

Now Washington gets blamed for economic strong-arm tactics

By Kalinga Seneviratne

SYDNEY: The United States may be painting Japan as the big bully in world trade, but Australian officials and businessmen say Washington is also guilty of economic strong-arm tactics.

Ironically, the latest friction between the United States and Australia is on airline traffic between the two countries via Japan.

The issue is on the seemingly simple question on just how many passengers the US airline Northwest should be allowed to carry between Japan and Australia. But industry analysts say it may well tear apart Australia's aviation treaty protection and cripple the profitability of Qantas, its national carrier.

In late May, Qantas managing director John Ward accused the United States and its airlines of being the bullies of aviation and treating Australia as "just another market to be overwhelmed."

The crisis is fundamentally the result of a US-Australia bilateral aviation treaty weighed heavily in favour of the United States. It imposes routing restrictions on Qantas, which cannot fly to the United States through Japan, while allowing US carriers to operate more freely into Australia.

The dispute is exacerbated by an even more one-sided post-war aviation treaty between the United States and Japan, giving US airlines almost unlimited rights to fly through Japan to destinations around the Asia-Pacific basin.

Northwest is already the second biggest carrier operating through Tokyo, with more flights than Japan's largest airline All Nippon Airways.

In 1991, Australia agreed to allow Northwest to fly from New York to Sydney with a stopover in Osaka, believing the airline was interested in building up traffic to Australia from the United States.

But Qantas officials say Northwest turned out to be more interested in getting a large slice of the increasingly lucrative Japan-Australia traffic, with the number of Japanese tourists to Australia set to reach the million mark per year by 1995.

The 1991 agreement had stipulated that at least 50 per cent of the passengers on the Osaka-Sydney flight originate from New York. Last year, Australia asked Northwest to comply with this clause by February 1993.

The US transportation department has since intervened, asking Australia to drop the ruling or else face similar bans on Qantas.

Arguing that the conditions imposed by Australia on Northwest violate the bilateral aviation treaty between the two countries, Washington has also threatened to slash Qantas's non-stop flights from Sydney to Los Angeles from ten to three per week.

Qantas has already lost at least 142 million US dollar in the last five years on its trans-Pacific route to the US West Coast, which accounts for 15

per cent of its business. Its market share has slipped in the face of increasing capacity and fare-cutting by big US carriers like Northwest and United Airlines.

Northwest has confidently disclosed to the press here that it has been assured by the US transportation department that the Australian government cannot impose the disputed conditions nor would it seek to enforce it.

Aviation writer Tom Ballantyne says the Asia-Pacific aviation market now accounts for 25 per cent of the world air travel, a figure expected to rise to 40 per cent by 2010.

With the US market slipping from 30 per cent to 20 per cent, major airlines are now scrambling for position in the region.

Ballantyne cites the Qantas-Northwest tussle as proof. "It is part of the strategic manoeuvring by US carriers to stamp their authority on the region and seal rights to the so-called 'fifth traffic': the ability of an airline from one nation to carry paying passengers between second and third nations."

Writing in the Australian newspaper recently, former Australian prime minister Malcolm Fraser said the country is on the verge of a significant trade and economic conflict with the United States.

The Clinton administration has shown uncomfortable signs of being willing to use all the powers of American trade laws, together with the powers im-

posed in the size of the American market, to gain its objective: better access for American corporations to other peoples' markets," he said.

Fraser added that compared to the US-Japan trade imbalance, the one between Australia and the United States is twice as bad in relation to the size of the Australian economy. Despite this, he said, Australia is still facing quantitative restrictions on more than 20 per cent of its total trade with the United States.

Aside from the ongoing aviation spat, Australia also has a long-standing dispute with the United States over agricultural trade. In mid-May, Canberra threatened to revive a formal complaint to the General Agreement on Tariffs and Trade (GATT) over the latest US cut in access for Australian sugar producers that may cost this country's sugar farmers about two million US dollar a year.

In the last five years, the dumping of subsidised US wheat in the Australian market has cost local wheat farmers some 571 million US dollar. Meanwhile, Australian beef exports to the United States were halved for the second year in succession.

Said Fraser: "We could... use all the arguments it has used against Japan against the United States herself to make the point that, because of the imbalance in trade between the United States and Australia, (Washington) must positively help us open its domestic markets to Australian products." — IPS

West accused of trade discrimination against tropical timber growers

GENEVA, June 26: Environmental activists on Friday accused western nations of pure trade discrimination against the producers of tropical timber and of blocking progress towards a new international tropical timber accord, reports Reuter.

No the final day of a week of talks towards a successor to the 1983 agreement, the World Wide Fund for Nature said consumer nations were applying a double standard by refusing to extend the pact to include their own forests.

Sources at the UN sponsored talks said consumers and producers had agreed to hold another round of negotia-

tions the third so far in Geneva from October 4-8.

They said the talks remained deadlocked over the basic issue of whether the pre-cut accord should be extended to cover temperate and boreal forests as well as tropical timber.

Tropical timber consumers such as Canada, Germany and the United States have refused any such extension.

"This is pure trade discrimination" Wale Adeleke, a WWF timber specialist said at the final session of the talks on Friday.

About 50 nations adhere to the ITTA Pact, which expires at the end of March 1994.

Dhaka Stock Prices

At the close of trading on June 26, 1993

Turnover surges

Trading on the floor of Dhaka Stock Exchange (DSE) was marked by a surge of turnover in volume on Saturday, opening day of the week.

The turnover surged to 10,423 issues from 5,358, showing a rise of 94.531 per cent. Turnover in value term also gained. It reached Taka 747,950.50 from Taka 542,140.00, an increase of 37.962 per cent.

Number of stocks traded also increased totalling 46 against Thursday's 32. Losers dominated the floor. They outnumbered gainers by 18 to 15 while 13 others were traded at previous rates.

The DSE Composite Index decreased slightly. It dropped to 415.4967 from 415.5933 carrying an insignificant 0.096 point decline.

DAY'S TRADING AT A GLANCE

DSE Share Price Index	415.4967
Market Capitalisation (Tk)	11,882,172,074.00
Turnover in volume	10423
Turnover in Value (Tk)	747950.50

Company's name	Previous price Tk	Closing price (absolute) Tk	Change Tk	Change (% over price)	Number of shares sold
Gains (15)					
Shares:					
Eagle Box	17.70	18.50	0.80	4.519	1300
AB Bank	175.00	180.00	5.00	2.857	10
National Tubes	60.00	61.50	1.50	2.500	60
National Bank	96.00	98.00	2.00	2.083	20
B Autocars	61.00	61.20	0.20	0.328	25
Satham Textile	77.17	78.31	1.14	1.477	590
Bata Shoe	38.00	38.50	0.50	1.315	1120
Peoples Insurance	345.04	348.00	2.95	0.854	10
Savar Refractories	80.33	81.00	0.67	0.834	45
Bangla Process	80.00	80.50	0.50	0.625	100
Umaria Glass	248.00	249.82	1.82	0.733	110
3rd ICB M Fund	149.00	150.00	1.00	0.671	165
Green Delta	178.33	179.00	0.67	0.375	150
BGIC	188.94	189.00	0.06	0.031	80
Debenture:					
Beximco Infusion	1680.00	1684.25	4.25	0.252	8
Losses (18)					
Shares:					
Karim Pipe	85.00	83.00	-2.00	-2.352	40
Apex Tannery	360.00	353.21	-6.79	-1.886	70
EDC	227.00	223.00	-4.00	-1.762	60
Dhaka Vegetables	80.00	79.00	-1.00	-1.250	10
Padma Textile	164.00	162.00	-2.00	-1.219	100
Rahim Textile	88.00	87.00	-1.00	-1.136	55
IFIC	187.00	185.00	-2.00	-1.069	5
Quasem Drycells	9.40	9.30	-0.10	-1.063	300
5th ICB M Fund	92.75	92.00	-0.75	-0.808	280
B Oxygen	67.50	67.00	-0.50	-0.740	112
Ashraf Textile	29.20	29.00	-0.20	-0.684	3150
GQ Ball Pen	79.50	79.00	-0.50	-0.628	55
4th ICB M Fund	152.00	151.09	-0.91	-0.598	110
Aftab Automobiles	177.00	176.00	-1.00	-0.564	70
Kohinoor Chemical	66.25	66.00	-0.25	-0.377	80
6th ICB M Fund	60.16	60.00	-0.16	-0.265	740
United Insurance	197.00	196.50	-0.50	-0.253	480
Singer Bangladesh	1530.00	1529.09	-0.91	-0.059	11

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving
J/1	Banta Margherita	GI	Strng	Prog	15/8	27/8
J/2	Vishva Umang	Cement	Visa	PSAL	23/5	28/8
J/3	Banglar Kallol	GI	BUSA	BSC	18/8	28/8
J/4	Samudra Rani	GI	Kar	SSL	24/6	1/7
J/5	Arktis Island	GI	Sing	BSC	15/6	26/6
J/6	Keban	S Billets	Mask	BSC	20/6	24/6
J/6	Al Salma	GI	Rang	ASLL	25/6	2/7
J/8	Ocean Voyager	Cement	PADA	AML	17/6	27/6
J/9	Shiplavercit	GI	Sing	EBPL	20/6	26/6
J/10	Knud Jespersen	Cont	Sing	CT	24/6	26/6
J/11	Agra	Cement	Ling	PSAL	12/6	3/7
J/12	Lhoise	Cont	Sing	RIS	24/6	26/7
J/13	NGS Ranger	Cont	Sing	BDSHIP	22/6	26/6
MPB/1	Meng Lee	Cont	Sing	AML	24/6	27/6
MPB/2	Eagle Breeze	Cont	Sing	ULA	23/6	26/6
CGJ	Alkonis (Ebb)	C Clank	BURIT	UMAL	30/5	28/6
CSJ	Elastrion-G	Idle	ANT	BSL	20/5	27/6
TSP	Portatissa	R Phos	SFA	SSST	14/6	07/7
RM/3	Banglar Sampad	Repair	Mong	BSC	7/6	29/6
RM/4	Dolores	CDSO	Darb	Seacom	25/6	29/6
RM/6	Orsha (P.C Stop)	Idle	Strng	USTC	18/5	30/6
DDJ	Banglar Kiron	Repair	—	BSC	R/A	27/6
DD	Banglar Shobha	Repair	Mong	BSC	23/6	30/6
DDJ/1	Labroy-90	GI	Sing	LLA	31/1	07/8
DDJ/2	Banglar Asha (Ebb)	Repair	—	BSC	R/A	30/6
CUR/1	Sea Rhapsody	Urva	Visa	PSAL	4/5	26/6

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 26/6/93

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Optima (Cont)	16/6	26/6/93	Sing	RSL	Cont
Andrian Goncharov (Cont)10/6	27/6/93	Sing	CT	Cont	Sing
Banglar Mori (Cont) 14/6	27/6/93	Mong	BSC	Cont	Sing
Gold Future	30/6/93	—	AML	GI	Mom Mapu
Trans Asia	27/6/93	Yang	Cross	GI	—
Tony Best	26/6/93	Mong	Aeka	Cement	—
Sam Hae	27/6/93	Hong	Seacom	GI	—
Continent-1	28/6/93	Persa	CIA	GI	—
Ivyverett	27/6/93	Sing	EBPL	GI	—
Moon Bhd	27/6/93	Const	EBPL	P Machinery	—
Nezabudka	30/6/93	—	USTC	Cement	—
Partizanskaya	28/6/93	—	BSC	M.O.P (Pvt)	—
Slava	27/6/93	—	ILA	Antara Koab-8	—
E T Ocean-VII	27/6/93	—	ILA	ASL-VII	—
E T Ocean-VI	27/6/93	—	ULA	—	—
Rafah	02/7/93	Niko	Dynamic	M Seeds	—
Hyros	26/6/93	Geel	—	Wheat (G)	—
Blue Shark	26/6/93	—	—	Prog	GI
Yamburenko	02/7/93	—	CT	Cont	Sing
Kota Buarit (Cont) 22/6	29/6/93	Sing	RSL	Cont	Sing
Bharatendu	30/6/93	Mong	SSL	GI	Dundee Harb
Mary-M	30/6/93	Persa	USTC	M Seeds	—
Mukachevo	30/6/93	—	USTC	Cement	—
Sound Royal	30/6/93	—	BWA	GI	—
Momadic	30/6/93	Giles	Lams	Wheat (G)	—
Querida	30/6/93	Giles	Lams	Wheat (G)	—
Fong Shida (Cont) 21/6	1/7/93	Sing	BDSHIP	Cont	Sing
NGS Express (Cont) 22/8	3/7/93	Sing	BDSHIP	Cont	Sing
Sam Houston	2/7/93	—	Karna	GI	Se New
Banglar Robt (Cont) 23/6	2/7/93	Sing	BSC	Cont	Sing
Vishva Shobha	3/7/93	—	SSL	GI	—
Meng Kiat (Cont) 24/6	4/7/93	Sing	AML	Cont	Cal
Samudra Samrat	5/7/93	Mong	SSL	For Bunker	—
Vishva Parimal	5/7/93	—	SSL	GI	—
Tin Ghi Shan	5/7/93	—	Khansong	Cement	—
Baris Lavrenyov	5/7/93	—	USTC	GI (Sod)	—
Withdrawn	26/6/93	—	BSC	—	—

VESSELS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Emerald Sea	26/6/93	Sing	MSPL	—	—
Akademik	—	—	—	—	—
Semenov	4/7/93	Rio	Royal	CDSO	—

TANKER DUE

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Martine Three	GI	Rang	BML	25/6

VESSELS READY

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Ronjay Choomie	Cement	Sing	USTC	2/6
Zara	—	—	CLA	R/A (25/6)

VESSELS NOT READY

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Chipson	Cement	Titiz	PSAL	14/4
Banglar Shourabh	—	—	BSC	R/A (13/6)
Banglar Jyoti	—	—	BSS	R/A (22/6)

VESSELS AWAITING INSTRUCTION

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Chipson	Cement	Titiz	PSAL	14/4
Banglar Shourabh	—	—	BSC	R/A (13/6)
Banglar Jyoti	—	—	BSS	R/A (22/6)

The above were the Saturday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Exchange Rates

The following are the Commercial Banks' BC selling and TT (C), OD transfer buying rates for some selected foreign currencies effective on June 27, 28 and 29.

Currency	Selling B.C.	T.T. (C)	Buying OD Transfers
US Dollar	39.9326	39.7087	39.4556
Pound Sterling	58.9012	58.6019	58.2481
DM	23.3989	23.2582	23.1099
FF	6.9527	6.9101	6.8660
S Riyal	10.6740	10.6142	10.5465
D Oulders	20.8634	20.7248	20.5927
S Kroner	5.1014	5.0695	5.0372
Singapore Dollar	24.5512	24.4136	24.2580
UAE Dirham	10.9096	10.8485	10.7793
Kuwait Dinar	133.1513	132.404	