

# G-7 leaders admit growth alone can't check unemployment

TOKYO, July 10: Group of Seven (G-7) leaders adopted Friday a "global growth strategy" but acknowledged that growth alone would not be enough to end the unemployment crisis plaguing the industrialised world, reports AFP.

officially out of work in the G-7 countries of Britain, Canada, France, Germany, Italy, Japan and the United States, joblessness was the most immediate problem facing most of the G-7 leaders here.

The document calls for close economic consultations between the G-7 countries and for their Finance Ministers to meet for a "jobs summit" in the United States this northern Autumn.

The corresponding figures for the G-7 countries 07.5 per cent this year and the same in 1994 — are only slightly better, and five of the seven G-7 countries have double digit unemployment levels expected to persist at least through next year, the OECD says.

# Tokyo offers talk to support primary goods prices

TOKYO, July 10: Japan proposed talks among the Group of Seven (G-7) nations to draw up a new mechanism to support prices of primary products, a foreign ministry official told reporters yesterday, says AFP.

The mechanism—covering coffee, cocoa, copper, lead, zinc, nickel, rubber and tropical timber—has collapsed because prices have plunged too low to be recovered with the limited fund.

and Eastern Europe are absorbing too much aid.

US, Japan reach deal on economic framework

# Arab oil producers lobbying hard to block UN-Iraq deal

DUBAI, July 10: Arab oil states, trying to block a deal with Iraq that would further depress world oil prices, are lobbying hard to add new conditions to UN terms for resumed Iraqi oil exports, a Gulf diplomatic source said, reports Reuter.

The Gulf states also want UN monitoring of Iraqi oil sales to include close scrutiny of the price Iraq will charge to make sure it does not offer discounts that would seriously hurt other producers, the diplomat said.

August 1990 invasion of Kuwait.

The source said Security Council permanent members Russia and Britain, both major oil producers, appeared to share the concerns of Saudi Arabia and some of the other Organisation of Petroleum Exporting Countries (OPEC) states.

# US bank extends \$227m loan to six African states

ABIDJAN, July 10: The American Development Bank (ADB) and the African Development Fund (ADF) have extended loans and grants to the total of over 227 million dollars to Tunisia, Egypt, Ethiopia, Kenya, Morocco and Namibia, the ADB announced in a communiqué published here, reports TAP.



A general view of G-7 summit in Tokyo on Friday.

— Star TV photo

# Bombay bond scam Probe body chief accuses foreign banks of criminal offence

NEW DELHI, July 10: The chief of a legislators' panel probing India's largest securities scam Thursday accused foreign banks of committing a "criminal" offence by illegally jacking up share prices in April 1992, reports AFP.

Mirdha's accusations followed previous reports by the JPC, which has mainly blamed the 1.3-billion-dollar stock market swindle on foreign banks American Express, Citibank, Bank of America, ANZ Grindlays and Standard Chartered.

The scam did not mean that some people were smart and had beaten the system... it was a criminal act," he added.

acted as corporate musclemen in many ways," Mirdha told reporters at the release of a book on the swindle.

# China's industrial output rises 25pc, threatens instability

BEIJING, July 10: China's industrial output in the first six months of 1993 was 25.1 per cent higher than a year earlier, putting a severe strain on the certain sectors and threatening instability, the China daily said Friday, reports AFP.

# First ever non-govt award for environmentalists in China

BEIJING, July 10: China has set up a non-governmental award for environmentalists, said to be the first of its kind in the world, reports Xinhua.

Last month, hundreds of Chinese environmentalists held the largest forum on this subject in Chinese history.

Committee, has inscribed the medal's name, which signifies that only by relying on science and technology, can environmental problems be solved along with economic expansion in the peaceful environment.

# French parliament approves massive privatisation programme

PARIS, July 10: French ministers are free to press ahead with a massive programme to privatise 21 state companies, including some of the pillars of the French economy, following a vote early on Friday, reports AFP.

the oil group Elf Aquitaine and chemicals heavyweight Rhone Poulenc, the industry ministry indicated on Tuesday.

European privatisations, particularly in France, Italy and Spain, are expected to be worth 100 billion to 150 billion dollars in the next five years, according to a study by the American investment bank Morgan Stanley in June, so there is need to stagger sales because of the danger of supply exceeding demand.

Not for sale are state public service monopolies such as the EDF Electricity Company and SNCF, the French railways, nor ultra-sensitive companies in the defence sector, like gain-in-dustry, which makes the Leclerc tank.

# Watchdog body details \$ 500m loss by Kuwait Investment Office

LONDON, July 10: A secret report by a powerful Kuwaiti watchdog body into the state-owned Kuwait Investment Office (KIO) has revealed losses of around half a billion dollars stemming from holdings in the US and UK.

# Watchdog body details \$ 500m loss by Kuwait Investment Office

The London-based KIO manages Kuwait's offshore wealth.

The report, which is extremely critical of the KIO's previous managers, shows the office invested a total 264 million pounds in St Martins, which owns some 60 other companies in the property, health, manufacturing, food stuffs and service sectors.

guilder. No legal action has been taken to recover this, it said.

# Saudis boost position as most influential oil producer

The Saudi cabinet, chaired by King Fahd, has dissolved the state refining and marketing organisation, Samarec, and its assets have been taken over by Saudi Aramco, giving birth to the world's largest oil company in terms of production and refining.

world, stand at 260 billion barrels.

arec had never been legally established or formally incorporated because its creation was opposed by too many vested interests. The cabinet simply had to cancel the

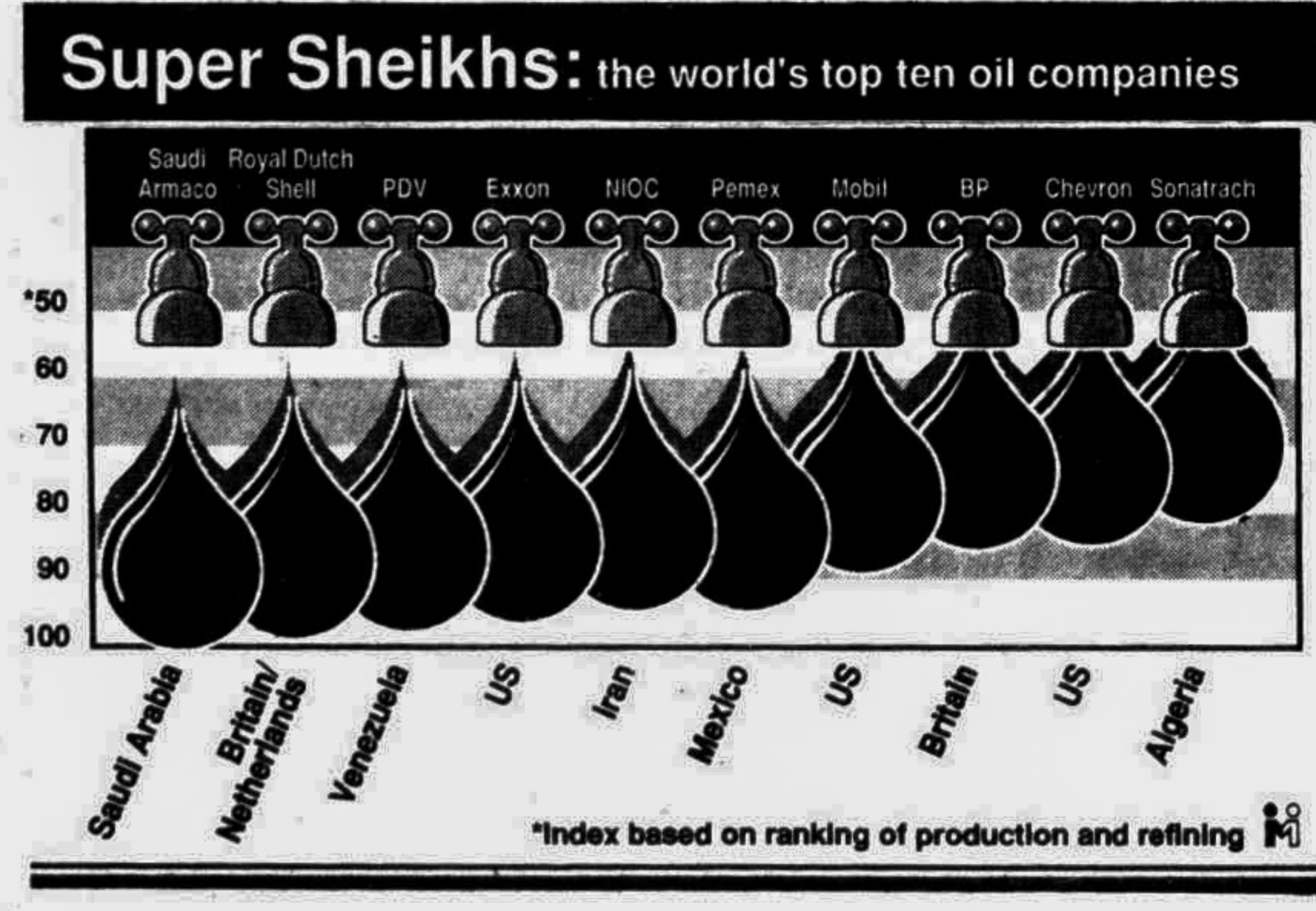
Michael Lansen Writes from Nicosia

The Samarec project was initiated in 1989 as part of an effort by the Minister of Petroleum and Mineral Resources, Hisham Nazer, to restructure the Saudi oil industry. His intention was to bring the domestic refineries, which were operating independently, into one organisation.

Samarec, which employs 12,000, became a very large firm during its four years of operation. The merger brings to Aramco three refineries for domestic production — at Yanbu, Riyadh and Jeddah — with a total capacity of 400,000 barrels a day.

Because of Aramco's greater expertise, stronger technical capability, access to financial resources and experience in export marketing, Middle East Economic Survey said the "takeover by Aramco augurs well for the future of Samarec's five billion dollar, 10-year programme for expansion and upgrading of refineries."

present. The merger, announced on June 14, is not expected to have an instant impact on the oil market.



Saudi Aramco has become the world's largest oil production and refining company. This has come about because Saudi Arabia has made its refining and marketing organisation part of Aramco. Saudi Arabia produces eight per cent of the world's total oil output. The change, reports Gemini News Service, strengthens its position as the world's most politically influential producer.