

BRIEFS

Myanmar aiming for 5.8pc growth rate

YANGON, Apr 3: Myanmar is aiming for a growth rate of 5.8 per cent in the coming year, the state-run Working Peoples Daily reported Thursday.

Japan's current account surplus up

TOKYO, Apr 3: Japan's surplus in its current account, a broad measure of international trade flows, posted a mild eight per cent increase in February from a year earlier after surging 83 per cent in January.

Russia's \$1b grain debt restructured

WASHINGTON, Apr 3: Russia will be able to reschedule one billion dollar of its debt for grain and other US farm goods, but it is too early to tell if that will allow it to resume purchases under a US government programme that guarantees bank loans, US agriculture officials said Friday.

US releases \$ 50m aid to Nicaragua

WASHINGTON, Apr 3: Citing progress on human rights and other issues, the State Department released 50 million dollar Friday in economic assistance to Nicaragua that had been suspended for almost a year.

Danish fishermen to continue strike

COPENHAGEN, Apr 3: Fishermen rejected government requests to stop threatening ferries and blockading foreign boats Thursday on the fourth day of their strike for more state aid.

US jobless rate remains unchanged

WASHINGTON, Apr 3: The US jobless rate remained unchanged at 7.0 per cent in March when 22,000 jobs were lost, the Labour Department reported Friday.

Japan to support US phone project

TOKYO, Apr 3: Almost 20 Japanese companies will participate in an ambitious plan by Motorola Inc. to develop a worldwide cellular phone network based on satellites, Japanese media reported.

Japan rejects US accusation of unfair trade

WASHINGTON, Apr 3: US report puts Japan at the top of the list of 44 countries with illegal trade barriers was based on misunderstandings and misperceptions and that Japan was working to open its markets.

The Clinton administration recently assailed Japan for shutting US companies out of its markets. Last Friday it warned Tokyo about the failure of Japan carmakers to boost purchases of US-made car parts as promised last year.

RBI to settle trade claims with ex-USSR

BOMBAY, Apr 3: The Reserve Bank of India (RBI) said it has decided to settle all trade claims of Indian exporters for transactions with the former Soviet Union which collapsed in December 1991.

An RBI statement said this decision followed an agreement between India and the Russian Federation on economic cooperation recently.

The Soviet Union was one of India's major trading partners until its disintegration.

the best possible combination of the strengths of both countries.

And I think it is about time for us to really become very good friends to each other, to be able to work effectively together," he said.

The Clinton administration recently assailed Japan for shutting US companies out of its markets.

Mori said that claim was unfounded and Japanese carmakers were making "best efforts" to increase use of American car parts.

The figures indicate that our market is not closed, and we have been taking a series of bold market-opening measures in this country," Mori said in the CNN interview.

"We have been making a tremendous effort so that the share of foreign goods in government procurement in Japan reached about 14 per cent, which is higher than those of the United States and

the European Community."

Mori said Japan was eager to do all it could to help President Bill Clinton revitalise the US economy, not least because of American's importance to Japan's economy.

"Between Japan and the United States we account for 40 per cent of the world's GNP, and a strong America is good for Japan," he said.

He encouraged the United States to avoid setting numerical targets for trade improvements, as in the case of semi-conductors, since such targets ran counter to the basic principle of free trade.

"Since the US is the champion of the free market, I'm sure the United States will not seek that sort of approach," Mori said.

Singapore rejects US charge

An AP report says: Singapore denied Saturday accusations by the Clinton administration that it used unfair practices to rob American companies of sales in this city-state.

The rebuttal came in response to a report by the US Trade Representative's office listing 44 countries as having erected barriers to fair competition. Japan was singled out as the biggest offender.

Singapore was faulted for barriers to trade in legal, insurance and banking services, lack of intellectual property rights and patent protection and tariffs on cigarette imports.

A statement from the Trade and Industry Ministry said Singapore's trade practices and regulations did not discriminate and were applied fairly to all.

The statement said this country had repudiated adequately to similar charges in the same report last year. It also cited a 1991 GATT report that said Singapore had an open trade regime and outward oriented trading policies.

The ministry said discussions continued with Washington on unresolved questions involving intellectual property rights.

Stronger families for solid future

WASHINGTON, Apr 3: Hillary Rodham Clinton focused on the family and spoke for the president's economic programme when she spoke to children's advocates Friday.

In her first public statement since her father suffered a stroke two weeks ago, the First Lady briefly addressed the National Summit on Children and Families in Washington by telephone from her mother's home in Little Rock, Ark. Then she returned to the hospital where her father, Hugh Rodham, is a patient.

Clinton linked children's issues to the larger health of the US economy.

"It's so important at this point that we continue to stress the relationship between strong families, healthy children, good jobs and a solid future for all Americans," she said.

The two-day summit, sponsored by the bipartisan National Commission on Children,

Clinton to unveil 10-pt programme to support Russian reforms

MOSCOW, Apr 3: US President Bill Clinton will unveil a 10-point aid programme to support Russia's embattled free-market reforms, according to a Russia foreign ministry official, Interfax reported on Saturday, according to AFP.

The Russian diplomat told a briefing for Russian journalists that the cost of the aid package was not yet known and would be announced at the Vancouver summit, the news agency said.

According to Russian sources, the package would include:

- additional humanitarian food aid;
- food credits;
- support for Russia's private sector;
- support for privatisation;
- job re-training programmes;
- housing for Russian soldiers;
- Clinton is to announce a new 12- to 16-month programme to build housing for former Red Army troops pulled out of eastern Europe

and the Baltic states as well as re-training programmes for those who are demobilised;

energy and environment, in particular investment credits in the oil industry;

trade and investment: Russia hopes the US will announce the removal of trade barriers on Russian manufactured goods.

support for Russian membership in GATT and most favoured nation status: only Canada has granted Russia MFN status

increased aid for disarmament and destroying missiles scrapped under the start treaties.

Clinton must receive approval by Congress before the aid package is to be delivered.

The Russian diplomat said Yeltsin and Clinton would discuss several international issues including the war in the former Yugoslavia, Angola, the Middle East and the situation in the former Soviet Union.



PORTLAND, OREGON: US President Bill Clinton (R) looks down the table during the first session of a Northwest forest conference Apr 2 as Vice President Al Gore looks over his notes. Clinton urged rivals in a jobs-vs-environment feud to "move beyond confrontation" —AFP/UNB photo

Polish privatisation programme gets a boost

WARSAW, Apr 3: Privatisation Minister Janusz Lewandowski survived a no-confidence vote in parliament today, boosting government hopes of winning approval for a programme to privatise 600 Polish state enterprises, reports Reuters.

A total of 175 Deputies in the Sejm (lower house) supported Lewandowski and 147 voted against him in the vote, held two weeks after Deputies rejected the original draft of the mass privatisation programme. Fifty-one Deputies abstained.

Lewandowski, looking relieved, then took the podium to present a new version of the programme hurriedly worked out by the government to try to keep its reforms on track.

"We have a chance for better management and a better partner for Polish enterprises," Lewandowski said.

"If this programme and moves which ensure it are blocked, we will then have to deal with a flood of ideas which would simply be illusions," he said.

Privatisation is central to efforts by the centrist coalition government of Prime Minister Hanna Suchocka to reshape the economy after almost 50 years of Communist rule.

Chinese Congress urged to adopt laws for market economy

BEIJING, Apr 3: The new president of China's National People's Congress (NPC), Qiao Shi, Thursday urged members to adopt a series of laws to guide the market economy and prevent a descent into chaos, reports AFP.

"The history of economic development in modern states has proved that without sound legal standards or guarantees, the various social and economic activities will have no guidelines, thus inevitably leading to chaos," Qiao was quoted by Xinhua news agency as saying.

The Congress should make it a priority to lay down economic laws, he told the members.

The president, elected Saturday, made the statements at the first meeting of the new standing committee of the Congress, whose annual session ended Wednesday.

The remarks by Qiao, former head of China's secret police echoed Chinese leaders' worries that rapid economic development was creating conditions of anarchy in the country.

The government and the communist party have been having more and more difficulty in controlling the explosion of growth in many regions, most significantly in the dynamic southern and eastern coastal provinces.

Tens of thousands stage strike

European workers demand greater social protection

UNDATED, Apr 3: Tens of thousands of workers staged strikes across Europe on Friday, with major stoppages in several countries to protest job cuts and to demand greater social protections, reports AFP.

The action followed a call by the Confederation of European Unions (CEU), which covers 40 union confederations in 21 European countries, representing 45 million workers, for "a day of action to defend jobs and a social Europe."

Jacques Delors, head of the European Commission, praised the action. "By demonstrating today, you are supporting us, you are supporting European unity, and you are right to do so at this time," he told the

strike's organisers in Brussels. The action involved protests in large towns throughout the community, as well as the European Free Trade Area, and former eastern bloc countries.

In the Dutch city of Maastricht, birthplace of the controversial treaty on closer European union, about 16,000 Belgians, Germans, Dutch, Britons and others gathered in the city's main plaza to protest unemployment and discrimination and in favour of a more benevolent Europe.

The CEU wants European-wide labour laws that would guarantee fundamental social rights which would avoid "social dumping" and ensure harmonisation and progress.

organisation wants EC directives on workers consultation in multinational companies, and for jobs and the community's 14 million unemployed to be put at the top of the agenda at the European summit set for Copenhagen on June 21-22.

Heinz Werner Meyer, President of the German DGB Union, warned against the Maastricht Treaty by stressing the problems caused by German reunification. "A European market by itself is not enough," he said, underlining the need for a broader economy.

A group of Germans in the crowd carried a streamer saying, without bread in the stomach, no Europe in the head."

In Britain, rail workers struck and paralysed the nation, keeping tens of thousands of people away from work, emptying stations and halting commuter and inter-city services across the country.

British Rail's announcement last November saying it would cut 5,000 jobs from its 138,000 workforce prompted the strike.

The strike, organised by the Railways, Maritime and Transport (RMT) union to protest job cuts, was one of three organised in the biggest day of industrial action in Britain since the failed miners' strike of 1984-85.

Water, electricity—bane of life in the Filipino capital

MANILA, Apr 3: Purita Gonzales stays awake past midnight waiting for water to come from her faucet so she can store enough for the next day. She is one of millions of Manila area residents suffering through a water shortage aggravated by an electricity crisis that includes daily power outages lasting up to 10 hours, writes AP.

Gonzales and her four children live in a district of suburban Quezon City which receives water only ten hours a day—five hours in the morning and another five in the evening. Some districts receive water only one hour a day. Wealthy residents pay private companies to deliver water daily by truck.

"Sometimes it doesn't come at all," said Gonzales. "And I just lose sleep from waiting."

Gonzales' district is on high ground, requiring water to be pumped, officials say. And power outages disrupt operations at the city's 16 pumping stations.

The power shortage has cost Manila companies 20 billion peso (800 million dollar) in lost business since Jan 1. Since 1987, the Philippines has suffered from a drought due to the El Nino factor, which altered weather patterns in the Pacific. Forecasters expect sufficient rain this year when the rainy season begins in May.

But the city's water system, much of which was built in 1896, is in such disrepair that officials estimate more than half the supply is lost through leaks and illegal taps.

Coping with the water shortage requires cooperation and ingenuity. Gonzales' neighbours have bought large plastic and steel drums, each holding at least 100 liters (26 gallons) of water, just enough for a day's need. They fill the drums whenever they have the opportunity.

Because of the low water pressure, it takes Gonzales about two hours to fill all her household containers—pails, kitchen pots and pans and used plastic ice cream cans.

unsettling scenario is unlikely," the China Daily added.

A major reason behind the forecast output drop is farmers' anger over government policies that have left them with higher tax bills and no cash to pay them.

Under China's old system of state economic planning, the government bought most agricultural produce at fixed prices, guaranteeing farmers a stable if meagre income.

For several years Beijing has bought more of its grain with government IOUs, which are so difficult to cash some farmers says they are not worth the paper they are printed on.

Local governments have added to the farmers' burden by imposing a raft of extra taxes and fees—sucking up as much as 10 per cent

of each farmer's income, the newspaper said. Beijing, which knows China's 800 million peasants are the backbone of its political and economic stability, has called for a stop to IOUs and extra fees, but analysts say it may be too late to prevent migration away from agricultural work.

Grain output is also expected to drop because China's current economic boom has seen housing, factories and infrastructural projects eat away at farmland.

The China Daily said as much as 1.6 million hectares (3.9 million acres) of farmland had been lost as local authorities scrambled to build economic development zones after senior leader Deng Xiaoping called for faster growth last year.

Rao to focus on economic links during his visit to Thailand

BANGKOK, Apr 3: Indian Prime Ministers P V Narasimha Rao is to pay an official visit to Thailand from April 7-10 which is expected to focus on the promotion of economic relations, reports Xinhua.

That Foreign Ministry spokesman Saktip Krairiksh told local reporters yesterday that ways of promoting trade and investment are on the agenda for discussion between Rao and his host, Prime Minister Chuan Leekpai.

Thailand has several kinds of goods that India need but there is no law to protect investments on either side," he noted.

The discussions are likely to explore the possibility of cooperation in the fishery sector, he said.

India in the process of liberalising its economy, opening

its door to the world, the spokesman added.

Trade policy again liberalised

Xinhua from New Delhi adds: The Indian government further liberalised its export and import policy by deleting 144 items from negative list of exports, local press reported Saturday, says Xinhua.

The liberalisation, which was declared in a statement made by Commerce Minister Pranab Mukherjee on Wednesday, is coming into effect Saturday.

Outlining the important changes being made in the policy, Mukherjee informed the parliament that certain terms and conditions on exports like minimum export price would be attached while no export license would be required.

Gulf Arabs to meet again on currency alignment

ABU DHABI, Apr 3: Gulf Arab monetary chiefs will meet here next week or more discussions on aligning their currencies and delinking them from the US dollar after its sharp fall in the past year, reports AP.

Officials sources in the United Arab Emirates (UAE) said the April 10 talks of Central bank governor of the six-nation Gulf Cooperation Council (GCC) would cover a proposed basket of currencies to replace the dollar.

"GCC states are exerting intensive efforts to achieve this ambitious project, which is necessary for the economic integration," one source said.

"We hope the next meeting will produce positive results."

GCC states—Saudi Arabia, Bahrain, Kuwait, Oman, Qatar and the UAE—have discussed aligning their currencies since they signed an economic agreement in 1982 but have not made headway due to the big gap in the currencies and opposition by some members to drop the dollar link. Only the Kuwaiti dinar is tied to a basket of currencies, but the US dollar has the lion's share as it accounts for 40 per cent of the basket. The other GCC currencies are effectively linked to the US dollar although they are legally pegged at the Special Drawing Rights (SDR).

Worthless IOUs eat into China's grain output

BEIJING, Apr 3: China's grain production is likely to drop in coming years as farmers abandon the fields in frustration over high taxes and worthless government promissory notes (IOU), the official China Daily reported, according to Reuters.

"Shrinking arable land and deflated enthusiasm among farmers are being pegged as the causes for what appears to be a sure slide in grain production," the newspaper said.

The pessimistic forecast follows predictions by foreign grain analysts that China's demand for grain, especially feed grain, is going to shoot up and the country is likely to become a net grain importer within the decade.

China's leaders want to see 442.5 million

tonnes of grain produced in 1993. In 1992 the country fell around 2.5 million short of that target, which is roughly unchanged.

In a report to parliament this month, said the world's most populous country should aim to produce 475 million tonnes of grain by 1997.

But the China Daily said that economists and officials now agreed that overall grain output was likely to drop in the near term, posing somewhat of a contrast to the Premier's optimistic target.

"Although we have plenty of grain right now, we're expected to see grain production tapering off soon," Chen Junsheng, a councillor in China's cabinet, told the newspaper.

This have gone so far that a quick fix to the

unsettling scenario is unlikely," the China Daily added.

A major reason behind the forecast output drop is farmers' anger over government policies that have left them with higher tax bills and no cash to pay them.

Under China's old system of state economic planning, the government bought most agricultural produce at fixed prices, guaranteeing farmers a stable if meagre income.

For several years Beijing has bought more of its grain with government IOUs, which are so difficult to cash some farmers says they are not worth the paper they are printed on.

Local governments have added to the farmers' burden by imposing a raft of extra taxes and fees—sucking up as much as 10 per cent

Dollar ends mixed in NY in erratic trading

NEW YORK, Apr 3: The US dollar ended mixed in extremely erratic trading Friday, driven by a sharply divided reaction to the government's March employment report and rumors of central bank intervention, says AP.

The Greenback fell to yet another historic low against the Japanese yen. But the German mark retreated against the dollar after briefly hitting its highest level since January.