India's trade gap

to reach \$ 3.6b NEW DELHI, May 7: India's trade gap is expected to reach 3.6 billion US dollar in 1992-93 as against the mid-year estimate of three billion US dollar. As against exports of 19.1 billion US dollar earlier envisaged, the year 1992-93 is expected to end with exports not exceeding 18.4 billion US dollar. Import will be around 22 billion US dollar the local English newspaper Observer of Business and Politics, quoted highlyplaced trade sources as saying, on Thursday, reports Xinhua.

China to raise electricity prices

BEIJING, May 7: Seeking to attract foreign investment. China plans to raise electricity prices to ensure that investing in power development is profitable, an official report said Thursday. Shi Dazhen, Minister of Power Industry, said China plans to increase electricity production capacity by 50 per cent, to 101 million kilowatts, in the next five years but domestic funding can provide only 70 to 80 per cent of the money needed, the China Daily reported. China has a severe energy shortage that threatens to sabotage its rapid development plans, reports AP.

Myanmar-ROK jt-venture

YANGON, May 7: The Myanmar foodstuff industries under the ministry of Nol industry and Glacier Company Limited of the Republic of Korea formed here on Thursday a private tobacco joint venture company limited. The Myanmar Glacier Tobacco Company Limited will carry out production and marketing of cigarette and tobacco products and export trading. The authorised capital of the company is 25,740,000 kyat (4.29 million US dollar) which were divided into 2,574 shares of 10,000 kyat (1,666 US dollar) each, reports Xinhua.

Singapore firm gets contract in China

SINGAPORE, May 7: Singapore's Sembawang group has been chosen to supply offshore oil field platforms in China, and is due to sign a similar agreement for Malaysian fields, a Scmbawang spokesman said Wednesday. Subsidiary company Sembawang Engineering has singed a 90 million US dollar contract to supply oil platforms in the South China Sea, south of Hong Kong, the spokesman added, says AFP.

US firm to explore gas in China Beijing, May 7: The US

based Atlantic Richfield Co signed contracts Thursday to explore for natural gas in the South China Sea off the Chinese island of Hainan. the official Xinhua News Agency said. Xinhua said Arco plans to invest millions of dollars in prospecting for gas in two areas of the Qingdongnan Basin that total 16,605 square kilometers (6,640 square miles). The contracts were signed by Wang Yan, President of the China National Offshore Oil Corp. and S R Mut, Arcos Senior Deputy Executive President

New rail ticket machine in Tokyo

reports AP.

TOKYO, May 7: Starting next year, travelers on one of Japan's main railways will be able to state their destination to voice-recogniging ticket machines and receive instructions in English or Japanese. East Japan Railway Co said the new gadget will help foreigners and older people who have trouble figuring out how much it costs to get where they're going, reports AP.

Plastic, rubber fair in Thailand

BANGKOK, May 7: Thailand's second annual exposition for the plastics and rubber industry, Inter-Plas Thailand's 93, is set for May 21-24 it was reported here Wednesday. On display will be a wide variety of raw materials, primary machinery, assembly equipment and other equipment for the plastic industry. A number of companies will introduce new technologies at the exhibition, reports Xinhua.

BRIEFS US-Japan game on ADB not over yet

MANILA, May 7: The re-cently concluded Asian Development Bank (ADB) annual meeting here has underscored Japan's growing claims to leadership in a region where US dominance is perceived to

be in decline, reports AFP. Friction between Tokyo and Washington surfaced at the annual Asia-Pacific financial reunion when they clashed over proposals to double the bank's capital in order to support stepped-up lending to the booming region.

Japan, taking up the cudgels for borrowers, pushed for the capital hike, saying reduced funding would put a brake on economic growth while hundreds of million of poor Asians have yet to taste the morsels or progress.

Washington, tight-fisted ow-

ing to budget problems, capital issue, and failing to give clear idea of US policy on multilat eral lending under President Bill Clinton.

Moreover, while Japan sent Finance Minister Yoshiro Hayashi here, the US team was led by an Assistant Treasury Secretary, Jefrey Shafer, who left the meeting as soon as he delivered a speech attacking ADB spending policies.

Aides were left to explain that Shafer had to catch confirmation hearings at the US Congress, and to issue assurances that the new US government remained committed to " engagement" in the re-

Hayashi summed up the sentiments of fellow Asian leaders when he told the ADB

meeting that "many of the industrial countries are distracted by their own domestic social and economic problems," or crises in Europe and

"I am afraid that their in-

terest in the Asia-Pacific re-

gion may be flagging," he said in a statement clearly aimed at the United States. A senior ADB official said Asian countries understood the difficulties of Washington and were willing to give the Clinton administration more

time, but in the meantime

Japan had to take a stronger

role " by default." The United States, even during present George Bush's term, slipped slightly behind Japan as the leading shareholder in the ADB due to arrears on capital payments

Both used to maintain strict

"The symbolic effect is great on everyone, including Washington," the official said. But others in the bank say the game is not over yet.

With its veto power as number two shareholder and support from other major donors like Canada and western Europe, no major ADB policy initiatives can prosper without US blessings, and a compromise with Japan was expected.

Even so, Japan has made its point, emphatically, in the bank squabble.

Stephen Bosworth, a former US diplomat and current pres ident of the US-Japan foundation, wrote in a commentary on the two powers' trade feud that unlike in the past, Japan

no longer felt completed to

bow to each US demand. The Japanese are having more trouble that usual under standing what it is that the US wants them to do," he said When they do understand the message, they clearly do not like large parts of it, and for the first time they are reject-

ing what they don't like." " The collapse of the Soviet Union has removed the most immediate threat to Japan's national security, and the American security umbrella seems less essential," he said.

With declining Japanese dependence on the US market and the rapid expansion of the Asian regional market, Bosworth said many Japanese now believe Tokyo "now has new strategic options."

US ready to make extra efforts for GATT deal

WASHINGTON, May 7 President Bill Clinton said Thursday his administration is ready to make an extra effort to reach an agreement on seven-year-old world trade talks by mid-December, reports AFP.

The United States 'is ready to go the extra mile to reach an agreement" in the Uruguay Round of talks under the General Agreement on Tartiffs and Trade. Clinton said in a speech at the export-import Bank of the United States.

The trade talks, which would establish rules designed to stimulate global trade among more than 100 countries, have been snagged in large part because of disputes between Washington and the European Community, particularly over farm subsidies.

Clinton also said ratification of the North American Free Trade Agreement signed by his predecessor George Bush with Canada and Mexico is a high priority for his administration.

Separately, US trade repre-

sentative Mickey Kantor said

the administration was committed to seeing NAFTA approved and effective next January 1, and warned that defeat of the pact could have disastrous consequences for Mexico. "We are deeply concerned about what would happen to stability in Mexico. what would happen to the confidence in South America and in those emerging market countries and democracies if we were unable to have an agreement, Kantor told a na-

tional press club audience Wednesday.

Patten for better Sino-US relations

NEW YORK, May 7: Governor Chris Patten of Hong Kong appealed to the United States on Thursday to safeguard the colony's future by developing close ties with China and avoiding punitive trade restrictions, reports AP

Patten spent the week in Washington lobbying President Clinton and Congressional leaders to renew China's "most-favoured nation" trade status- which carries the lowest tariffs.

The best guarantees of Hong Kong's future prosperity stability and freedom is good, constructive and close relations between China and the United States"- its two largest trading partners, Patten said.

Some in Congress want to attack human rights and other conditions to China's trade status, but Beijing has warned against any such stipulations as interference in its internal af-

The issue is critical to Hong Kong, whose economic lifeblood is trade with China Hong Kong has warned that trade restrictions could cost it 70,000 jobs and slash its growth rate- 5 per cent last year after averaging 8 per cent over the past 20 years - by half.

With trade restrictions, "the people you hurt most are the people at the cutting edge of China's great experiment with economic liberalism, Patten said in a speech to the National Committee on United States-China Relations, an educational group in New York.

Patten, appointed in 1992, is expected to be the last British colonial governor before Hong Kong reverts to Chinese control in 1977.

He declined to say what kind of China policy appeared to be shaping up in

Washington. He said it would be different from the policy under Bush, but would not

elaborate. Clinton must decide by June 3 whether to renew China's most-favoured trade status. Congress can reject the

Patten, making his first visit to the United States as Hong Kong's governor, said he urged US leaders "with all the stubby elegance I can manage" to protect free trade.

"Free trade and economic growth are the best servants of human progress," he said.

Hong Kong's success as a trading post has given it Asia's second-highest gross national product per capita, after

Hong Kong accounts for 19 per cent of China's total economic production, and 70 percent of outside investment in China goes through Hong

Kong, Patten said.

The United States is the largest foreign business presence in Hong Kong, with 900 companies and billions of dollar in investment.

Patten argued that United States can address human rights, trade problems and weapons proliferation in better ways than the "blunderbuss of MFN renewal."

He said China's economic revolution of spectacular proportions would benefit the whole world, and suggested it would lead to improved human rights in China.

"Economic growth, more personal affluence, better education, more travel, cellular telephones, satellite TV - all have a great deal more impact on improvement in human rights, improvement in social progress, than even so many brilliant speeches by politicians," he said.

One-seat electric car

TAIPEI, May 7: A one-sea electric car developed by a lo cal company will be marketed next year, an official said Friday, says AP.

The vehicle, which is on display at a four-day international auto show in Taipei that will end Sunday, can reach a maximum speed of 45 kilometers (28 miles) per hour, said Lydia Wang, manager of PPP

She said the virtually pollution-free auto, with an estimated selling price of 110,000 Tatwan dollar (US 4,230 dollar), can run for more than an hour after each battery charge Wang said.

The company plans to have the vehicle mass-produced next year either by itself or by interested auto makers.

Others products developed by the company included an electric scooter and an electrie bus, she said.

Pak oil output to

US to end duplication, overlap to boost export

WASHINGTON, May 7 The Clinton administration is ready to streamline the country's export promotion programmes. which long suffered from duplication and overlap, reports Import Bank will become

"We want to end the duplication and overlap to make sure all these programmes are customer driven, "President Clinton said today in his address to the conference of US Export-Import Bank.

Right now there are more than 150 different export promotion programmes in more than 10 agencies in the US. "They are tangled like a ball of yarn, and our goal is to untangle them," the president

Clinton said that a coherent export promotion plan will be the trade promotion coordinating committee, and

interagency group created by the Congress and chaired by Commerce Secretary Ron

Meanwhile, the Exportmore of an active, consumerfriendly bank that gives more attention to small and med tum-size businesses and aims to bypass red tape, the President said.

It takes about six months to process a preliminary commitment application in the extm bank, and only one in six such preliminary commitments leads to an actual export sale, sources said.

"With the new procedures, the (exim) bank will be able to respond to most request within seven days," the President noted. That's re-inventing government.

Syria's market reform most visible

In Damascus these days izusu minibuses and Mitsubishi spacewagons zip past 20 yearold model cars and decrepit buses. It is in the city streets that Syria's new market-oriented policy is most notice-

While peace talks between Israel and its Arab neighbours restart, the economic reforms introduced two years ago after the collapse of Soviet influence in the region, continue on The flashy foreign vehicles

graphically signal this Arab nation's commitment to reverse the process of collapsing infrastructure and to improve the quality of life in its overcrowded capital. The new buses also testify to the government's abandonment of socialist-oriented economic policies which had for decades slowed growth.

in those years when neither cars nor buses were imported, the population of Damascus more than doubled, putting ever heavier demands on inadequate equipment. Commuters hung from bus doors; holidaymakers had to book weeks in advance even for a three-hour bus trip to the sea.

"No more; that's all over" announces young Syrian entrepreneur, Hassan Rida. With two eager partners, Rida founded Alwaha (oasis) Tours. Concentrating on car rentals and intercity transport, it is one of 38 transport companies to open last year - a direct result of the 1991 economic reform and the implementation of what is known as Law 10.

Offering tax breaks for new businesses, making easy credit terms and distributing new import licences on goods essential to industrial growth, Law 10 opened the door for private investment in Syria. The manufacturing industry too is set for transformation but the rapid resurgence of the transport business is the earliest sign of the reform.

These companies are among the first to take advantage of Syria's new economic policy. Last year the government approved the import of 10,000 rental cars, 7,000 minibuses and 3,000 coaches.

Rida's company opened last May, buying six minibuses and 20 coaches.

The third partner, Fiaz Challah, has a degree in accounting and economics while Rída is a graduate in business administration. Challah says:

The collapse of Soviet influence in the Middle East hit Syria badly. The government of President Assad had to introduce new market-oriented policies to appease the West. A new breed of entrepreneurs has emerged to cash in on the government's rejection of socialist policies, especially in the transport and tourism business.

The Syrian capital is home to almost a quarter of the nation's 14 million population. Private cars are few here, unlike in Beirut and Baghdad. So public transport is a real con-The United States adminis-

tration under President George Bush had pressed Damascus to undergo economic reform. After the collapse of the Soviet Union, Syria abandoned its commitment to state ownership and started supporting privatisation.

Syria's slow-grinding bureaucratic machinery seems

"We began with a million dollars, not a big investment for an operation of this scale. We plan to purchase another 60 coaches and more minibuses.

We will also promote hotel

services."

The sight of modern buses in the otherwise drab roads of Damascus has made commuting comfortable. However, some citizens are sceptical. Said one city rider: "I can see these buses are cheaply made; they will soon become useless. after early profits are pocketed. This is the Egyptisation of Syria."

Only oil and gas could become major sources of income. Oil revenues, rumoured to be 600,000 barrels a day and drilled in cooperation with US companies, is not made public. Rumours circulate that this oil is exported secretly without bringing a dollar to the state treasury.

Cotton production, a major industry in Syria, can develop with private investment; so can shoe production. Planners here pin hopes on an expanding tourism sector. Today, most tourists to Syria come from other parts of Middle East. Damascus is a popular holiday place for Kuwaitis and other Gulf residents who favour the luxury hotels and also rent apartments.

So far, while Syria is presented in the West as intransigent, the economic openings from the government are a sign to Rida and his partners that the government is committed to a wider political policy that will create an atmosphere of peace and trust where these business investments can work.



demand by June ISLAMABAD, May 7: Pakistan's oil production of 76,000

barrels per day by the end of June 1993 will meet 50 per cent domestic demand according to a senior official of Oil and Gas Development Corporation (OGDC), reports

The OGDC Chairman Gulfraz Ahmed said in a briefing to new petroleum and natural resources Minister Jahangir Khan on Thursday that the country would achieve its target of oil production of 76,000 barrels per day as fixed in the 7th five-year plan ending by July this year.

During the current five-year plan period, he said, 44 wells were drilled and 27 oil and gas discoveries were made including 15 by the OGDC and the rest by 17 foreign oil companies operating in Pakistan.

Agri output crosses target in Myanmar

of net output of Myanmar's agriculture sector in the 1992-93 fiscal year ending March 31, 1993 amounted to 21,542 million kvat (3.590.33 million US dollar), achieving 104.4 per cent of the plan target, reports Xinhua.

The value of net output of agriculture sector increased by 15.2 per cent compared to the preceding year.

This was shown in the 1992/93 annual report of the union of Myanmar on financial, economic and social conditions which was published

MFN cut won't effect meet domestic

YANGON, May 7: The value

here recently.

The total output of paddy in the 1992/93 fiscal year totalled 14,915,000 tons. 1,714,000 tons more than that of the preceding year, the report showed.

economy, says China available tariffs and is granted BEIJING, May 7: A top to most US trade partners.

Chinese trade official on Friday downplayed the effect losing a special trade privilege granted by the United States would have on China's economy, reports AP.

"If we didn't have mostfavoured nation trading status, our economy would still develop normally," said Wang Zhongyu, Chairman of the State Economic and Trade Commission. "In the past, including

those years when China was closed off, our economy also developed normally," Wang said at a news conference. He added that while the US market is important, it is only one of several important markets.

Wang's comments come less than a month before the US president must decide whether to renew China's MFN status, and as the annual debate on the renewal heats up in Washington.

The MFN gives the lowest

The Clinton administration

is sending Assistant Secretary of State Winston Lord to China next week to press Chinese leaders on US grievances about human rights and arms exports - two key issues in the MFN debate.

Bills have been introduced in both houses of Congress to link renewal of the trade status to improvements in human rights, adherence to guidelines on arms sales and dismantling of trade barriers. Similar bills were vetoed by former President Bush in previous years, but Clinton said during the presidential campaign that he supported conditional re-

On Friday, the official Xinhua News Agency excerpted an article in a Chinese magazine published by the central government that attacked the two bills.

Resolutions taken for development of Africa

ADDIS ABABA, May 7: The 28th session of the UN Economic Commission for Africa (ECA) and the 19th meeting of ECA conference of ministers ended this evening after adopting 27 resolutions of Africa's socio-economic development in 1990s, reports Xinhua.

A final communique adopted at the end of the ministerial meeting says the fourday meeting conducted an indepth review of the socio-economic situation in Africa and examined policy issues that are

development in the next

The conference noted that the economic performance in the first three years of the 1990s continued to be unsatisfactory, adding that the regional output economy by a mere 1.5 per cent in 1992 down from 2.3 per cent in

The conference stressed the urgency of economic development in Africa and the need to achieve accelerated socio-economic development in the continent in 1990s.

Saudi banker blames Abu Dhabi for biggest BCCI scandal

NEW YORK, May 7: Lawyers for one of Saudi Arabia's most powerful bankers say the Abu Dhabi government was a "partner in crime" with BCCI, the infamous bank that served dictators and drug barons, according to court documents,

reports AP.

Attorneys and publicists for Sheik Khalid bin Mahfouz also claim that Abu Dhabi is obstructing an investigation of the Bank of Credit and Commerce International scandal by withholding key documents and access to witnesses.

The accusations by Sheik Khalid — who once ran the National Commercial Bank, Saudi Arabia's largest bank raise new questions about the role of Abu Dhabi in the biggest scandal in the history of bank-

The government of Abu Dhabi, the largest of the United Arab Emirates and an important Gulf War ally, and its

ruling family owned 77 per cent of BCCI when it was scized by international banking regulators in 1991.

Queen Zenobia's city, Palmyra

money laundering, racketeer ing and conspiracy in two separate cases in 1990 and 1991. It paid more than 550 million dollar to US authorities to settle the cases. Some 250,000 depositors and creditors who lost 10 billion dollar are still awaiting repayment. Officials in Abu Dhabi have

denied charges they knew of BCCI's illegal activities. Nevertheless, the government and ruler Sheik Zayed Sultan al-Nahyan figure prominently in BCCI's history. The Sheik was a founding shareholder in 1972 and provided a bailout of more than one billion dollar to BCCl in 1989. Abu Dhabi has pledged 1.7 billion dollar for a global settlement of depositors' claims.

Abu Dhabi itself claims to be

one of BCCI's biggest victims, saying it lost an estimated 6 billion dollar in the collapse. Sheik Khalid also had close

The BCCI was convicted of ties to BCCI, investing 780 million dollar in 1986 acquire a 30 per cent stake in bank. Last July, a New York County grand jury indicted Sheik Khalid and his associate, Haroon Kahloon, on charges they defrauded BCCI customers of 300 million dollar. Later the Federal Reserve moved to fine the Sheik 170 million dollar for alleged banking law violations.

> In December, BCCI's courtappointed liquidators filed a lawsuit seeking 10.5 million dollar from Sheik Khalid, alleging violations of the Federal Racketeer Influenced Corrupt Organizations Act. National Commercial Bank

> could suffer tremendously if

Sheik Khalid loses his case and

is forced to surrender millions

servers say. That in turn could harm Saudi Arabia's economy. The (Saudi) financial system has been an important

of dollars to regulators, ob-

stimulus to growth and a problem with a major bank in Saudi Arabia could affect the system," said Fareed Mohamedi, senior economist for Petroleum Finance Co, a Washington DC consultancy. Sheik Khalid's lawyers

asked a US District Court in Washington late Wednesday to dismiss the RICO suit. The attorneys argue that under the BCCI depositors' repayment plan, Abu Dhabi receives half of any proceeds

liquidators obtain from civil and fraud lawsuits. They charge in court papers that the Emirate was "BCCI's partner in crime" and an alleged "principal participant in the supposed fraudulent buy back of Sheik Khalid's interest in BCCI."

Caffey Norman, a Washington-based lawyer representing Abu Dhabi said in response that "we would categorically deny that Abu Dhabi was anybody's partner in crime."

"The bin Mahfouz argument seems to be with the settlement, which has been approved by courts in three jurisdictions as in the best interests of BCCI's creditors, Norman said.

Material provided by the public relations firm Abernathy MacGregor Group Inc., which is representing Sheik Khalid, accuses Abu Dhabi shareholders of being "aware of internal accounting frauds committed by BCCI" and withholding hundreds of boxes of incriminating documents.

A deposition by Brian Smouha of the accounting firm Touche-Ross, BCCI's liquida tor, elaborated on the obstruc tion allegation. Smouha said

Abu Dhabi has a warehouse full of files related to BCCI that they refuse to allow out of the country.

vital to Africa's socio-economic

"There are others in a cate gory which Abu Dhabi authorities have described as may be incriminating for themselves, prejudicial I believe is the word they used," Smouha said.

Smouha said Abu Dhabi authorities refused his request made 18 months ago - to interview one of the key figures in the BCCI scandal, Swalch Nagvi. Nagvi has been under house arrest in Abu Dhabi since the bank's collapse in 1991

Abu Dhabi's representatives have said since the country considers itself the principle victim of BCCl, it should be able to put Nagvi and other BCCI associates on trial first Naqvi has been charged and the investigation is continuing. a spokesman said.

Dollar closes firm in Tokyo TOKYO, May 7: The US dol-

lar firmed against the yen Friday morning after opening at a record low, while share prices on the Tokyo Stock Exchange closed the morning session down slightly, reports

110.02 yen just before noon, after rebounding from a low of 109,65 yen. It reached a high of 110.05 yen on rumors of intervention by the Japanese central bank. Dealers also said short-covcring of oversold dollar posi-

tions by overseas players and

The dollar was trading at

dollar-buying Japanese institutions helped the currency firm up against the yen. The dollar started trading at 109.85 yen, down 0.34 yen from Thursday's close and also lower than its overnight New

York finish at 110.025 yen. The opening was the dollar's lowest in Tokyo since

modern exchange rates were established in the lar 1940m

suddenly to have collapsed. -Gemint News Economic liberalisation is promoting tourism Alwaha Tours: one of many new thriving transport