Talks on Uruguay Round open

TOKYO, June 23: The United States, Japan, Canada and the European Community (EC) began talks here Wednesday on opening trade and ending deadlock in the Uruguay Round ahead of the Group of Seven summit here next month. Chaired by Japanese Foreign Minister Kabun Muto and Minister of International Trade and Industry Yoshiro Mori, the two-day talks are also attended by US trade representative Mickey Kantor, EC Trade Commissioner Sir Leon Brittan and Canadian Trade Minister Michael Wilson, reports AFP.

14 pc growth rate predicted for China

BEIJING, June 23: China's State Planning Commission has forecast 13 to 14 per cent economic growth over the first semester, the People's Datly said Wednesday. The planning commission also said that "the rate of economic growth will still be relatively fast" in the second half of the year, the Chinese Communist Party newspaper said, reports AFP.

Bush to forgo party stipend

WASHINGTON, June 23: Former President George Bush said Monday he would forgo a 150,000 dollar annual stipend from the Republican Party, the same sum paid to his predecessor, Ronald Reagan. In a letter to the Republican national committee, Bush said he would return 50,000 dollar already received and would not accept any further payments of 12,500 dollar monthly, reports AFP.

Canada posts 3.8 pc real GDP growth

OTTAWA, June 23: Canada's real gross domestic product rose at an annual rate of 3.8 per cent in the first quarter of the year, the government said on Monday, and at a rate faster than annual forecasts by international organisations. Government and private sector economists said the numbers show the economy is continuing to pull out of recession, while inflation remains subdued, reports Reuter.

Clinton empowered for trade deals

WASHINGTON, June 23: The House of Representatives voted yesterday to extend the president's broad authority to negotiate on a global trade agreement, signaling support for President Bill Clinton's administration ahead of a major economic summit. The measure, approved by a 295-126 vote, would give Clinton authority to enter into an agreement on the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) and send it to Congress for a vote without the possibility for amendment reports AFP.

Tobacco industry challenges study

GREENSBORO, North Carolina, June 23: The Tobacco industry yesterday filed a lawsuit challenging the conclusions of a government study suggesting that passive smoke causes 3,000 cases of lung cancer annually in the United States. The suit said the environmental protection agency study published in January, which led to the enactment stricter smoking laws around the country, was not supported by scientific evidence, reports AFP.

Uzbekistan to get Pak cement plant

ISLAMABAD, June 23: Pakistan will supply a ccment packing plant with an annual capacity of 500,000 tonnes to Uzbekistan under an agreement signed here, an official statement said. The agreement was signed by visiting Uzbek Minister for Construction Iskandarov and the Chairman of the State Engineering Corp (SEC) M

Akram Sheikh, reports AFP. French technology for Australian navy

ADELAIDE, Australia, June 23: A French designed, locally manufactured submarine propulsion system to be used by the Australian navy was officially unveiled here Tuesday, The submarine propulsion system is to be installed in the Royal Australian Navy's (RAN) new Collins class submarines. The 25 million Australian dollar [17 million US] system was designed by France's Jeumont industries, reports

EC insists on resumption of stalled GATT talks

COPENHAGEN, June 23: **European Community leaders** called here for accelerated GATT trade negotiations, but implicitly backed France's call for re-opening a deal on farm subsidies with the United French President Francois

States, reports AFP. In a communique issued here after a two-day summit, they said it was essential to resume stalled multilateral discussions as soon as possible among all 111 member countries of GATT in Geneva.

Attempts to unblock negotiations for trade reform in the Uruguay Round of the General Agreement on Tariffs and Trade (GATI) are currently concentrated on talks between the United States, the EC, Japan and Canada.

BOMBAY, June 23: Indian

garment exporters are probing

for new markets in the face of

fierce competition from other

Asian nations, companies and

export association officials say,

are turning to Australia, Japan,

New Zealand, Sweden.

Switzerland and countries of

South America and the Middle

East in an attempt to offset

their losses elsewhere , they

"We take part in all of the

garment exhibitions in these

countries and regions," VJ

Tulzapurkar, Assistant Director

of the Government's Apparel

Export Promotion Council

(AEPC), said in an interview

Simultaneously, Indian

businessmen are trying to ex-

pand their market share in

countries with import quotas

by increasing exports of non-

restricted items such as baby

clothes and industrial uni-

Community members and the

United States have hit the sat-

uration point and one AEPC of-

ficial acknowledged that India

exporters are even "exporting

Garments are Indian's high-

est foreign exchange carner.

Garment exports fetched 2.3

billion dollar in 1991, 2.8 bil-

lion dollar in 1992 and are

running at a record pace this

tion from China, Hong Kong,

South Korea, Taiwan and fast-

emerging Indonesia has dealt a

heavy blow to Indian exporter

in recent years, AEPC officials

Although China is the

ASUNCION, Paraguay, June

23: Lawmakers probing private

sector and government corrup-

tion in Paraguay have ended

their work in dismay, saying the

rampant abuses they found

were the just the tip of the ice-

Lovera complained that the

seven-month-long probe re-

ceived no assistance from the

judiciary or executive branches

of government in investigating

charges during the seven-

received 33 complaints to pur-

suc and collected documented

evidence on abuses ranging

from army involvement in car

The joint congressional panel

Panel Chairman Walding

berg, reports AFP.

month investigation.

But determined competi-

more than our entitlements".

Exports to European

forms, exporters said.

Indian garment exporters

reports AFP.

The communique, said that agriculture was among the 15 topics in the Uruguay Round which needed to be included in a "comprehensive, durable and balanced agreement" before the end of the year.

to agriculture had been inserted at France's request. This implies that the EC is ready to back France's demand for re-negotiation of an accord

Mitterrand said the reference

between the European Commission and the United States last November to cut subsidised agricultural exports. Mitterrand said at a press

largest garment exporter in

porters now see Indonesia as

"In five years, Indonesia will

the Third World, Indian ex-

be on top", said Pankaj Shah,

who has been in the export

cials say Indian exporters have

only themselves to blame for

night operators who compro-

mise on quality and delivery

Experters and AEPC offi-

"There are many fly-by-

their biggest threat.

trade for four years.

the situation.

conference that the EC-US dcal, known as the Blair House Agreement, was not a "scared

Indian garment exporters probing

for new markets

text". He added: "Those who believe it has been agreed are

France has rejected the Blair House Accord on the grounds that it would hurt French farmers too much. But the United States has maintained that the deal is an es sential element of a final GATT agreement.

German Chancellor Helmut Kohl backed the French stand saying: 'The French have a point when they insist on a global settlement, because the negotiations are too strongly concentrated on agriculture."

But Jacques Delors, President of the EC's Executive European Commission, said it was premature to talks of

schedules in their greed to

rake in the dollar", an AEPC

and officials say more are

the biggest handicaps for

Indian garment-makers is the

decentralised nature of the in-

a large number of tiny units

which farm out much of the

Alan Price, an official of the 300-year-old international insurers, Lloyd's tells a press confer-

ence that Lloyd's announced a loss of 2.91 billion pound (4.3 billion US dollar) in 1990 - worse

than predicted at its annual general meeting in London on June 22. The report could further

Probers also tracked down a

passport and residency permit

sales office in the Interior Minis-

try that catered to Palestinian.

Chinese and foreign fugitives,

as well as phone-tapping and

taping equipment inside the

state telephone company, De

ring warehouses where we

caught police in the act of sell-

ing stolen cars, De Vargas said.

Party, with inextricably close

ties to the military, long has

ses like high volume smuggling

It's candidate Juan Carlos

been accused of tolerating abu-

among its supporters.

We have stormed car-theft

Paraguay's ruling Colorado

erode confidence in the prestigious but financially-troubled insurers.

Paraguay's corruption probe body

ends work in dismay

smuggling to non-existent gov-

ernment workers drawing pay

nothing happened, said opposi-

tion Deputy Francisco De

And we saw that absolutely

All of the criminals are on

the streets, stolen cars are still

being sold. The police continue

to help certain criminals, and

(government) authorities help

corrupt individuals to continue

looting government coffers.

while, street crime is on the

He also detailed a scam in-

vestigation uncovered in which

five million dollar a year went to

pay phantom, government

rise, De Vargas said.

queuing up to join.

work," he said.

AEPC has 30,000 members

Tulzapurkar said that one of

"What we really have here is

renegotiating the Blair House deal. The Commission negotiated the accord on behalf of member states.

Delors, however, repeated a praise often used by the French: "Nothing is agreed until everything is agreed."

This means that the Blair House deal is conditional on compromises in other areas of the GATT negotiations, particularly concerning market acccss, industrial tariffs and trade in such areas as banking and telecommunications.

The EC communique stressed that an early GATT settlement was urgently needed "to create the new, rules based world trading system in which unilateral action is ruled out."

This means what an aver-

age-sized unit in Bombay pro-

duces about 1,000 garmen

pieces a day. This scale of pro-

another drawback is the con-

centration of so many gar-

ment-makers in this western

port city, where labour costs

shifted to south Indian

provinces where labour is rela-

tively cheap", he said.

Quite a few units have

The AEPC official said that

duction pushes up costs".

are high.

German investors fail to honour privatisation deals

BERLIN, June 23: Investors buying former East Germany's state companies often fail to meet their promises on investment and job guarantees, the Treuhand privatisation agency admitted Tuesday, reports AFP.

Treuhand Vice President Hero Brahms said "about 20 per cent" of the contracts that had been signed since the agency began selling or liquidating East German state assets in 1990 had not been up-

So far, the Treuhand had agreed and signed 6,405 sales,

A review of 5,146 sales showed that in 1,015 cases, the new owner had failed to meet the pledge to retain a certain number of jobs, with the result that 34,321 jobs had been lost.

Saudis deny donation to Tories

LONDON, June 23: The Saudi ambassador to the UK has denied allegations contained in an article in the Guardian newspaper about donations to the ruling British Conservative Party, Tony Newton, the government's business manager, told parliament, reports Reuter.

"Within the last hour or so the Saudi ambassador to the UK ... has issued a statement saying all allegations in that article are untrue, that the meeting that had been referred to did not take place and that neither he nor anyone connected with the Saudi Arabian government has made donations to the Conservative Party or been asked for such donations," he said.

Newton, standing in for Prime Minister John Major, said the Saudi ambassador Prince Bandar bin Sultan was taking legal advice about obtaining a full retraction from the Guardian.

Ex-ROK minister becomes new ADB VP

MANILA, June 23: The Asian Development Bank (ADB) has named a former South Korean trade and industry minister as its vice-president for projects, reports Reuter.

The appointment of Bong Suh-Lee will take effect from August 1, replacing In-Yong Chung, who leaves the ADB in July, the Mantla-based bank said. Lee is currently an advisor to the Korea Institute for Industrial Economics and Trade and the Korea Energy Economics Institute it said.

Dhaka keen to provide Brunei with manpower

The Bruneian High Commissioner to Bangladesh, based in Bangkok, Pengiran Setia Rajia Raja Pengiran Haji Jaya Bin Pengiran Haji Rajide, made a farewell call on Prime Minister Begum Khaleda Zia at her office Tuesday, reports BSS.

The outgoing high commissioner expressed his thanks for the cooperation extended to him during his tenure of of-

The Prime Minister appreciated the role of Jaya as the high commissioner in strengthening the relationship between Brunei and Bangladesh.

Begum Zia stressed the need for mutual exchange of resources and manpower and widening the field of cooperation in other areas of development for closer relationship between the two friendly countries.

Koirala visits Israel to boost economic ties

JERUSALEM, June 23: Prime Minister Girija Prasad Kojrala of Nepal arrived Tuesday on the first visit to Israel by a leader from the Himalayan Kingdom in a bid to stimulate economic ties, officials said, reports AFP.

Accompanied by 13 top businessmen, Koirala landed in Tel Aviv on the last leg of a drive to attract foreign business to Nepal which has also taken him to Austria, Germany and Finland. He meets Prime Minister

Yitzhak Rabin in Jerusalem during the afternoon after watching a parliamentary debate. Foreign Minister Shimon Peres has talks with Koirala in the evening

Israel and Nepal opened diplomatic relations in 1962 but Kathmandu has never sent an ambassador, leaving the en-

voy in Paris to cover the Trade has never taken off. but some 5,000 Israeli tourists

visit Nepal every year. Koirala has lunch with President Ezer Weizman today after touring the old city of Jerusalem and the holocaust memorial to the six million Jews exterminated by the

Nazis during World War II. Nepalese troops were with UN peace-keeping forces in the region and Kotrala will visit the United Nations truce su pervision organisation head quarters in Jerusalem on Wednesday. He meets Nepalese troops at Kfar Vitkin on the Mediterranean coast on Thursday.

The Nepalese delegation leaves on Friday after touring military and high-tech indus-

Malaysian economy back on track, say analysts

KUALA LUMPUR, June 23: Malaysia's economy is back on track to steady growth after a recent bitp but economists say money supply is still way too high for comfort, analysts said, according to Reuter.

"The economy has picked up again but money supply is still very high and this will pose a lot of problems," said Song Seng Wun, Singaporebased regional economist for Smith New Court.

Malaysia's central bank. Bank Negara, said on Wednesday real gross domestic product (QDP) grew 8.1 per cent in the first quarter of the year. up from 7.1 per cent in the previous quarter but down from 8.9 per cent a year ago.

"The economy is back on track with exports growing very strongly in the first quarter," said the chief economist of a local stockbroking firm. "But domestic demand is still sluggish due to lower investments and consumption."

The economy, which had recorded growth averaging 9.0 per cent since 1987, hit a bump in the third quarter of 1992 when it grew a mere 6.4

Economists said although it was clear the situation had since improved, the recovery was not broad-based enough and many still saw growth for the year at between 7.5 and 8.0 per cent.

Prices of imported goods still high in Japan

TOKYO, June 23: Cosmetics and some other top-brand imports from the United States and Europe cost 60 per cent or more in Japan than at home despite the yen's appreciation, a quarterly government survey showed Tuesday, reports AFP.

They included US-made spark plugs, skin lotion, tennis balls and cigarette lighters, the Ministry of International Trade and Industry said after survey ing 64 foods and services in Tokyo, New York: Loss Angeles, London, Paris and Dusseldorf.

Similarly expensive in Japan were eight European products including lipsticks, perfume and automobile tyres, according to the survey conducted in January and February.

was priced at 4,421 yen (40 dollar) in Tokyo while it cost 58 per cent less in New York 54 per cent less in Los Angeles, 52 per cent less in London, 48 per cent less in Paris and 47 per cent less in Dusseldorf. The price gaps were

"narrowing across the board." said an official at the ministry's price policy division. But he said it was difficult to determine what was behind the price gaps "without detailed analysis.

After the last survey, the ministry said it might make public the names of Japanese companies selling foreign products in Japan at prices extremely higher than their home prices.

The survey also showed that gasoline was sold in Japan A European-made lipstick more than three times the price charged in the United

'Hasty customs union with EC can cripple Turkish industries'

ISTANBUL, June 23: A hastily prepared plan for a customs union with the European Community could cripple Turkcy's industry, a prominent Turkish industrialist said, reports Reuter.

Turkey plans to tear down all trade barriers, including all duties, against all EC imports by the end of 1995 to achieve a customs union with the community in a bid to become its next member.

'A hastily prepared plan to reduce customs barriers without calculating the cost would end in flasco and make us all regretful, Rahmi Koc, chairman of Koc Holding AS, Turkey's largest industrial and trade group, said.

He told a meeting of the Turkish industrialists and businessmen's association that Prime Minister-designate Tansu Ciller must carefully weigh the strengths and weaknesses of Turkey's economy before resuming talks with Brussels.

The necessary bumpers must be installed to shield Turkish industry from the impact of a flood of cheaper European products, Koc said. He did not elaborate.

Koc also said Turkey must ask the EC to grant free circulation for its brokers in western Europe and remove its barriers against Turkish textile

Asian dragons emerging as region's new 'exploiting class'? investor, despite an official ban on investment to entice manufacturing investment to their

The fire that raged through a Bangkok toy factory and killed more than 200 women and children in mid-May has since been extinguished, but the soul-searching over Asian investment within the region remains unabated.

With land and labour costs having risen dramatically in the Asian dragon economies of Hong Kong, Taiwan, South Korea and Singapore, many of their labour-intensive manufacturing industries have shifted to lower-cost countries in the region.

But regional trade unionists say these dragon investors are not taking on the added responsibilities that come with their expansion within Asia. They say the newcomers now seem to have replaced Western firms as the "exploiting class" in the region.

Earlier this year, the respected official Guangming Daily in China reported the boom province of Guangdong had seen a 62 per cent rise in work accident deaths in 1992 compared to 1991. It noted that the record was particularly bad in foreign-funded factories.

More recently, the official New China News Agency cited a survey by Guangdong health authorities that showed nearly three-quarters of foreign-owned companies had no regular checks to detect hazardous work conditions.

Hong Kong is a major investor in the province, where it has moved almost its entire manufacturing industry. Hong Kong firms are also reported to employ up to four million workers in China's Pearl River Delta region where joint-venture factories produce toys and textiles and other consumer goods.

After Hong Kong, Taiwan is China's largest

in the mainland. But as rapid inflation in China begins to drive up wages and costs, Hong Kong and Taiwanese investment interests are also growing in Vietnam and elsewhere in Southest Asia.

Vargas said.

For instance, Hong Kong's Kader International, which party owned the ill-fated toy factory in Bangkok, also operates in Indonesia as well as in China. Taiwan, meanwhile, has overtaken Japan as

the largest investor in the Philippines and Indonesia, mostly setting up plants to produce consumer electronics and computer components. But Hong Kong-based investors now fear the Bangkok fire may soon make them unwelcome in Third World countries if they develop a rep-

utation as "sweatshop operators" with little regard for worker conditions and safety. "Hong Kong has an image problem in this region where the perception is that the bottom line comes before business ethics or worker safety," said an editorial in the influen-

tial Hong Kong daily South China Morning Post shortly after the Bangkok tragedy, one of the worst factory fires in history. This view was reinforced by the Thai repre-

sentative of Kader who stated glibly that the firm employed 3,000 people so that "in percentage terms" the loss of life was not so great. Trade unionists in the region believe the

host countries are all too willing to forgive the lapses in safety measures in the Asian-funded factories. "Many countries in the region are so keen

countries that they are all too willing to turn a blind eye to many intolerable practices," says Elizabeth Tang of the Hong Kong Trade Union Education Centre.

- AFP/UNB photo

Wasmosy won the May 9 presi-

dential election. He is to suc-

ceed fellow Colorado President

General Andress Rodriguez in

General Alfredo Stroessner

also a Colorado - in 1989, and

was elected president before

opposition parties had time to

But Wasmosy's win was the

first vote in which Paraguayan

opposition forces were able to

mount competitive campaigns.

Opposition parties will have a

clear majority in Congress in

August, when the Colorado

businessman in sworn in as

Rodriguez ousted dictator

August.

organise.

president.

Thai investigators say the high toll at the Bangkok factory was largely because doors and windows had been locked to prevent workers, mainly women, from leaving without being first checked for pillered factory goods. Comments Tang: unfortunately such condi-

tions are very common in foreign-owned factories in the Pearl River Delta (in Guangdong), which has the largest concentration on Hong Kong-owned factories." Less than two years ago, 80 women died in

a fire in a partly Hong Kong-owned raincoat factory in China. The death toll was high because they were locked in. Tang also cites official Chinese media re-

ports last year describing how women workers collapsed from exhaustion in a Guangdong toy factory, which has a Hong Kong firm as joint owner, after working three consecutive days and nights to finish an order. The report said the workers had also been locked in.

Hong Kong factory foreman Shek Ping Kwan, who spent five years in a Guangdong glove factory, said windows were often kept locked "because employers are paranoid that the workers will pilfer goods and materials and throw them out of the windows to be retrieved later."

Tang says conditions have hardly improved since such incidents were reported. "Even the Chinese authorities have said they

are concerned as conditions are substantially worse than in state-owned factories where workers have many rights," she says. "There has been some talk of the authorities stepping up inspections, but it is unclear whether this has been implemented."

Adds the Guangming Daily: "All too often, enterprises are given carte blanche to adopt whatever work practices are most cost-effective, regardless of safety."

Hong Kong business groups admit such abuses do occur but are quick to blame it on lax regulations or lack of inspection on the part of the host country.

And while worried about the backlash against Hong Kong investors in general, they seem curiously reluctant to tighten up their own formal standards.

Hong Kong Chambers of Commerce say it is not for them to reign in unscrupulous Hong Kong factory owners. "We have no mandate to dictate to our members on how they operate abroad," said a Hong Kong General Chamber of Commerce spokesperson, who also rejected the idea of a code of conduct on overseas investment.

But Lee Cheuk Yan of the Hong Kong Confederation of Trade Unions, reacting to the Bangkok fire, said, "It is time for Hong Kong employers to know and follow the code of conduct for (transnational) companies and take responsibility for their overseas enterprises." He added: "This is not the first time that

the last,"

factories with Hong Kong connections have had appalling accidents but we want it to be

Dollar rises slightly

WASHINGTON, June 23: The dollar made slight gains against most other currencies Tuesday with the markets calm after the Greenback's steep rise of the past two days, reports AFP.

The price of an ounce of gold meanwhile fell one dollar to 369 dollar.

The dollar was quoted at 1.6900 German mark shortly after trading started compared to 1.6883 at the close here Monday, and at 119.75 yen, against 110.67 earlier in Tuesday. In London the Greenback trade at 1.6875 mark and 110.62 yen.

It also rose against other European currencies and was quoted at 5.6820 French franc against 5.6715 Monday, at 1.5060 Swiss franc [1.5005] and unchanged at 0.6720 pound sterling. The dollar needed a pause

after rising sharply the two previous days, said Ed Neminsky of Nomura Securities. He expected the Greenback

to exchange within a narrôw range of 1.6820 German mark to 1.6950 German mark for the rest of Tuesday