Changing APEC's name
Malaysia rejects Aussie proposal

BANDAR SERI BEGAWAN, (Brunei), Aug 4: Malaysian Prime Minister Mahathir Mohamad rejected on Tuesday an Australia proposal to change the name of the Asian-pacific Economic Cooperation (APEC), reports Reuter.

Australia's Foreign Minister Gareth Evans suggested at the weekend that APEC change its name to reflect a "sense of togetherness" no evident in the 15-nation forum.

He proposed that APEC be known as the Asian-Pacific economic community, which would embrace strategic and security relationships as well as economic ones.

"The proposal by the Australian Foreign Minister proves that they had all along wanted to form a trade grouping for developed economies at the expense of small nations," Mahathir told a news conference at the end of a visit to Brunei.

APEC, formed in 1989, groups 15 pacific rim countries including the United States, Canada, Japan, Taiwan, South Korea, Australia and New Zealand.

France works on fresh proposal for GATT talks

PARIS, Aug 4: The French government is working on fresh proposals for the GATT world trade negotiations but will not yield on its demands to renegotiate the agricultural part of the accords, government officials said on Tuesday, reports Reuter.

They said the proposals would cover four issues on which France wanted deeper discussions. They did not identify the issues.

The new proposals will be spelt out in a memorandum expected at the end of the month to add to a three-month-old document defining France's position in the talks.

The officials said France's stance on the Washington draft farm trade agreement between the European Community and the United States was unchanged.

France has said the agreement to cut subsidised farm exports, a major part of world trade talks was unacceptable.

Yuan exchange rate stable, says Vice Premier

BEIJING, Aug 4: Vice Premier Zhu Rongi was quoted Wednesday as saving the Chinese currency's current exchange rate is normal and stable and that the central bank will keep intervening to maintain it, reports AP.

The yuan plunged from about 7.4 to the US dollar to about 11 to the dollar during the first half of the year at state-run currency swap markets when businesses bid for scarce dollars to import needed raw materials or repatriate profits.

The government halted the slide by imposing a temporary ceiling and then selling large amounts of dollars on the markets, allowing the yuan to recover to about 8.8 to the dollar.

The official Xinhua News Agency quoted Zhu as telling exchange control officials on Monday that the yuan's fall in the first part of the year was due in past to "psychological expectation for further devaluation and speculative activities."

He said the current rate "represents the normal relations between supply and demand on the market. It will facilitate China's import and export business and will ensure that key projects get foreign currency."

UNITA costs Angola 50 pc of diamond production

LUANDA, Aug 4: Angola's state diamond company Endiama says the occupation of northeastern diamond areas by UNITA rebels has cost it 50 per cen of production in the key Luanda Norte province, reports Reuter.

Company officials, quoted by the official news agency Angop at the weekend, said only 20,000 carats were being produced monthly in the province, half the level before UNITA took over and sabotaged important mining areas.

The Angolan government has been battling to retake diamond mines captured by UNITA since the rebels resumed their civil war following their defeat in UN supervised elections in September.

Angola produced about 600 million dollar worth of alluvial diamonds last year, many of which were sold illegally across the border in neighbouring Zaire.

Diplomats say UNITA (National Union for the Total Independence of Angola) needs the diamond area to finance its war effort.

Tripartite move to conclude side agreements to NAFTA

WASHINGTON, Aug 4: Trade ministers from the United States, Canada and Mexico meet here Wednesday to try to finalise side agreements to a pact that would forge a three-way free trade zone with some 360 million consumers, reports AFP.

US Trade Representative Mickey Kantor assured business leaders and congress Tuesday that he would work to conclude the side agreements to the North American Free Trade Agreement (NAFTA) so it could be ratified and take effect on January 1 next year.

Some members of congress complained that the agreement would increase the flight of US jobs to Mexico, while others said there would be no time to ratify the accord by the end of the year if the negotiations on the side agreements drag on much longer.

Talks on the supplementary agreements were initiated in March at president Bill Clinton's request, to address environmental groups' concerns about Mexican standards and organized labour's worries about jobs moving south of the border.

Sources close to the talks said after a session last week that the main problem focussed on the legal means to implement two of the supplementary agreements on respect of labour laws and environmental protection.

Canada and Mexico are opposed to a US proposal that special trilateral commissions be allowed to punish violations in the two areas with trade sanctions.

Kantor said the negotiations had made progress, and while he would not predict the outcome he said he would do his utmost to reach a final agreement.

Nakta would stimulate economic growth and improve the competitiveness of US manufacturers against their European and Asian rivals, Kantor said.

Canadian Trade Minister Thomas Hockin has said that publicising such violations would be enough to force a government to respect its own laws, a position shared by his Mexican counterpart Jaime Serra Puche.

Mexico might be willing to accept a formula that would include fines and then sanctions as a last resort, sources close to the talks said.

Canada and the United States already have a bilateral free trade agreement which came into effect in January 1989.

Iran to depend on govt spending for 5-yr plan

TEHRAN, Aug 4: Economic planners are basing Iran's five-year development plan from next March on government spending of 215 trillion rials (136 billion dollar), nearly two-thirds of which is to be met by oil sales, a newspaper said on Tuesday, reports Reuter.

Hamshahri printed what it said was an outline of government current and development expenditures and revenues approved by the supreme economic council, which is headed by president Akbar Hashemi Rafsanjani.

It said the council had told lower planning bodies to draw up details of the plan without changing spending ceilings for each sector by more than five per cent.

An official at the state plan and budget organisation confirmed Hamshahri's spending figure of 215 trillion rial but noted that it did not include investment by banks and state companies.

"The figures can not be considered final until a bill is drawn up and presented to parliament, the deadline for which is September 11," the official said.

The official could not give the effective exchange rate assumed in drawing up the draft figures which Hamshahri said set oil revenue at 137 trillion rial — the equivalent of 87 billion dollar at Tuesday's official exchange rate.

Tax receipts would province 63 trillion rial (40 billion dollar) and other revenues contribute 13 trillion rial (8 billion dollar).

Bombay court okays sale of BCCI branch

BOMBAY, Aug 4: A court on Tuesday approved the sale to the State Bank of India of the Bombay branch of the Bank of Credit and Commerce International (BCCI), accused internationally of history's biggest bank fraud, reports Reuter.

Justice Jhunjhunuwala, approving the sale, said all depositors would get their money back. Interest on deposits would be paid to all except current account holders.

The branch, which opened in 1983, went into liquidation in 1991 with assets of 5.25 billion rupee (170 million dollar), deposits of 3.81 billion (123 million dollar) and lending of 1.84 billion (59 million dollar).

The branch had 225 employees and mainly attracted overseas Indians.

Baghdad no longer interested in limited $1.6b oil sale : Ghali

UNITED NATIONS, Aug 4: UN Secretary-General Boutros Boutros-Ghali says Iraq no longer is interested in limited sales of 1.6 billion dollar in oil, but wants to sell oil freely once all sanctions are lifted, Western diplomats said Tuesday, reports AP.

Boutros-Ghali

The diplomats, speaking on condition of anonymity, said Boutros-Ghali briefed the ambassadors of the United States, Britain, France and Russia about the oil sales on Tuesday.

He told them that Iraq appears to believe that all sanctions could be lifted soon, the diplomats said. That would eliminate the need for negotiations on an exemption to the trade embargo to allow a limited oil sale so Iraq could purchase humanitarian supplies.

The Western diplomats said Boutros-Ghali and the ambassadors agreed that sanctions would not swiftly be lifted and urged Iraq to resume talks on a limited oil sale.

Iraqi diplomats were not immediately available for comment.

Talks on oil sales were suspended July 14 when the Iraqi delegation said it needed to return to Baghdad for instructions. They have not been rescheduled.

UN officials said Tuesday that they were ready to resume the talks at any time.

At Tuesday's meeting with the ambassadors, Boutros-Ghali relayed the contents of a letter received last week from Iraqi Foreign Minister Mohammed Saeed al-Sahaf. The letter has not been released.

The economic embargo imposed after Iraq's Aug 1990 invasion of Kuwait has caused widespread hardships for the Iraqi people. The United States and it allies insist that Iraq comply with ceasefire term ending the Gulf War — including elimination of mass destruction weapons and recognizing the border with Kuwait — in order to get the sanctions lifted.

After the oil talks were suspended, Iraq made a major concession by apparently agreeing to long-term weapons monitoring. Iraq also agreed to allow the installation of cameras at missile test sites.

Talks on monitoring and other outstanding issues between Iraq and the United Nations are to begin in late August.

Diplomats said Iraq apparently believes that these concessions on monitoring will make it easier to get the sanctions removed.

Iraq has objected to the strict controls attached to marketing the oil and distributing the proceeds insisted upon by the United Nations, calling them offensive and a violation of its sovereignty.

Only about half of the 1.6 billion dollar would be available to the Iraqi government to purchase humanitarian supplies. The rest would go to pay for UN operations in Iraq and reparations for Gulf War victims.

Chairman of the Banque de France, Jacques de Larosiere (L), answers reporters questions Tuesday in Paris, flanked by French Finance Minister Edmond Alphandery (C) and his German counterpart Theo Waigel during a joint press conference, following the meeting of the French-German finance council.

—AFP photo

Vietnam's rice exports increase by 36 pc

HANOI, Aug 4: Vietnam has exported 900,000 tonnes of rice since January, a rise of 36 per cent over the first seven months of 1992, press reports said here today, reports AFP.

The rice was exported mainly to Africa, the Middle East and Latin America under contracts signed over the past couple of years, the reports said without naming individual importers.

Vietnam exports about 100,000 tonnes of rice to China and Cambodia, according to official statistics.

In 1992 exports reached 1.95 million tonnes, making it the world's third largest rice exporter, though recent problems have surfaced over its mediocre quality in comparison to rival exporters, the United States and Thailand, and falling prices on the world market.

Most Vietnamese rice is grown in the Red river delta in the north and the Mekong delta in the south.

Brunei firm wins approval to invest

Reuter adds from Bandar Seri Begawan: A Brunei company controlled by the younger brother of the country's Sultan said it has won approval to invest up to nine billion dollar in Vietnam.

Primal Corp, headed by Prince Sufri Bokiah, said in a statement the Vietnamese government had approved 19 projects, mostly in oil and gas exploration, over a 20-year period.

Primal will also venture into gold mining, build roads and bridges, and set up a petrochemical plant, the company said.

The deal was signed here at the weekend with officials from the Vietnam state committee for cooperation and investment, Primal said, but gave no further details.

Western diplomats here said the deal would be Brunei's single largest investment in Indo-China.

Brunei, the tiny oil-and gas-rich sultanate on Borneo island has been stepping up overseas investments to help reduce its dependence on oil.

Brunei's Sultan and Prime Minister, Hassanal Bolkiah, was named the world's richest man for the fifth successive year by Fortune magazine with personal assets worth US 37 billion dollar.

The secretive Brunei Investment Agency (BIA), the state investment arm, is estimated to control assets worth at least US 36 billion dollar.

The 10-year-old BIA grew from modest beginnings with deposits in the Singapore money market to extensive investments in bonds and equities in all major world markets and a range of real estate holdings overseas.

A loophole in the market was discovered by this young German: Olaf Menke, a 22-year-old student at the Brunswick School of Art, is combining his intermediate degree studies with commercial interests. Together with friends, he is having shoe soles manufactured from used car tyres-highly popular among fashion-conscious twens.

— IN/DPA photo

German women's fashion finds favour

The Federal Republic of Germany is one of the world's leading fashion exporters. On the other hand, for years it has also been the world's chief importer of clothing. In 1992, clothing to the tune over DM 11.5 billion was imported. The fact that German haute couture now enjoys international prestige is, apart from women's fashion, due to leading brands in men's fashion.

Whilst the latest creations in swimming or beach garments characterize the summer season in the shops, the couturiers are already concerning themselves with the autumn fashions.

Narrow shoulders, generously slit or wrap-around skirts, fine materials, subtle draperies on blouses and glitter-effects on day and evening garments characterize the trends for the 1994-94 autumn/winter fashion. They dominated the collections presented by 2,000 exhibitors from 32 countries at the IGEDO '93 in Dusseldorf, the world's largest fashion fair.

Hemline can be decided by the wearer personally - mini, midi or ankle-length - every-thing is "in". Although the same applies to the choice between narrow or wide skirts - the long narrow skirts dominated in Dusseldorf. The main thing is that the materials are of the finest.

Natural fibres are in demand — wool, cashmere, tweed, Shetland — as well as winter cotton, velvet, silk, brocade and lame materials for evening wear, and, of course, viscose and mixed material. There was also much applause for the "jeans-and-leather-wear" and coarse knitted garments.

Extravagant innovations in styling are frowned on. Even so, apart from the super-slim silhouettes, coats and ponchos, trousers in all variations and the classical "Dandy Look", the scene was dominated by the "Onion Look", i.e. attractive garments of varying lengths and widths worn over each other.

Nature is "in" in design. Haute couture is offered "low in harmful substances and dyed in vegetable pigments". According to Klaus Steilmann - the largest German (and European) manufacturer of outer-clothes — who presented his collection of "no-disposal-problem" garments in 1992 (designed at his Institute for Innovation in Wattenscheid), many other German couturiers have also developed an ecological awareness. This observance of environmental protection in fashion will not only provide the German clothing industry with further successes on the domestic market, but inernationally, too.

— IN Feature

Support deficit budget:Clinton

WASHINGTON, Aug 4: President Clinton appealed to the nation Tuesday to rally around a compromise budget plan designed to cut 496 billion dollar from the federal deficit with only a modest hit on the middle class. "There are only two choices, our plan and no plan," Clinton said, reports AP.

Democratic leaders and administration officials cautiously predicted that the compromise would pass, but Clinton nonetheless delivered a nationally televised prime-time address to try to rally public support — and a few critical undecided Senate Democrats.

"We cannot afford not to act," Clinton said in the 18-minute address from the Oval Office. "I need your help."

Attributing the deficit and economic drift to years of liberal Democratic "entitlement" policies followed by Republican "abandonment" of responsibility for the nation's problems, Clinton said: "Our nation is in economic danger."

Clinton was barely off the air when his nemesis in the budget battle, Senate Republican leader Bob Dole of Kansas, was given an opportunity to respond. He said Clinton's plan would neither cut the deficit significantly nor create any new jobs.

"The president's economic plan calls for more taxes, more spending and higher deficits," Dole said. He was particularly critical of a provision that would make the higher income taxes retroactive to Jan 1, 1993, "20 days before he even got to office."

Clinton's high-stakes sales pitch opened a feverish final burst of lobbying in advance of House and Senate votes due later this week, just before a scheduled congressional recess.

House passage seemed likely, particularly after Clinton won critical backing from the Congressional Black Caucus, which had threatened to oppose the plan.

Clinton planned to address House Democrats on the plan in the Capitol on Wednesday.

The outcome was far from certain in the Senate, where Vice President Al Gore broke a 49-49 tie to pass the initial version of Clinton's programme.

"I don't like taxes any more than you do," Clinton said in his televised appeal. But he said repeatedly that his plan was

Bill Clinton

fair, would place the burden of higher taxes on the wealthy, keep interest rates down and foster an economy that would create at least right million jobs. The average family would pay less than a dime a day in new taxes — all of it from a 4.3 cent a gallon increase in the federal gas tax, Clinton said.

In his third Oval Office address, Clinton announced he would sign two executive orders on Wednesday: One specifying the revenues from new taxes would go to deficit reduction; the other requiring the president and Congress to set specific nonbinding targets.

Dollar mixed, gold down in London

LONDON, Aug 4: The US dollar was mixed in early European trading Wednesday. Gold prices fell, reports AP.

In Tokyo, the dollar closed at 104.85 yen, up 0.50 yen from Tuesday's close. Later in London, the dollar was quoted at 104.95 yen.

Other dollar rates compared with late Tuesday:

- 1.7085 German marks, up from 1.7040
- 1.5088 Swiss francs, up from 1.5010
- 5.8940 French francs, down from 5.9425
- 1.9253 Dutch guilders, up from 1.9175
- 1,595.00 Italian lire, up from 1,594.00
- 1.2900 Canadian dollars, down from 1.2909.

In London, the British pound was quoted 1.5021 dollar down from 1.5045 dollar late Tuesday.

London's major bullion dealers fixed a recommended gold price of 400.65 per ounce at midmorning, down from 402.50 dollar bid per ounce late Tuesday.

In Zurich, the bid price was 400.60 dollar down from 403.60 dollar late Tuesday.

Silver traded in London at 5.31 dollar a troy ounce, down from 5.36 dollar a troy ounce Tuesday.

Dollar gains against yen

TOKYO, Aug 4: The US dollar moved higher against the Japanese yen in morning trading Wednesday, while prices on the Tokyo Stock Exchange gained moderately, reports AP.

Around midday, the dollar was trading at 104.97 yen, up 0.62 yen from Tuesday's close of 104.35 yen, the lowest finish in Tokyo since modern exchange rates were set in the late 1940s. In New York overnight, the dollar closed at 104.42 yen.

After opening at 104.40 yen, the dollar ranged between 104.35 yen and 105.00 yen.

Dealers said the dollar rose on buy-orders from some Japanese trust banks, which failed to buy the dollar during its plunge Monday and Tuesday. The dollar was weak in the last three trading days in Tokyo with traders selling it for yen amid the European currency turmoil.

The turmoil came after speculators, attacked most European currencies, betting they would be allowed to decline against the German mark. The situation calmed down after the decision Monday by the European Community to loosen the narrow ranges within which European monies are allowed to trade against one another.

On the stock market, the 225-issue Nikkei Stock Average gained 128.41 points, or 0.63 per cent, opening the afternoon session at 20,486.05 yen. On Tuesday, the average added 14.11 points, or 0.07 per cent, to 20,357.64.

Riyadh plans to build first sugar refinery

BRISBANE, (Australia), Aug 4: Australia's sugar industry may become a multi-million dollar supplier of raw sugar to Saudi Arabia by 1995, according to the Queensland Sugar Corp (QSC), reports AFP.

The Saudis are planning to build their first sugar refinery — a 500,000 tonnes capacity facility — at Jeddah on the Red Sea later this year.

QSC Chief Executive David Rutledge said here Tuesday that sugar producers in Queensland, where all of Australia's sugar is grown, would seek to secure export contracts for 40 to 60 per cent of that 500,000 tonnes.

Analysts say that at current sugar prices of 300 Australian dollar (204 US) a tonne, the contracts would be worth between 60 and 90 million dollar (40-61 million US).

Savola, a food processing, packaging and dairy produce company, is the principal shareholder and manager of the Saudi project.

The company's agro industries division group General Manger Muhammad Kashgari, began a three-day industry tour of Queensland with a meeting at the QSC office here Tuesday.