercial space launches, arms and aircrast exports.

Glazvev dismissed western accusations that Moscow was offering space launches at unfair prices, saying these were justified by Russian industry's high efficiency and low wages.

EC to revise aid to African, Caribbean, Pacific states

GABORONE, Apr 2: The European Community will this year begin negotiations on revising the terms of the Lome convention under which the EC provides aid to selected African, Caribbean and Pacific (ACP) countries, reports AFP.

Danish Minister for Development and Cooperation Helle Degn told delegates at a joint EC/ACP conference here on Wednesday that negotiations would begin this year, but that the EC had not yet decided whether to add a human rights and democracy condition into the agreement.

Degn, who presided over the meeting for the community which Denmark currently chairs, was responding to a call by British Member of the European Parliament (MEP) Winnie Ewing for the EC to state that aid would not be reduced in the future if the condition is added.

We are not in any way watering down our commitment to ACP partners," said Degn. "EC aid needs to be more efficient. We want to improve the co-ordination of aid from the EC and its member states at the operational level, and the quality of aid to our development partners," he said.

The EC provides aid to 45 African, 13 Caribbean and eight Pacific countries in the ACP under the terms of the 1984 Lome convention. A resolution to make human

rights and democracy a condition for further EC aid was the subject of a divisive debate during the second day of the joint assembly meeting.

US govt spent \$ 4,599 for each American in '92

WASHINGTON, Apr 2: The US government spent 4,599 dollar for every American last year, 317 dollar more than the year before, the Census Bureau said Thursday. Nearly 12 cents out of every federal dollar was spent in California, reports AP. Altogether, federal spend-

ing in the states totaled 1.2 trillion dollar during the government's 1992 fiscal year, which ended last Sept. 30. That's nearly nine per cent more than the year before. More than half that money

went directly to individuals as retirement, disability, Social Security or other benefits.

The Census Bureau tally excluded some spending, such as interest on the federal debt international payments, and foreign aid and spending by the CIA and other intelligence

Out of each dollar spent by the US government, about 17 cents went to buy things for federal agencies' own use, 15 cents was given to state and local governments as grants, and 14 cents was paid to federal civilian and military employees as salaries and wages.

The government spent the most money per person in Alaska, 6,783 dollar if spent the least per person in Indiana, 3,529 dollar.



MOGADISHU: A Somalian girl drinks water out of an empty can of US relief goods in a street of the capital, - AFP/UNB photo

France to take tougher line on agricultural agreements under GATT

PARIS, Apr 2: France is to take a tougher line on agricultural agreements under GATT negotiations and might see changes, new French Agriculture and Fisheries Minister Jean Puech said on Thursday, reports AFP.

Meanwhile Danish Trade and Industry Minister Mimi Jakobsen said here that the Common Agricultural Policy (CAP) of the European Community (EC) would probably be "re-discussed".

But the common purpose of the EC remained conclusion of an overall agreement to liberalise trade under the General agreement on Tariffs and

Trade (GATT), said Jakobsen, whose government holds the presidency of the EC council of ministers. "I think it will be re-dis-

cussed", she said, commenting that the problems of many Danish farmers facing the closure of their farms "are more or less the same".

Earlier, the new French minister said "agriculture fits into an international? context (...) hence the need to work alongside my colleagues at foreign affairs and European affairs for this renegotiation, discussion (...) with a very active, very vigorous offensive approach,"

US dependency on foreign oil to climb record high

NEW YORK, Apr 2: The independent petroleum association of America said on Thursday that US dependency on foreign oil will climb to record levels this year, while domestic oil producers will pump less oil, reports Reuter.

its annual forecast that US oil imports this year will escalate to more than 8.2 million barrels a day, up from 7.0 million barrels in 1992.

stay on a downward course,

falling below the 7.1 million level in 1992, and it could slip to less than 6.0 million by 2000, the group said. That would be the lowest domestic

The industry group said in

But domestic of output will

output since 1950. Pressured by rising environmental cost and other re-

country for oil. "This import dependency ratio of 47.8 per cent equals

strictions, US oil producers

have been looking outside the

the historical peak reached in 1977," it said.

Vietnamese open their doors wide to foreign investors

HONG KONG: French President Mitterand's

visit to Indochina was better late than never. But his aim of reviving France's presence in what was once its Asian colony was lagging behind the lively authorities and business people of East and Southeast Asia, who are already flocking to the area (and especially Vietnaml.

Indeed, the Vietnamese have opened their doors wide to foreign capital, and funds are pouring in from Hong Keng, Taiwan, Singapore, Thatland, India, South Korea and a dozen other willing investor groups. The Americans are queueing noisily, held back by Washington's trade embargo which is a relic of the cold war and the 1975 defeat.

Japan recently resumed aid and trade relations after a similar gap, and Tokyo's great trading houses are girding themselves up for business (they are doing badly over much of the rest of the globe these days).

Vietnam's foreign trade has soared from barely one billion dollar in 1989 to US\$5 billion last year. Those are the official figures, but the unrecorded trade across the China border and all round the smuggling systems of the China seas probably equals them in value.

Vietnam has much to offer for trading. Its agriculture has revived strongly and now produces an exportable surplus of rice, and offshore oilfields yield a rising volume of crude. Its population of 70 million retains its high skills and, especially in the south, an old trading culture.

coffee talks.

Because the local cost of living is still very low in foreign currency terms, Vietnam is now a target country for setting up quick-acting consumer-goods plants. In Asia, even Malaysia and Thailand are now relatively high-cost countries for low-tech industries, and the clothing, plastics and light engineering entrepreneurs are moving to Vietnam(as well as

Indonesia) for the bargain price items. The country went through a bad period of inflation in 1991, but thanks to some tightening of government spending controls, the rise of prices has been brought down to about 15 per cent last year. The government is freeing imports as the balance of foreign payments improves.

The inflow of foreign investment is high and rising. By the end of 1992, it will have totalled somewhere in the magnitude of five billion dollar. Foreigners may establish any kind of business and may own it 100 per cent, but they may not own land.

About 40 per cent of all the foreign funding is going into Ho Chi Minh City, which for the time being remains the name for Saigon. The range of industries being established is very wide, from small factories to giant hotels to telephone systems.

- AFP/UNB photo

of commitment from wealthy

nations and bickering among

talks failed, the United States,

the European Community and

Japan declared themselves

against any renegotiation of the

international natural rubber

coa pact seem even more cer-

tain to fail now the tide has

turned so decisively against its

may not be the panacea for all

our ills. But they are the bare

minimum and we have always

seen them as key elements of

cooperation," Ivory Coast's

"International agreements

And efforts to revive the co-

In the same week the coffee

developing countries.

agreement.

Guaze said.

It is worth recalling the short and unhappy tale of French colonisation. It was as recently as 1887 that the forces seized four old kingdoms known in French as Cochin-Chine, Annam, Tonkin and Cambodge. Laos was conquered in 1893.

Before that, France had had only some tiny enclaves in Asia, such as Pondicherry in India and a slice of Shanghai. Britain's Indian colony dates much further back to 1600, and Spain and Portugal had carved out large territories even earlier.

France's big push for colonies had been in North Africa, and it turned to Asia just in time to sweep up the last uptouched soil, so to speak. It tired to take Siam as well, but the crafty Chakri dynasty played all the European raiders off against one another and - to this very day - under the new name of Thatland, the Stamese are the one and only un-colonised group in Asia.

The Indochinese states were never comfortable for the French. Much of the rural areas remained unaffected, and passed their days in traditional activities under traditional leaders.

The French acknowledged this by leaving most of the old royalty alone, although today only the Laotian aristocracy and Prince Sihanouk's connection in Phnom Penh remain in the circles of power.

And right down to today, most of Laos, inland Vietnam and northern Cambodia are selfsustainable local societies with stable (but low) incomes. "Vietnam" was the name given only 40 years ago to a merger of Tonkin, Annam and Cochin-Chine, administered by the French with the help of Tonkinese (now called the

"North Vietnamese"). What of the future? The political tensions do not seem to be relaxing, and there is not civil war in Cambodia. Although Hanoi and Beijing have held friendly talks, memories of their long border hostilities do not fade. Hanoi is asking Russia not to withdraw entirely its naval forces from Cam Ranh base, and has said that it would not be averse to have some US forces using other facilities.

One especially acute problem has arisen off Vietnam's southeast coast. Very promising oilfields have been discovered there on the continental shelf. But only just over the horizon lie the Spratly Islands which China claims for itself. They almost certainly have oil, too. -Depthnews Asia

ADB okays loans to PNG, Maldives MANILA, Apr 2: The Asian

Development Bank (ADB) on Friday approved loans for education and family planning projects in Papua New Guinea and a port project in Maldives, reports AP.

a 19.9 million dollar education loan to Papua New Guinea to develop a national training policy and a higher education plan.

The Manila-based bank said

Under the programme more training will be given to teachers to improve the quality of education in elementary and high school. The interest-free loan, from

the bank's soft-loan Asian

Development Fund window, carries a service charge of one per cent per year and is repayable over 35 years, including a grace period of 10 years. An interest-free second

loan to Papua worth 7.1 million dollar will be used for a family planning project.