State of Russian economy

unstable: Chernomyrdin

sentatives, said that whatever

the outcome of December elec-

tions: "We will fight for reform."

the first three quarters of the

year, Chernomyrdin said the

economy was in a state of

"unstable equilibrium," with en-

couraging trade figures but

Industrial output

in W Germany

down 2pc in Sept

BONN, Nov 3: Industrial

production in western Germany

was down two per cent in Sep-

tember compared with August,

giving an annualised drop of 7.7

per cent, the economy ministry

said Tuesday announcing sea-

sonally corrected provisional

In August, the figures was

2.2 per cent up against July.

but down by an annualised 4.4

figures, reports AFP.

per cent.

Reporting on results from

Open up markets to foreign imports or face trade action

WASHINGTON, Nov 3: A senior US official warned that Washington would take retaliatory trade action against China if Beijing fails to substantially open up its markets to foreign imports by a December 31 deadline, reports Reuter.

December 31 is not a flexible deadline deputy US Trade Representative Charlene Barshfskey told reporters. Absent significant (trade) liberalisation. the United States will take action.

China agreed to significantly do away with controls on imports by December 31 in a Memorandum of Understanding with the United States signed in

" Thus far, the offers are not adequate. Barshisky, who was in China last week, told a news conference sponsored by the

American society of interna tional law

President Bill Clinton and Chinese President Jiang Zemin are due to meet in Seattle later this month in the highest-level contact between the two sides since early 1989.

Sino-US relations sourced after the June 4, 1989 army crackdown on pro-democracy demonstrations in Beijing's Tiananmen Square and are still bedeviled by disputes over human rights, trade and weapons proliferation.

Barshfsky said Washington could take a variety of retaliatory actions if Beijing fails to liberalise its markets by December 31. Possibilities include slapping duties on imports from China under Section 301 of the trade act.

"We believe that the Chinese

will come forward with significant liberalisation at the end of the day, Barshfsky said. But we obviously can't be sure of that. "We've heard some promises be-

She said negotiations from the United States and China will meet on November 29-30 to

discuss the issue. But thats' not the only sub-

ject of concern to Washington. China has put in place very good laws for the protection of Intellectual Property Rights and the prevention of such actions as pirating of compact discs. But it has not enforced them. Barshfsky said.

Washington is also worried about textile transshipments by China in which Beijing seeks to get around limits on its clothing and textile exports to the United States by shipping

goods through third countries. The US customs department estimates that costs US industry some two billion dollar per

"These negotiations are not going as well as they should be". Barshfsky said.

The two sides will meet in Washington on November 9-10 for further talks on that issue Barshfsky said.

She also made clear that China has not done enough to stop human rights abuses to ensure that it continues to receive Most Favoured Nation trade status from the United States next year

That status allows China to receive the same tariff treat ment the United

States accords its closest trading allies.

Australian PM to open trade confce Nov 24

Business

SYDNEY, Nov 3: Hundreds of government and business representatives from 12 countries will arrive in Australia later this month for what organisers say will be the Asia-Pacific region's biggest trade and invest ment conference, reports AFP.

Prime Minister Paul Keating will fly to Melbourne to formally launch the three-day function on November 24, immediately after his return from the sum-mit of Asia Pacific Economic Co operation (APEC) forum leaders being hosted in Seattle by US President Bill Clinton.

The four major global economies, the United States, Japan, Germany and China will be represented and China's southern Guandong province is sending what is expected to be the biggest delegation, headed by its Governor Zhu Senlin.

Other participating countries are Chile, India, Indonesia South Korea, New Zealand Malaysia, Thailand and Taiwan

All except Germany, India and Chile are members of APEC, on which Keating is expected to focus his opening ad-

India's trade deficit falls sharply in Apr-Sept

NEW DELHI, Nov 3: India said its trade deficit fell sharply in April-September to about 440.5 million dollar from 2.6 billion dollar in the same 1992 period, reports Reuter.

Exports rose over 21 per cent to 10.3 billion dollar in the first half of the financial year. while imports fell nearly 3.4 per cent to just over 10.7 billion dollar, a government statement

In rupee terms exports rose 33.02 per cent in April-September to nearly 324 billion rupee, while imports rose 6.13 per cent to just over 338 billion. the statement said.

The government has encouraged exports since launching radical reforms to the statedominated economy in July

The Indian government had previously been relatively indifferent to exports.

US dollar rises

against major

units in Europe

dollar rose against other major

currencies in early European

trading Wednesday. Gold prices

markets were closed for Culture

Day, a national holiday. In

London, the dollar was quoted

at 107.62 yen, down 0.55 yen

Other dollar rates compared

- 1.6980 German mark, up

- 5.9200 French franc, up

- 1.9107 Dutch guilder, up

- 1,641 Italian lire, up from

- 1.3075 Canadian dollar.

In London, the British pound

was quoted at 1.4793 dollar.

down from 1.4828 dollar late

Saddam orders

from 1.6945) Swiss francs. up

from Tuesday's close in Tokyo.

with late Tuesday:

from 1.5005

from 5.9140

from 1.9030

up from 1.3051

Tuesday.

In Tokyo, Japanese financial

were also higher, reports AP.

LONDON, Nov 3: The US

as part of a nationwide protest against rice import and demand that the government reject the principle of price fixing proposed by GATT, reports AFP. The central union of agricultural cooperatives, Ja-Zenchu, said Monday that farmers were opposed to any attempt to liber-

fication, or price fixing, of produce, including rice, dairy products and starch. A march by 4,000 rice grow ers and consumers was planned for the capital, followed by a

alise rice imports and the tarif

MOSCOW. Nov 3: Prime

Minister Viktor Chernomyrdin

yesterday described the state of

the Russian economy as un-

stable and warned that the gov-

ernment had little room for ma-

noeuvre, press agencies re-

ing. Chernomyrdin said eco-

nomic reforms had been given

"a new impetus" but had to be

applied in a "more organised

fashion" if Russia was to suc-

ceed in its transformation to a

The transition had begun, he

"We cannot allow any bruta

said in a report on the nation's

economy, but the "period of

movements" of the economy, he

said, adding: "The government's

margin for maneouvre is very

President Boris Yeltsin who

TOKYO, Nov 3: Japanese

farmers will march through the

streets of the capital next week

opened the cabinet meeting

which was also attended by

businessmen and union repre-

shock therapy is over."

Speaking at a cabinet meet

ported, savs AFP.

market economy.

narrow."

rally of 10,000 people at the parliament. The protest rallies were aimed at pressuring the Japanese government to refuse the so-called "comprehensive tariffication" formula proposed under

the General Agreement on

Tariffs and Trade (GATT) and

establish a firm food selfsufficiency mechanism as

against rice imports

Confronted by a shortfall in the rice harvest of some 25 per cent due to the cold, wet summer, the government announced at the end of September

A total 1.5 million tonnes of foreign rice was likely to be imported in coming months, experts said.

Agriculture Minister Eijiro Hata leaves late Monday for

"negative tendencies" persisting in the financial area."

The August inflation rate was 30 per cent, dropping to 21

per cent in September. During the first three quarters of the year, the gross national product fell by 11 per cent compared to the same period last year. Chernomyrdin reported. Industrial production dropped 16.5 per cent and capital investment fell by seven per

But trade figures showed a surplus of 14.5 billion dollar since the start of the year, with the government predicting a supply of more than 20 million dollar for the whole of 1993. Russian firms earned 11.4 billion dollar in hard currency deficit was expected to top the latest finance ministry forecast reaching 17,000 billion rouble (17 billion dollar) for the whole of 1993, or 10 per cent of the gross national product, the ceiling set by the International

Malay national company to export cars to Europe by '94

KUALA LUMPUR, Nov 3 Malaysia's national car company Perusahaan Otomobil Nasional BHD (Proton) plans to start exporting cars to continental Europe by the Middle of 1994, company officials said on Tuesday, reports Reuter.

"We should be able to produce the left-hand drive cars by April next year and start to export them by the middle of the year," Proton Managing Director Nadzmi Mohamed Salleh told reporters. Proton, in which Japan's

Mitsubishi corp and Mitsubishi Motors Corp have a total 17 per cent stake, formed a joint-venture on Tuesday to sell its cars in Europe. Proton and its local distributor Edaran Otomobil Nasional

BHD will take 25 and 20 per

cent stakes respectively in the joint-venture. David Brown, chairman of Proton cars UK Ltd, which sells the car in Britain, will personally take a 55 per cent stake. Britain is its biggest export market with 16,000 units sold

The new company, Proton Cars Europe Ltd, will initially be captalised at 100,000 sterling.

in 1992.

36 Asian states pledge to revitalise cities

BANGKOK (Thailand), Nov 3: Thirty-six countries on Tuesday adopted a declaration on revitalising Asian cities plagued by worsening pollution, poverty

and overcrowding, reports AP. The declaration was adopted in concluding a two-day meeting that a UN agency organised to coordinate responses to the region's urban crisis.

The declaration said their common goal was to promote "economically efficient, environmentally sustainable, socially just and culturally vibrant urban areas."

It urged countries to remove regulatory constraints on efficient use of land, labour and fi nancial markets. Governments need to intervene to help the urban poor, it said.

The declaration endorsed the idea of a regional urban forum that would convene every two

The meeting was organised by the UN Economic and Social Commission for Asia and the Pacific.

A UN study discussed at the meeting said Asia's cities were being seriously degraded because authorities have focused on economic growth at the expense of the environment and social justice.

S'pore trade. development chief charged with corruption

SINGPORE, Nov 3: The chief executive officer of Singapore's Trade Development Board was charged in court on 22 counts of corruption and other offenses Wednesday, reports AP.

No plea was entered by Yeo Serg Teck, who was released on 600,000 dollar (382,166 US dollar) bail, Singapore Broadcasting Corporation announced.

Yeo was accused of cheating Jurong Town Corp, NatSteel, the National Museum and others of almost two million dol-

lar (1.3 million US dollar). Since it was set up by the government 10 years ago, the Trade Development Board has been effective in expanding international commerce by promoting Singapore's goods and services overseas and attracting foreign companies to set up in this mini state.

Corruption cases are rare in this island republic, where senior officials are paid well and have a reputation for integrity.



are to support projects to improve the country's primary education system and highway transport network. - AFP photo

Major donor agencies pleased with Kenya's reform effort

NAIROBI, Nov 3: The main donor agencies who halted aid to Kenya in 1991 demanding economic and political change said on Tuesday they were pleased with the reform effort, reports Reuter.

"We wanted stability to be _ its bloated 272,000-strong civil restored and public confidence in economic management to be achieved in that period." Hiroyuki Hino, the assistant director in the African division of the International Monetary Fund (IMF) told reporters.

"We are gratified the economy is not facing any crisis." Hino was speaking at the end of a two-week joint IMF and World Bank review of steps Kenya has taken to speed up reforms and talks on government proposals for new donor support.

5,000 shoe factory

workers go on

strike in Jakarta

workers at a shoe factory in

Indonesia went on strike be-

cause management banned

Muslim women from wearing

veils, reports said here today.

The Republika Daily quoted

a striker from the factory in

Serang, West Java as saying

that one of their key demands

was for management to allow

female workers, who accounted

for 80 per cent of staff, to wear

wanted to wear veils in the fac-

Indonesia is the most popu-

80 per cent of its 183 million

population following the Islam

reports AFP.

Muslim headdress.

the head covering.

JAKARTA, Nov 3: All 5,000

Hino said that since July Kenya had achieved tight liquidity conditions through sales of treasury bills, abolished import and export restrictions, floated the shilling currency and launched a programme to cut

He said Kenya had also libstrengthened. Progress was eralised the importation and distribution of staple maize and had addressed banking sector problems by closing questionable financial institutions and strengthening central bank

management. These measures had led to a fall in inflation from 101 per cent at end-June to 50 per cent in November. International reserves at the central bank had risen to 260 million dollar in November from 190 million

dollar in March.

But Hino said privatisation of state-run companies was slow and the government budget deficit was still too large.

The IMF-World Bank mission will present its findings to the IMF management before a meeting of Kenya's donors in Paris on November 22-23. IMF sources said these would be "positive"

Economic experts said a positive IMF-World Bank report would lead to the release of some 150 million dollar from the two agencies.

The World Bank resumed aid were now off course.

with a first tranche of 85 million dollar in April but refused to make any further commitments then, saying Kenyan reforms

Vietnamese trade unions

to talk on protection for workers soon One measure some unions had introduced was to provide collateral for bank loans to poor

protect workers as the country shifts to a market economy, trade union officials said on Tuesday, reports Reuter. The unions supported the shift away from a state-subsidised economy to an open market, but wanted to be sure there was help for workers who

HANOI, Nov 3: Vietnamese

trade unions will meet next

week to consider the right to

strike and other measures to

lost their jobs or were She said about 500 women mistreated, they said. "On the one hand we want to tory, and that several workers protect workers' interests, on have been sacked for wearing the other, we support government policy," Hoang Minh Truc, member of the unions' executive lous Muslim nations with about

committee, told reporters. The unions will hold a national congress from November 10 to 12.

and jobless members wanting to start business, Truc said.

"The trade unions should care for and protect the working people's interests on the basis of ensuring the stability and development of the country," said Xuan Cang, another member of the committee.

He said workers could be given the right to strike under a draft labour law to be considered by the national assembly in December.

Vietnamese law currently has no provision for strikes, but in the last few years the country has witnessed several strikes in joint ventures where Vietnamese workers were reportedly Beaten, mistreated or under-

not to buy dollar from open market BAGHDAD, Nov 3: President

Saddam Hussein has ordered state institutions not to buy dollars on the open market, in a bid to halt a record slide in the value of the Iraqi dinar, newspapers said Tuesday, reports

The decision was taken at a cabinet meeting on Monday that examined the economic crisis caused by the UN embargo imposed in 1990. The dinar has plunged

against the greenback since negotiations with the United Nations on allowing Iraq to resume limited oil exports were suspended in early October.

promised.

an urgent importation of 200,000 tonnes of rice.

In the face of growing discontent, the authorities main tained that the move did not reflect any change in Tokyo's official position that the rice market would remain closed.

Europe for a meeting Tuesday in Geneva with the Director General of GATT, Peter Sutherland, before going Wednesday to Brussels for talks with officials

of the European Community. Most Japanese for opening rice market

AP adds: The latest call for Japan to open its rice market comes not from a foreign government, but from 62 per cent of Japanese respondents to a survey published Wednesday.

According to the survey by the Yomiuri, a major daily newspaper, 54.2 per cent of respondents to a telephone poll said doing away with the current virtual ban on foreign rice was "inevitable," while eight per cent said it was "absolutely necessary."

Fifty-five per cent, up seven per cent since a similar poll in May, said opening the market would make domestic farming more efficient and competitive, while 39 per cent, down five per cent, said it would destroy farming families and the cultural values they represent.



Prof Shamsul Haque, Director, IBA, addressing NBR officers who completed a three-month long computer training course organised by the IBA Computer Centre recently.

ROK to build world's largest desalination plant for S Arabia

RIYADH. Nov 3: Saudi Arabia on Tuesday signed a four billion dollar contract with a South Korean firm for the construction of the world's largest desalination plant in the western province, reports UNB.

Korea Heavy Industries and Construction Co. won the contract after stiff competition from European and Japanese firms.

The plant, with a capacity of 100 million gallons (380 million liters) per day, would go on stream within 43 months. Minister of Agriculture and Water Abdul-Rahman al-Sheikh said at the signing ceremony.

Soo-Kang Lee, KHIC's President, signed for the Korean

The Red Sea port city of Jiddah on the western coast of

the Kingdom has been suffering from acute water shortages. Officials at the water supply department have been urging residents to conserve water and electricity. The Al-Shoaiba PH-2 Power

and Desalination Project also involves the construction of 500-megawatt power plant with five units of 100 megawatts

The US Bechtel engineer group and Sweden's Asea Brown Boveri are KHIC's partners in the power plant project.

Dhaka can export \$ 2.6m garments, jute goods

Bangladesh has secured orders worth 2.6 million US dollar for supplying readymade garments and jute goods during a trade fair at Johannesburg last month, reports UNB.

A press release of the Export Promotion Bureau (EPB) yesterday said the Bangladesh pavilion at the week-long fair that concluded on October 23 had attracted a large number of buyers who showed keen interest in the country's exportables.

Bangladesh for the first time participated in such trade fair in South Africa in view of that country's changing policy to abandon apartheid and introduce a democratic polity.

US sale of new homes shot up 20.8 pc in Sept

WASHINGTON, Nov 3: Sales of new homes shot up 20.8 per cent in September to the highest level in nearly seven years, the government said Tuesday. Sales rose in every region except for the Northeast, reports AP. Sales totalled 762,000 at a

seasonally adjusted annual rate, up from a revised 631,000 in August, the departments of Commerce and Housing and Urban Development reported. August sales originally were

estimated to be 616,000. The revision meant that sales fell 2.2 per cent in August, rather than the 3.1 per cent in the original report. A consensus of economists

had predicted that sales would be up in September, but only by about 4 per cent.

International agri group supports initiatives of '92 Rio Summit WASHINGTON. Nov 3: The application of the "green revo- the world. agricultural research and promillion people still do not get an sure the survival of plant ge-

week-long annual meeting of an international agricultural research group ended with support for some of the environmental initiatives of the 1992 Rio Earth Summit, reports

USIS.

The Consultative Group on International Agricultural Research (CGIAR) on October 29 strongly backed an initiative to bring back into use marginal land that is now unfit for agriculture.

CGIAR's chairman, V Rajagopalan, said marginal lands around world now occupy an area equal to that of China and India combined, and that much of that land came into disuse because of a too rigid

lution," which called for extensive use of fertilizers, pesticides. and irrigation. Bad management of irrigation water led to salinity of the soil which was in turn intensified by the presence of chemicals from the fertilizers and pesticides, he said.

Rajagopalan said the emphasis of agricultural research today is how to prevent existing agricultural lands from being further degraded; in previous years, he said, the focus was

more on increasing productivity. Stein Bie, who heads CGIAR's task force to follow up on Rio's Agenda 21 initiatives, said CGIAR 13 also supporting the conservation of seed banks through small farmers around

The third environment-related initiative supported by CGIAR is integrated pest management. This involves a reduction in the level of pesticides. and greater reliance on changes in the genetic composition of plants, and cultivation of plants with shorter growing

tion by pests. Bie suggested that universities in the Third World should be helped by CGIAR's centers of research in respective countries so that modern agricultural techniques can be taught at the post-graduate level. In a related development,

the donor community - led by

the United States - pledged

seasons to discourage infesta-

netic resources in the former Soviet Union and Eastern Europe. The resources include the Vavilov collection in St Petersburg, Russia, and a collection in the Czech Republic.

Also, the Common Fund for Commodities (CFC) and the World Bank signed an agreement to support research to develop more disease-resistant banana varieties for both export and local consumption in major banana-producing countries. CFC will contribute 3.5 million dollar over the next five years

for the project. CGIAR chairman Rajagopalan said funding for

jects has been declining over the last three years because of tight budget situations in the donor countries. CGIAR estimates th:

donors will be pledging 220 million dollar to 225 million dollar to support its agricultural research centers in 1994. In 1993, the donor support was 234 million dollar and in 1992 it was 247 million dollar. Rajagopalan said the world

spends around 10,000 million dollar a year in agricultural research, with 2,300 million dollar of that amount provided by the developing countries them-

He said despite all the advances in agriculture, over 700

adequate diet, and 10 million to 12 million pre-school children still die every year because of diseases induced by malnutri-

CGIAR is an informal association of 41 governments, international organizations, and private foundations that support an international research system for agriculture, forestry, fisheries and management of natural resources in developing countries.

The World Bank, the United Nations Development Programme and the Food and Agriculture Organisation jointly sponsor CGIAR, which maintains 18 international research centers with 1,700 scientists and a total staff of 12.000.

Monetary Fund. Japanese farmers to protest