India, Belarus to step up trade ties

NEW DELHI, May 14: India and Belarus have decided to step up trade links and focus on tie-ups, especially in the small-scale industrial sector, officials said Wednesday. Belarus Prime Minister Vyacheslav Kebich and Indian President Shankar Dayal Sharma agreed to work to improve bilateral ties during a half-hour meeting here, they said, reports AFP.

Beijing to sell 21 luxury villas

HONG KONG May 14: China has approved plans to sell 21 luxury villas once used as summer retreats by senior leaders including Nationalist Chinese President Chiang Kai shek and Communist Party Chairman Mao Tsetung, according to a Hong Kong property agent. The villas on picturesque Mount Lushan in eastern Jiangxi Province will be sold through confidential tenders, with minimum reserve prices set at between US 750,000 and 1.5 million dollars property agent Vigers Hong Kong Ltd reported Wednesday, reports

Urban employment rises in China

BEIJING, May 14: China's urban unemployment rose slightly in the first quarter of 1993 as the economy struggled to absorb expanding numbers of laid-off workers, school graduates and peasants leaving the land, an official newspaper reported Thursday. The China Daily said there were four million urban unemployed at the end of the first quarter, or 2.5 per cent of the registered workforce. It said this was an increase of 0.2 per cent from 1992, reports AP.

Thai textile exports may fall further

BANGKOK, May 14: That textile exports are expected to decline further as its two major markets, the European Community and the United States, are still in recession, said the Thai Textile Manufacturing Association President on Thursday. Pongsak Assasakul, president of the association, said after his survey trip to inspect the market condition in the EC and the US that the situation looks bleak because of the economic slowdown there, reports Xinhua.

India resumes check onsilk goods

NEW DELHI, May 14: India has decided to re-introduce the system of preshipment inspection of silk export goods for which raw material has been imported under the advance licensing scheme. The local newspaper The Economic Times reported today that the scheme was discontinued in June 1992 on an experimental basis, reports Xinhua.

Kodak shareholders seek change

FORT LAUDERDALE, Fla., May 14: After years of declining profits and abortive restructurings, Eastman Kodak Co's disgruntled shareholders are looking for results. Kodak Chairman Kay R. Whitmore isn't expected to announce new initiatives at Wednesday's annual meeting, but investors are going to seek assurances that the debtsaddled company is on the road to financial health. reports AP.

Hyundai resumes operation

SEOUL, May 14: Hyundai Motor Co, the nation's largest carmaker, has resumed operations following 12 days of suspended production caused by a labour strike at a supplier, officials said Thursday. The Hyundai plant at Ulsan, 300 kilometers (186 miles) southeast of Seoul, had suspended operations after workers walked off their jobs at Apollo Industrial Co, which makes bumpers headlights, reports AP.

Chargeurs to cut 1,500 jobs

PARIS, May 14: Chargeurs SA, the French textile and communications group, will eliminate 1,500 Jobs this year, including 1,300 in France, Director General port unit, reports AP.

BRIEFS Russian PM orders final draft on restructuring the economy

MOSCOW, May 14: Russian Prime Minister Viktor Chernomyrdin instructed his government on Thursday to draw up the final version of a programme for restructuring the economy in the period up to 1995, reports Reuter.

Deputy Economics Minister Ivan Materov told a news conference that a draft of the programmes, discussed at a meeting of senior cabinet members, was aimed at dragging the Russian economy out of a deep recession and raising living standards.

He said the programme in-

volved state intervention to prevent enterprises from collapse. Monetary methods alone were not capable of bringing about recovery and could lead to massive unemployment.

"It is not possible to get out of this rut without state support (for industry and agricul-

"If we follow monetaristic lines, the number of unemployed could reach about 20 million by the end of this year," he said.

There 730,000 unemployed Russians as of April 1, about one per cent of the workforce,

according to official figures. Materov also opposed hasty liberalisation of fuel prices. saying this would add to infla-

cent last year. ITAR-Tass news agency quoted him as telling the government meeting that the aim of the economic programme was to bring order to the state's economic management, one of the proposed measures was to economise on fuel re-

tion, which topped 2,600 per

"In the near future we must repeat the feat of the West during the period of the oil

shock at the beginning of the 1970s," he said in reference to western efforts to combat soar-

Chernomyrdin has in recent weeks complained of budget resources being squandered on hopeless causes.

Work on the new economic programme has been carried out by the Economics and Finance Ministries since last September.

Materov said the programme took into account realistic prospects for funding key areas like farming and energy without neglecting the fight against inflation or social security.

The Economics Ministry forecast inflation this year at about 500 per cent but said it would slow in 1994 to 160 per cent and in 1995 to 50 per

The economy is expected to shrink by three per cent in 1993 and then grow by 1.5 cent in 1994.

US welcomes France's 'armistice' call on GATT

WASHINGTON, May 14: The US Trade Representative's office Thursday welcomed France's statement expressing a desire to conclude stalled world trade talks, but made no comment on a memorandum on the matter issued by Paris.

reports AFP. The memo issued by Prime Minister Edouard Balladur indicated a shift in French policy on the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) and called for an "armistice" in trade disputes with the United States.

The statement aid France would give priority to global economic growth, seeking to downplay the long-running dispute over agricultural subsidies, although it still labelled an agreement on oilseeds unacceptable

"We have not yet head directly from the new French government," US Trade Representative Mickey Kantor's office said in a statement responding to the memorandum.

"Press reports on the French review suggest they, like us, see trade and trade liberalisation as a key to restoring economic growth. This is welcome, as are the reports that France wants to give new impetus to the talks. We look forward to learning more about the views of the new French government in days ahead."

Asian leaders on Uruguay Round

Call for successful conclusion

TOKYO, May 14: Several Asian leaders ended a threeday conference here with a call for a swift resolution of the Uniquay Round of talks aimed at freeing up world trade, re-

Among the participants at the conference wee Malaysian Prime Minister Mahathir Mohamad, Singapore Prime Minister Goh Chok Tong, New Zealand Prime Minister Jim Bolger and Japanese Prime Minister Kiichi Miyazawa.

The urgent need to conclude the stalled Uruguay round talks aimed at liberalising global trade was shared among the participants who have benefitted from free

"It is clear to me that the number one, the most urgent, talks for global economic statesmanship today is the successful conclusion of the Uruguay rounds," Mahathir

The participants welcomed a growing momentum to discuss security issues at enlarged sessions of the Association of Southeast Asian Nations (ASEAN).

"It is most welcome that

political and security dialogue was commenced in full earnest last year at the ASEAN post ministerial conference." Japa nese Foreign Minister Kabun



Visiting Malaysian Prime Minister Mahathir Mohamad (L) shakes hands with his Japanese counterpart Kiichi Miyazawa prior to their talks at the latter's official residence in Tokyo May 13. - AFP/UNB photo

The development follows increasing concerns that conflicting claims over the spratly islands in the South China Sea involving China, Vietnam, Taiwan and three ASEAN members may evolve into a flashpoint in the post-cold war period.

Among other security is sues, North Korea's clandestine nuclear plans came under attack while the situation in Cambodia was labelled a cause for concern.

Mahathir again sought support for his East Asian Economic Caucus (EAEC) proposal, adding that the plan may have a better future under new US President Bill Clinton.

The 1990 proposal has been opposed by his predecessor George Bush because the United States was excluded from the forum, while still being a member of the larger regional grouping, the Asia-Pacific Economic Cooperation (APEC)

Clinton wise to keep eye on inflation, economists say cern." Clinton told reporters

WASHINGTON, May 14: US President Bill Clinton says he is not alarmed by recent wholesale and consumer price jumps, but economists say he is wise to keep an eye on inflation because the Federal Reserve's response could complicate his programmes, reports Reuter.

The President as well as a number of economists said the Labour Department reports this week showing the consumer price index rising by 0.4 per cent and the producer price index rising by 0.6 per cent in April "could be just a

Economists said the price rises were heavily influenced by bad weather that pushed vegetable prices higher. The dollar's weakness also had an impact, allowing domestic auto makers to raise prices without fear of chasing buyers to Japanese cars.

At the present time there is no cause for long-term con-

after a meeting leaders of small businesses. "Unless there is some underlying change in



the economy, it is difficult to imagine how it could have a significant upsurge in infla-Many economist agree that

the inflation report is no cause for immediate alarm and is unlikely to derail Clinton's efforts to reduce the deficit

But economist said if the trend continues it could force the federal reserve to push interest rates higher at a time when Clinton's proposed spending cuts and tax increases kick-in and start slowing the economy.

"The fear is that fed would be doing something that would coincide when spending starts to slow and taxes start to rise," Deielt said Such an environment would

make it all the more difficult to lower the deficit because tax receipts would fall as unemployment began to rise. But economists say the fed

does not want to see such a scenario played out any more than the administration. "They (the fed) won't

tighten for the higher inflation number," said Doanld Rata-

ROK, Vietnam sign accord on air, trade, investment

SEOUL, May 14: South Korean and Vietnam signed here yesterday a series of agreements on air, trade and investment, granting each other Most-Favoured-Nation status, reports Xinhua.

South Korean Foreign Minister Han Sung-Joo and his Vietnamese counterpart Negyen Manh Cam signed the agreements this afternoon.

Cam is currently accompanying Prime Minister Vo Van Klet who arrived here this morning for a four-day visit to South Korea.

Under the air services agreement, direct flights will be opened soon between the two countries.

Tokyo draws \$19.6b extra draft budget

TOKYO, May 14: The Japanese cabinet on Friday approved a 2.19 trillion yen (19.6 billion dollar) extra budget draft for the current fiscal year to back up a massive pumppriming package and financial aid to Russia, officials said, re-

The government hopes that the extra budget, to be submitted to the diet on Friday, will be passed by parliament during the current session, which ends June 20, the officials

If approved, the general account budget will be revised to 74.54 trillion yen, they said.

The package includes 2.22 trillion yen for public investment, of which 1.2 trillion is allocated for general public works spending. It also provides for 100.5 billion yen in assistance to small and medium-sized firms, 41.1 billion yen in to Russia.

South Africa's GDP rises after 18 months

JOHANNESBURG, May 14: The South African economy has grown for the first time in 18 months and economists said they were cautiously optimistic that the longest recession on record might be coming to an end, reports Reuter.

The Central Statistical Service (CSS) released figures on Thursday showing that Gross Domestic Product (GDP), seasonally adjusted, had risen at the equivalent of 0.8 per cent a year in the first quarter of 1993.

"This is good news, said Edward Osborn, chief economist at Nedcor Bank Ltd. We appear to be experiencing the start of a turn around."

SHANGHAI, May 14: Vice

Premier Zhu Rongji expressed

concern Thursday that China's

economy, the fastest-growing

in world, is in danger of over-

ping reportedly told Chinese

leaders several months ago not

to talk about economic

overheating, possibly fearing it

would bring up memories of

the late 1980s, when

overheating caused inflation to

rise as high as 40 per cent and

ing of an international semi-

nar, noted that China's econ-

omy grew by 12.8 per cent last

year and was likely to exceed

the planned eight per cent

per cent, but economic growth

in the first quarter was even

He said it might reach 10

growth rate for this year.

Zhu, speaking at the open-

sparked panic buying.

Senior leader Deng Xiao-

heating, reports AP.

Chinese economy

danger of overheating

It was the first GDP growth recorded since the third quarter of 1991, when the econonly grew 0.7 per cent, the CSS said. But the economists said it

was too early to say if the South African economy would continue to recover.

The government and the African National Congress have both stressed the need to expand the economy, which has been hard hit by sanctions and political violence.

ANC leader Nelson Mandela has said a strong economy is vital to fulfil the aspirations of blacks - 80 per cent of the population - as they emerge from the shadow of apartheid.

"Now some friends abroad

fear that China's economy may

become overheated and doubt

that the current growth rate

can be sustained. Their con-

cern is understandable and it

is also a major concern to my-

self," said Zhu, who oversees

months, industry has grown

too fast, investment has heated

up, inflationary pressures have

monetary markets have tight-

ened and income disparity be-

dent the economy can sustain

high growth in the long term.

He said that since the begin-

ning of the year, the govern-

ment has "taken all necessary

measures," including prudent

fiscal and monetary policies, to

ensure sustained growth. He

But Zhu said he was confi-

tween regions has widened.

strengthened, financial and

He said that in the past six

economic affairs.

Key accord with E German metalworkers announced

BERLIN, May 14: Negotiators on Friday announced a key agreement that could end metalworkers' strikes that have threatened economic recovery in eastern Germany, reports AP.

an all-night bargaining session, after the IG metal union threatened to spread the strikes to steel and metalworking plants in the entire

The agreement will bring the affected eastern workers pay up to western levels in 1996, rather than next year as originally planned. Further details were expected later.

Workers had struck after the original wage-raise promise was withdrawn.

The breakthrough followed

Inventors look for backers

MONROEVILLE, (Pa) May 14: About 300 inventors are at the Invention-New Production from every continent except Antractica, hoping for exposure, a 3,000 dollar grand prize and a financial backer, says an AP report.

Oscar Arturo Centurion o Buenos Aires, Argentina, displayed Centu-Robot, a kind of batting cage for table tennis players. A robot spites pingpong balls across a table at heights speeds and spins that the operator selects.

Eduardo Fernandez Sacristar of Madrid, Spain, spoke no English but enthusiastically demonstrated his antiseptic telephone. A cassette inside the phone base rotates a tiny towel against the mouthpiece to disinfect i between users.

in a long, slim black gown sashayed down the runway and spun to reveal a dramatic white and black cape, according to AP. bobby socks and pixie haircut, lit up.

Wu Wei, a college student in a pinafore.

It was the first time European "haute couture" has been exhibited in China and many of the audience were trying to pick up tips - like Pan Haiyin, a 23-year-old designer and instructor at the Beijing Institute of Clothing and Technology.

"Many Chinese want to wear clothing that's a little bit foreign," said Pan, who was a good example in black leather mini-shorts she'd de-

Chinese fashion lovers go little bit foreign!

BEIJING, May 14: An impossibly thin model

"Ting bang," she said admiringly-Really

The cool dress was part of a two-hour, eyepopping experience Friday for about 300 Chinese as Italian designers Gianfranco Ferre and Valentino exhibited portions of their 1993 fall and winter collections to kick off the China International Clothing and Accessories Fair.

Their presence alone reflected the extent to which China is undergoing a fashion revolution. It goes far beyond hanging up the Mao suits, the boxy blue and gray uniforms of the 1960s and 1970s now worn only by people

over 45. The 1,000-yuan suit is within reach of the average Beijing worker, who saves a good portion of his 300-yuan (52 dollar) monthly wage because rent and food are cheap. A rapidly growing sector of private businessmen can afford the 7,000-yuan suits.

"Now that China is reforming and opening up, we can boldly be beautiful and wear the things we like best," she said.

She estimated it would take China's fashion designers and tailors a decade to catch up with European standards.

Valentino said may be less.

"They are very elever people," he said. They are very proud, very elegant and they move very well.

Tokyo's request for limited whaling turned down

KYOTO, May 14: Japan failed Thursday to crack a commercial whaling ban when its request for a limited coastal catch was decisively turned down by the International Whaling Commission, says AP.

Tokyo had pushed hard for the emergency one-time allocation of 50 minke whales, ar guing that whaling was an "integral part of the culture of coastal communities.

been blasting the moratorium as an attempt to make whales "the sacred cows of the seas." During debate over its request, Tokyo's chief delegate,

Since the annual IWC meeting opened Monday, Japan has

Kazuo Shima, harshly criticized the anti-whaling countrics, saying Japan had been seeking relief from the ban for believe that would someday take place. "How long are you going to

ask us to wait?" he asked an-

grily. "I wonder whether any of those opposed to this have any heart at all." Shima had said before the emeeting that Tokyo might quit the IWC if the moratorium were upheld. He said after the

vote that Japan would "re-evaluate" whether to stay in the commission. A pullout was considered unlikely because Japan fears it might have trade repercussions, but the development clearly stirred deep resentment. With the commission meeting in Japan for the first

time in 25 years, the rebuff

represented a stinging home-

Anti-whaling countries had

turf defeat for Japan.

called the Japanese request an attempt to set the stage for the resumption of large-scale commercial operations.

"We would definitely see it as opening the door," said Dana West of the World Wildlife Fund. The Japanese request fell far short of the three-quarters

needed for approval. It garnered only 10 yes votes, with 16 against and six abstaining. Tokyo suggested it might-try to bring the matter up again Friday, but the size of the margin rendered the measure effectively dead, observers

Even though the IWC turned down Tokyo's request, considerable sympathy was expressed for the plight of small whaling communities in Japan and in Norway,

higher at 14 per cent. did not go into details. years - and constantly led to Economic climate not welcoming any more in Gaza

May 14: The Gaza Strip, with its constant violence between Israelis and Palestinians, might seem an unlikely spot for a teddy bear factory, according

But six months ago, toy-store owner Ahmed Al-Mughraby put 40,000 dollar in savings and an European Communitybacked loan into manufacturing stuffed

At the time, there was increased confidence that the peace talks in Washington were moving toward some form of Palestinian autonomy. Both Israeli and Palestinian business leaders talked about the need to boost economic activity in the West Bank and

Then came March, and the violent deaths of 15 Israelis at the hands of Palestinians. The government responded by shutting off the West Bank and Gaza Strip at the end of the month. The murders stopped.

But the closure, which military offi-

wreaking havoc with plans to create a sturdy economy.

As a dry run for autonomy, it also underscored how mutually dependent Israelis and Palestinians have become. Israeli developers and farmers with labour-intensive harvests counted their losses in the millions. Economists estimate that the 700 million dollar in Israeli goods purchased by Palestinians

will drop by up to one half.

The sudden collapse of the labour market caused an outtry of demands for Russian immigrants, Asian labourers - anybody to take the place of the generally low paid Palestinian workers.

Gradually the government relented, allowing married Palestinian fathers over the age of 25 to obtain work permits. The 20,000 a day allowed in now is expected to rise eventually to around 50,000.

That is much reduced from the from the Gulf states, it said. 120,000 wage earners who used to en-

rate of 40 per cent even before the closure is blamed for fueling the constant violence. Now, an estimated 80 per cent of the work force among the 750,000 Arabs is out of work. Palestinian economist Samir

Huleilah estimates the losses in the oc-

cupied territories at four millions dol-

lar per day. But more important, the closure is destroying confidence that investments in the territories can pay off. The peace process in having prob-

lems and the economic climate is not

welcoming anymore. That's why the

closure is so serious," said Huleilah. A United Nations report released this week points to an already disastrous economic situation in the occupied territories in the wake of the Persian Gulf War. Palestinians' support for Saddam Hussein lost them over one billion dollar in remittances and aid

The military government that runs

GAZA CITY (Occupied Gaza Strip), cials have said will last a long time, is ter daily. In Gaza, an unemployment the occupied territories has recognized the problem, earmarking about 200 million shekel in development money to create jobs. Eventually it hopes to create between 15,000 and 20,000. Western nations have also pledged almost 20 million dollar in aid.

But Israeli politicians acknowledge that there is little interest in substantial investment at the moment.

"Without peace nobody wants to touch it," said Ephraim Sneh, Chairman of the Parliament subcommittee on the territories.

The problems are making many workers even more disenchanted with the peace process. "Freedom without work is not freedom," said Hassan Mahmoud Awad, a

36-year-old tile layer.

Not everyone agrees. On the wall outside Al-Mughraby's stuffed animal factory, the radical group Hamas scrawled graffiti reading: "Yes for starvation. No for submission.

Pak govt accuses ex-ministers of gross mismanagement He blamed two years of ISLAMABAD, May 14:

Pakistan's interim finance minister accused his predecessors of unprecedented corruption and economic mismanagement, leaving a legacy of mounting budget deficits and burgeoning foreign debt, reports Reuter.

"Years of neglect of our economic problems, crowned by gross mismanagement and unprecedented corruption and the plunder of national assets during the last two years, have created an untenable economic situation," Leghari said in a speech broadcast on national television late on Thursday

wasteful spending on a massive scale by the government of ex-Prime Minister Nawaz Sharif sacked last month on charges ranging from corruption to handing out business favours to friends. The allocation of huge sums of money for the

grandiose motorway project is

a glaring example of waste and

disregard of priority," Leghari A recent internal World

Bank report said the reforms "went significantly beyond what was originally envisaged" and had strengthened private sector growth.

Edouardo Malone told shareholders Wednesday. Malone said textile operations will lose 900 positions, including 200 abroad. The group's cruise ship unit will lay off 300, and another 300 will be trimmed from a land trans-

ing oil prices.

He also stressed the importance of targeting budget funds to areas where a return could come from productivity in-