### Europe passes through trough of recession

FRANKFURT, Oct 18: Wim Duisenberg, President of the Dutch Central Bank, said Europe's economy had already passed through the trough of the current recession, reports

Reuter. Noting that real interest rates in Europe were at, historically, very low levels, he noted that strained efforts to force rates down further would do the economy no good.

The impact of interest rates on economic growth should not be over estimated. Duisenberg. who also heads the committee of EC central bank governors. told German radio in an inter-

He said structural changes in Europe's economies, such as a more flexible labour market and wage moderation to boost their competitiveness versus Asia and the US, would take decades to carry out.

### Ford unveils new Mustang

ALEXANDRIA, Va. Oct 18: Ford Motor Co. trotted out its 30th anniversary edition of the Mustang, a sleek, updated version of the classic "pony car" that symbolised power and speed in the 1960s and still captivates collectors today, reports UNB.

Nearly 100 automobile affcionados brought their own vintage Mustangs to a Potomac River park here Sunday to watch Ford Chairman Harold "Red" Poling pull the trap off a redesigned 1994 model.

It was a gleaming red GT convertible coupe with a 215 horsepower, 5.0 liter V-8 engine that goes from zero to 60 mph (95 kph) in 6.7 seconds and retails for 21,970 dollar, nine times the price tag on the original 1964 model. It sold for 2,368 dollar. A tamer version of the new Mustang - a 3.8 liter V-6 engine model - starts at 13,365 dollar.

Ford hoped to reignite some of the frenzy that swept American back in April 1964 when the first Mustang with its long hood, bucket seats, floormounted stick, short rear deck and scoops on the sides was unveiled at the New York World's Fair.

The original Mustang hit the streets as baby boomers were getting their first drivers' licenses. A record 417,000 Mustangs flew out of showrooms that first year and the" car passed the one million sales mark by 1966

It spawned a host of competitors, from the Camaro and Firebird to the Barracuda and the Datsun 24Oz.

The car's reputation for speed and style was embellished by Hollywood, from actor Steve McQueen's spectacular ear chases up and down San Francisco in "Bullitt" to a cameo in "Goldfinger" and an appearance in "Starman." Kevin Costner kept the one he drove in "Bull Durham."

### Dollar opens slightly lower, stocks up in Tokyo

TOKYO, Oct 18: The US dollar opened slightly lower against the Japanese yen Monday, while share prices on the Tokyo Stock Exchange were marginally higher in early trading, reports AP.

The dollar opened at 107.00, down 0.10 yen from Friday's close, and also lower than its close in New York Friday at 107.18 yen.

Gilberto Suzuki, a dealer at Citibank, said the US currency was trading in a narrow range in the first half hour, with rumoured Bank of Japan intervention keeping it from falling below the 106.80 yen level.

There were few other investment incentives in the early going, he said, predicting the dollar would stay in a 106.80-107.30 yen range during the

On the stock market, the 225-issue Nikkei Stock Average rose 34.20 points, or 0.17 per cent, to 20,208,62 after the first half hour of trading. On Friday: the Nikkei rose 91.61 points, or 0.46 percent, closing at 20,174.42.

The Tokyo Stock Price Index of all shares listed on the first section rose 2:20 points, or 0.13 per cent, to 1656.21. The TOPIX fell 0.32 points, a statistically insignificant amount, to

1,654.01 the day before. Traders said early dealings were quiet. Yasuo Ueki, manager of equity operations at Nikko Securities said prices were supported by buying of telecommunications and multimedia-related issues on last week's news that Bell Atlantic Corp. of the United States will purchase cable giant Tele-

Communications Inc. As of 9 am (0000 GMT), the price of the benchmark No. 145 Japanese government bonds was 111.63, up 0.17 yen from Friday's close. Their yield was 3.660, down 0.025 per centage point from the previous close.

# Paris steps up resistance to world trade accord

PARIS. Oct 18: France stepped up its resistance this weekend to concluding a world trade accord that fails to protect the nation's agricultural and cultural interests, with the president and premier separately voicing a "non." reports AP

"France certainly is interested in signing an agreement." Premier Edouard Balladur said in a television interview Sunday night. But he added that "if nothing changes, it is obvious we will not approve this accord."

Thousands of kilometers away, President Francois Mitterrand used the Francophone summit in Mauritius as a platform to fight for the cultural exception" that would limit the importing of American cultural wares.

The 47 participants adopted a resolution demanding that cultural activities be excluded from world trade negotiations. "It would not be possible to

ABU DHABI. Oct

Wealthy Gulf Arab states are

still facing problems in their

attempts to create a common

market although the approved

the project nearly 12 years ago.

according to a senior Gulf offi-

Abdullah Al-Quwalz, Gulf

Cooperation Council (GCC)

Assistant Secretary General for

Economic Affairs, said the

1980-1988 war between Iran

and Iraq and the sharp decline

in oil prices had adversely af-

.We should not ignore other

obstacles which have persisted

including the long distances be-

tween population concentra-

tions in the region and the na-

ture of GCC exports which ne-

cessitated strong economic ties

with industrial states while in-

ter-GCC trade has remained

limited." Quwaiz said in a

requires that the productive

"Economic integration also

fected such attempts.

study.

cial, reports AFP.

contained draconian clauses, not written but real, that this or the country maintains the right to exclude itself from its own obligations and considers its national laws superior to international laws." Mitterrand said Saturday at the opening of the

France fears that an inundation of markets with American film and TV wares will eat away at Europe's diverse identities and languages, leading to a monochromatic culture, and perhaps, killing the French film

industry. "It is not only the end of European cultures..., but also an economic problem, and beyond that, a problem of models for civilization, consumerism and society," Balladur said...

The cultural issue was only belatedly added to the dispute. Wrangling has focused chiefly over the agricultural accord concluded last November

Gulf Arabs facing problems

to create common market

bases in member states should

complement rather than com-

pete with each other. This is

negatively affecting the moves

Bahrain, Kuwait, Oman, Qatar

and the United Arab Emirates

(UAE) - signed an economic

agreement a year later they

created their alliance in 1981

with the ultimate goal of setting

The accord stipulates free

movement of individuals, unify-

ing customs tariffs on foreign

imports, establishing a cur-

rency union, linking their stock

markets and removing customs

barriers among GCC countries.

the year 2000 as a deadline for

the common market but experts

doubt it would see light on time

as little progress has been made

despite hundreds of rounds of

Customs tariffs and ex-

The six members have set

GCC states — Saudi Arabia,

towards integration."

up a common market.

the European Community and the United States, which France rejects The accord would cut subsidized exports by 21 per cent and has angered French farmers and their city cousins who

sympathise. The head of the General Agreement on Tariffs and Trade sponsoring the talks. Peter Sutherland, wants a conclusion by December 15.

France rejects the date as fi-

Balladur warned against turning the agriculture dispute into a "scapegoat" for other problems in the trade talks. "There are lots of other prob-

lems," the premier said, "steel, textiles, aeronautics, transport. services, the cultural prob-He nevertheless expressed

his hope for progress in the coming weeks. The premier was to hold

meetings Monday with political

change rates still widely vary.

stock markets remained apart

and barriers in the region per-

sisted. Such barriers, coupled

with similarity in GCC exports

- mostly oil and gas - have

low 10 per cent of their total

Customs unification is one

kept trade among member be-

trade of around 100 billion dol-

of the main conditions set by

the European Community to fi-

nalise a free trade zone, long

sought by the GCC countries to

ensure free access of their

petrochemical and aluminium

"There are other hurdles

blocking economic integration

in the GCC. They include the

disparity in port fees and in

standards and specifications of

products in member states."

ried by the official UAE news

Quwaiz said in his study, car

agency WAM on Sunday.

lar a year.

exports.

sentatives of the various sectors concerned by the trade talks. hoping to find the basis for a "minimal national accord."

There have been increasing signs that France is growing weary of the dispute, and becoming fearful for the costs of a failed agreement. The main employers union, and even some members of the conservative majority, have publicly voiced concerns.

A new GATT accord would stimulate billions of dollars in new trade, needed to jump start the recessionary economy.

**EC** Commissioner Jacques Delors, a Frenchman, warned his nation against the risks of refusal.

"France is in the process of single-handedly creating a drama, inventing a Maginot line, making a bad reputation for itself among 80 nations in the world," Delors said in a separate televised interview

QVC lines up

two new allies

Network Inc lined up two

powerful new allies and another

one billion dollar in financing

Sunday for its pursuit of

Paramount Communications

inc, the moviemaker and pub-

lisher that has already accepted

a buyout offer from MTV-cable

channel operator Viacom Inc.

reports AP. Privately J1 media compa-

nies Advance Publications Inc.

the Newhouse family-controlled

owner of Conde Nast magazines

and Random House books, and

Atlanta-based Cox Enterprises

Inc. each agreed to invest 500

Chairman Barry Dillar more

options in his effort to wrest

Paramount away from its deal

with Viacom and puts more

pressure on Viacom Chairman

Summer Redstone. QVC, the cable shopping

channel operator based in West

Chester, Pa, and Viacom have

each offered combinations of

cash and stock for Paramount

but QVC's 9.7 billion dollar bid

is currently worth 1.8 billion

dollar more.

The moves give QVC

million dollar in QVC.

NEW YORK, Oct 18: QVC

### Bush denies link with US, Kuwait, Egyptian jt venture

KUWAIT, Oct 18: Former US President George Bush on Sunday dented a report he was involved with an American-Kuwaiti-Egyptian joint venture and said he had not started any business dealings after leaving office earlier this year, reports

"I have no such connection. direct or indirect, indeed I had never heard of the business venture your paper mentions." Bush said in a letter published on the front page of Kuwait's English-language Arab Times Sunday edition.

The Kuwait news agency reported on October 5 that Bush had agreed to head a joint Kuwaiti-American-Egyptian venture called Gaya technology to manufacture water filtration

The report, published in the Arab Times the following day. said the company would build a million dollar factory in Egypt that would manufacture the

"When I left the White House

I was determined to conduct myself in such a way as to avoid any kind of activity, anywhere. that might diminish the respect that I feel for the office I was so proud to hold," Bush's letter

"I decided I would have no connection with any business enterprise in the USA or abroad. I would serve on no business board of directors. I would make no personal investment in any business activ-

To avoid any perceived conflict of interest, my personal flnances are being handled by a trust company.

Bush visited Kuwait in April to receive a medal from Kuwaiti leaders to mark his leadership of the coalition that liberated the Emirate from Iraqi occupation in February 1991.

Bush's party included his sons, Netl and Marvin, former Secretary of State James Baker. retired army Lieutenant General Thomas Kelly and former White House Chief of Staff Johan

#### Arab bankers to meet in Sanaa Nov 15

bankers will gather in Sanaa next month to discuss support for Arab economic reform mainly in Egypt. Jordan, Lebanon and Yemen - in light of decades of state control and political instability, reports APP.

The Arab Banking Union (ABU), comprising most of the region's 350 banks is organising the November 15-17 conference.

the various roles the banking sector can play to ensure the success of monetary and financtal policies specified in the economic reform programmes in the Arab world," the Beirutbased group said in a booklet on the conference, sent to Gulf Banka this week

cover the conditions that have prompted Arab states to carry out reforms, their objectives and methods to achieve such objectives in addition to ways to tackle budget deficit."

introduced reforms to confront persistent economic problems such as debt, budget deficits, unemployment and slow

The reforms, some prescribed by the international Monetary Fund, gained momentum after the Gulf War sharply depressed aid and remittances from the oil-rich region. In Yemen and Jordan, cash flow from the Gulf had accounted for more than half of national revenue before the war.

The reforms included privatisation, improvement of investment laws, easing restrictions on currency transfer, exchange and interest rates and the lifting of subsidies in some countries.

all these aspects but focus on how banks can support the reform programmes.

Economic woes persisted although non-oil Arab states have received more than 350 billion dollar in aid, remittances and investment since 1970. Around 80 billion dollars came

According to the Abu Dhabibased Arab Monetary Fund. Arab debt has steadily increased to 153 billion dollar in 1991 from L15 billion dollar in

to baseball caps and designer sunglasses. Imported sneakers replaced boots. Every day at the town's

humble airport, hundreds of pilots with bogus flight plans ignored military police, gassed up single-engine planes and took off for gold fields on Yanomami lands in Brazil or Venezuela.

wanted," said Antonio Trajano Peixoto, a former prospector, as he drove a battered taxi down a narrow road. That is, until those Indian sons of bitches caused us troubled."

makers. Miners destroyed the brought guns and diseases that killed 2,000 Indians in four years.

closed the area to outsiders.



Two Swiss policemen hold wads of counterfeit money during a presentation to the press on Friday. 12,000,000 counterfeit US dollar, Switzerland's biggest counterfeit money coup, were found by police in a press near Zurich on - AFP photo Friday.

### Japanese firms recruiting fewer college graduates

negotiations.

TOKYO, Oct 18: More than 30 percent of major Japanese companies are recruiting fewer college graduates this year, and 26 percent are cutting hiring by half or more, a survey pub-

lished Monday said, reports AP. The survey by the financial daily Nihon Keizai Shimbun provides some of the strongest evidence yet of the plight faced by new graduates in Japan as companies cope with plunging

try to avoid layoffs, so they usually cut back on hiring new employees and offer early retirement plans they find themselves with too many workers.

The Nihon Keizai said 198 of the 216 companies it surveyed, or 92 per cent, plan to hire fewer university graduates to

start in spring 1994 than they did for spring 1993. Fifty-six, or 26 per cent, will cut the number of new hires by half or more. the survey said. Japanese companies gener-

ally do all their yearly hiring in one batch, selecting a group of students in the fall. The students graduate the following March and begin work in April.

Among major companies, Sony Corp said it will hire 400 people, down from 740 last Japanese firms traditionally year, and Fujitsu Ltd will cut new hires from 1,200 to about

> Japanese companies that hired and invested heavily in the boom years of the late are now finding themselves with too much capacity and unneeded employees because of the nation's economic slump.

#### Shifting to market economy cools Slovak sex life

BRATIGLAVA, Oct 18: The pressure of keeping up with Slovakia's transformation to a free market society has cooled people's sex lives, according to a telephone hotline that helps

with personal problems.

About 10 per cent of the service concern sex-related problems. This compares with before Czechoslovakia's "velvet revolution" ended the commu-

"We hear from two group

calls received in 1992 by the five per cent in 1988, a year

which have experienced pressure on their sexual lives due to the new society - the young families which are financially strapped and the overworked ones which are under a lot of stress, though financially secure," a counsellor told Reuter on Wednesday.



tional's ice cream parlour yesterday, the first foreign ice cream parlour to open in China's capital The company plans to open three more stores in the capital within the next year. - AFP photo now is turning his eye to poli-

## Amazon boomtown goes bust as gold rush ends

BOA VISTA (Brazil), Oct 18: Hundreds of gold-trading shops used to line the downtown strip known as Gold Street. It's so quiet now that some people call it Ghost Street, according to AP. At the House of Gold

Prospectors, dredge pumps, high-pressure hoses and sifting pans have been pushed aside by pressure cookers, aprons and brooms. In the horseshoe-shaped

central plaza, out-of-work miners sprawl drunk in the shade of the city's only monument -- a concrete statue of a man panning for gold. The boomtown on the edge of

one of the world's richest gold fields has gone bust, its fortunes destroyed when the government closed the area to preserve the rain forest and the primitive Yanomami Indians. Today, Boa Vista is a mean

town of lost souls and frus-

trated adventure: . .... poor to return to their bleak beginnings, too hungry to refuse any work available, too desperate to stop hoping the glory days will "Damn it, we have a right to

that gold!" said Francisco da Costa, 46, a former miner now working as a ranch band. "Either the Indians take their cut or they move on to some other forest. We can't keep starving this way."

Hatred for the Yanomami increased when the outside world expressed outrage over the slaying of 16 Indians in July by miners in the Venezuelan Amazon. Those Indians made it all up so we'd look bad," said Joao Johil, 44 who did well in prospecting and business and

Johil sponsored prime-time sports on local television in August titled "The Pseudo-massacre." One showed miners at work while a rich baritone voice said: "This great city was founded on mining, we can't let a few savages keep us from our heritage."

The rags-to-riches-to-rags tale of Boa Vista began in the 1970s, when it was a backwater of wooden shacks and adobe huts on the Rio Branco, reachable only by canoe. Its residents got by on chickens, guava, cassava root, bananas — whatever they could raise by themselves.

Life began to change when the first adventurers arrived. drawn by rumors of mineral riches in the dense rain forest. More came after local povernors, eager to populate the ter-ritory. offered free one-way bus

credit to buy mining equipment or a land for a ranch. Then, in 1987, the fever struck. Federal geologists reported large deposits of gold diamonds. Also plentiful were the treasurers, an Amazon army commander said, that a man

could scoop them from the jun-

and boat passage plus easy

gle floor with his bare hands. in less than four years, 50,000 prospectors poured into Boa Vista; peasants from the drought-stricken northeast. nightclub bouncers from Rio. gunmen from the central plains. policemen from Sao Paulo. truckers from the far south.

They hacked through treacherous jungle in 105-degree(42 C) heat, swatted malaria-bearing mosquitoes at night, guarded bottled water and matches like the vials of gold dust that hung from their

Much of the gold was smuggled out of Brazil through the jungle, but enough made it back to Boa Vista to transform the town. Dance halls stayed open at

least until Sunday morning Mass. Lines formed outside brothels. Miners jammed bars, washing down steaks with imported whiskey. imported sports cars and off-

road vehicles clogged the dirt streets. Satellite dishes sprouted on the roofs of concrete houses. Even ordinary things like toilet paper, cigars and flashlights were bought with gold dust. Peasant straw hats gave way

"We did whatever we

For the Yanomami, the prospectors were the troublerain forest, dumped mercury used in mining into rivers.

in 1991, the government

## Many Britons worried at influx of immigrants low of 1.5565, the US dollar recovered and was

HONG KONG, Oct 18: The US dollar gained ground against most Asian currencies this past week on strong economic news from the United States and differing signals from Asia-Pacific economies, reports AFP.

Japanese yen: The Japanese currency lost ground on the Tokyo foreign exchange market to close at 107.10 yen to the dollar this week, down 1.85 yen from a 105.25 finish a week earlier. After opening at 105.97 yen, the Japanese yen fluctuated at around 105 yen earlier in the

looking for new elements to stimulate the mar-On Friday the yen plunged following its overnight fall on US markets, on speculation and

week, as dealers refrained from active trading,

a positive reading of some US economic data. Dealers said the dollar would be traded in a range between 105 yen and 108 yen next week, as US pressure on Japan to trim its trade surplus with the United States had appeared to be

Australian dollar: Encouraging economic

signals maintained a rally in the Australian dollar this week, substantial investment inflow and rising commodity prices pushed the local currency to close the week at 6.33 US cent, up 0.89 of a cent on the previous week's close.

Hong Kong dollar: The Hong Kong dollar, pegged at 7.8 to its US counterpart, firmed to 7.7249 to the Greenback Friday from 7.736-7.737 a week earlier. The effective exchange rate was 112.5 on Friday from 112.2 last week.

Indonesian rupish: The Indonesian currency ended Monday's trading at 2,109 rupiah to the dollar - the same rate it closed the previous week on Friday. It gained one rupiah on Wednesday and maintained the same rate, 2,108 rupiah to the dollar until closing on Friday.

points to end the week lower against the US dollar at 2.5435 from 2.5410 previously. Dealers said the Greenback strengthened after increased demand from Singapore and the impressive trade data released by Washington

Malaysian ringgit: The ringgit dipped 25

New Zealand dollar: The New Zealand dollar reflected political uncertainty through the week and closed here Friday worth 55.00 US cent. down from the previous week's close of 55.10 cent. New Zealand faces a general election on November 6 and dealers say this is putting pressure on the Kiwi.

Philippine peso: The Philippine peso weakened to 29.229 against the US dollar this Friday, from last week's close of 28.783 to the Greenback.

Philippine central bank officials said the slight drop was dictated by market forces, but added that the agency will have to intervene again in case of another sharp depreciation, as happened last month because of speculative

Singapore dollar: The US dollar finished weaker against the Singapore dollar at 1.5693 here Friday, compared to last week's level of 1.5700. Dealers said after last week's all-time

traded within a range of 1.5603 and 1.5700 this

South Korean won: The won strengthened against the US dollar, trading at 810.30 won Saturday, up 0.90 won from the previous week's close of 811.20 won.

Dealers said the won strengthened as Greenbacks flowed into the foreign exchange market during the week, including 80 million dollar sent from foreign securities firms to buy South Korean stocks.

Taiwan dollar: The Taiwan currency closed Friday at 2.87 dollar against the US unit, a two Taiwan cent fall from 2.85 dollar a week ago.

Thai baht: The bank of Thailand's Exchange Equalisation Fund (EEF) Friday fixed the official mid-rate at 25.23 baht to one US dollar, compared with the previous week's close of 25.18 baht to a dollar, the Greenback ended firmer this week because of dollar gains against the yen and German mark, a currency dealer said.

#### Pak money market faces deficit of funds

KARACHI, Pakistan. Oct 18: The Pakistan money market faced a deficit of funds with call rates ranging between 16.90 and 16.95 per cent, dealers said, reports Reuter.

The market saw heavy volumes changing hands in the shorter tenors at around 16.90 per cent, one dealer at Khadim Alt Shah Bukhari said.

Term borrowing continued in one-month to three-month tenors at 15.15 and 16 per cent, he said. But lending was evident in six months where dealers hoped to take advantage of firm short-term rates and lock into high yields for six months.

ABU DHABI, Oct 18: Arab

The participants will study

"The conference will also

Several Arab nations have

The conference will touch on

as official aid from Gulf states.

#### Cambodia may get back \$35m from US PHNOM PENH, Oct 18: The

United States is expected return some 35 million dollar seized from the Cambodian national bank by former ruler Lon Nol as he fled the Khmer Rouge 18 vears ago, a Cambodian official said on Wednesday, reports Reuter.

Finance Minister Sam Rainsy said US State Department officials had told him the funds, frozen in an American bank, will be released and given back to Cambodia Sam Rainsy met the officials during a recent trip to Washington. The American administration

is prepared to let this issue be dealt with the Cambodian government very soon ..... in the next few weeks, he said. He gave no further details. The United States had supported Lon Nol's 1970 coup Against Prince Norodom

by the Khmer Rouge in 1975 and later died in exile in the United States. Sihanouk was named king of Cambodia last month.

Sihanouk, who was then ruling

Cambodia. Lon Nol was deposed

Sam Rainsy said US officials had frozen the 35 million dollar with the intention of one day returning it to an acceptable Cambodian government.

The United States has restored full diplomatic relations, broken off in 1975, with the new royal government of Cambodia set up as a result of UN supervised elections earlier this year. Sam Rainsy said that his

Washington trip also gained a promise of aid from the International Monetary Fund and the World Bank. The minister said the United

Nations had agreed to leave equipment used by the international peacekeeping force in Cambodia that supervised may elections.