

US seeks support from Asia for conclusion of world trade talks

JAKARTA, Nov 5: The United States is seeking support from several Asian countries to achieve a successful conclusion of the Uruguay Round of trade negotiations, especially in the area of financial services, a US senior official said today, reports AFP.

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"My particular focus for the treasury is on financial services and I am optimistic of making some progress in their area," Schaffer said. Schaffer was scheduled to leave for Singapore today.

Clinton submits NAFTA legislation to Congress

WASHINGTON, Nov 5: President Clinton Wednesday formally submitted legislation on the North American Free Trade Agreement to Congress as the United States and Mexico struck a deal on several contentious issues including sugar, reports Reuters.

"If we turn away from NAFTA, we risk losing the natural trade advantage that should come to the United States as Mexico and the rest of Latin America build market economies and stronger democracies," Clinton said as he signed a letter that formally sends the legislation to Congress.

Russian central bank chief accused of sabotaging reforms

MOSCOW, Nov 5: Russian central bank chief Viktor Gerashchenko, accused by some ministers of sabotaging reforms, hinted for the first time he may be forced to quit soon, reports Reuters.

Asked about rumours president Boris Yeltsin could sack him, the former Soviet Bank chairman said at a news conference on Wednesday: "I cannot rule out the possibility of my being forced to resign before a new parliament is elected."

He added: "As for my destiny, I'm not bothered. Despite the prospects of a large number of jobs in the country, I hope I won't be one of them."

Only two weeks ago Gerashchenko ruled out the possibility of being sacked or resigning of his own accord.

Gerashchenko, accused of fuelling inflation with cheap central bank credits, has fought with the monetarist Finance Minister Boris Fyodorov over economic policy for much of the year.

The central bank was subordinate to the anti-Yeltsin parliament dissolved by the president on September 21. Russian bankers expect Fyodorov, who has made no secret of his desire to head the central bank, to take over the post before parliamentary elections on December 12.

Mitsubishi Motors reports 6.7 pc profit drop

TOKYO, Nov 5: Mitsubishi Motors Corp. announced Thursday that its net profit fell 6.7 per cent in the first half of the fiscal year to 10.02 billion yen (92.3 million dollar), reports AP.

While profit declined from 10.74 billion yen (99.4 million dollar) in the previous April-September period, the results compared favorably with those of other major Japanese auto makers, many of which have reported or are forecasting double-digit profit declines or even losses.

US rejects move at UN against its trade ban on Cuba

UNITED NATIONS, Nov 5: The United States reserves the "political and economic right to exclude as trading partners" Cuba and others "who violate fundamental human rights and who demonstrate little respect for human dignity and the worth of the individual," says US Ambassador Victor Marrero.

"There is nothing the United States would like more than to see Cuba's doors fully opened to economic and political freedoms, to see her prison gates swung wide to free political dissidents and to see all Cuban citizens free to speak their minds without fear of reprisal. That is our hope and goal: that is the goal of our embargo," Marrero said.

APEC a building bloc for global free trade: US

MANILA, Nov 5: A senior US official today denied that Washington was turning the 15-nation Asia Pacific Economic Cooperation (APEC) forum into a trade bloc put hinted it could become a fallback if global trade talks failed, reports AFP.

"This is not a regional trading bloc. It's a building bloc for global, freer trade," Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs, said two weeks before an APEC summit opens in Seattle.

But Lord, fielding questions in Washington from Asian officials, academics and journalists in a satellite video conference, warned Europe that the United States could turn to APEC if the Uruguay Round of global trade talks collapsed.

"We would hope that the gathering of leaders of Asia, the dynamism of the region, would send a signal to Europe that it's in their interest to work with US

and others to bring the Uruguay Round to a successful conclusion," he said.

He stressed that "we have very important trading interests with Europe" and "this is not meant to pressure them in any aggressive way."

But "if the Uruguay Round does fail, it's up to APEC it seems to me to keep alive the banner of freer trade and investment, and to promote it at least on a regional basis, until we can get back on a global track."

Lord, Washington's point man for Asia, sought to allay fears that APEC would be under the American shadow after the November 19-20 Seattle summit.

"We do not seek to dominate APEC. We couldn't if we wished to. There are many important countries there," he said.

The pace of APEC's development would not be dictated by Washington, and there is no

plan to "institutionalise" such summit meetings, he said.

This is a consensus organisation. The US is very sensitive to the fact that APEC should not move any faster than the collective group wishes it to.

APEC, founded in 1989 as a loose grouping, includes Australia, Brunei, Canada, China, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand, and the United States.

Collectively they account for half of the world's gross national product and 40 per cent of global trade. East Asian nations in particular have posted the world's highest economic growth rates since the 1980s.

At least 12 national leaders are expected to attend the first ever APEC summit, which Lord described as an informal but crucial gathering which would sketch the group's future and promote personalities among

the leaders.

Diplomats here said heads of delegations would be closed together on Black Island off Seattle on November 20, with a minimal number of aides on hand. Many of them have never previously met.

"It does help that people know each other personally," Lord said.

He described a proposal for an APEC-wide free-trade area put forward by an "eminent persons" group of private experts commissioned by the organisation as a "very ambitious" and "long-term vision" that must be studied by members.

Lord said APEC would be fully compatible with other regional and sub-regional organisations and arrangements such as the North American Free Trade Area (NAFTA), the six-member Association of South East Asian Nations (ASEAN), and the ASEAN Free Trade Area (AFTA).

Stocks close lower, dollar rises in Tokyo

TOKYO, Nov 5: The Tokyo Stock Exchange's key index tumbled again Friday, while the US dollar strengthened against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average lost 359.33 points, or 1.90 per cent, ending the week at a seven-month low of 18,590.46.

On March 29, the index closed at 18,048.38, on Thursday it fell 431.45 points, or 2.23 per cent, finishing at 18,949.79 the first time it closed below 19,000 points since March 31.

The Tokyo Stock Price Index of all issues listed on the first section fell 23.23 points, or 1.45 per cent, to 1,530.35. The TOPIX dropped 17.79 points, or 1.10 per cent, the day before.

Volume on the market's first section was a brisk 430 million shares, up from 252.78 million shares Thursday. Decliners swamped advancers 930 to 114, with 100 issues unchanged.

On the foreign exchange market, the dollar finished the week at 108.38 yen, up 0.45 yen from Thursday's close and higher than its overnight New York close at 103.18 yen. After opening at 108.31 yen, it ranged between 108.23 yen and 108.57 yen.

Spot volume was 6.62 billion dollar, almost unchanged from Thursday's 6.59 billion dollar.

Yuko Fukukusa, manager of the treasury division at Tokai Bank, said the US currency moved little during the day, with many players sidelined ahead of the release later Friday of US unemployment figures for October.

Some traders, however, sold yen for dollar due to the Nikkei's decline, she said.

The price of benchmark No. 145 10-year Japanese government bonds ended the week at 112.89 yen, down 0.51 yen from Thursday's close. Their yield rose 0.070 percentage point to 3.500 per cent.



A rare Mauritius island stamped envelope which was sold at an auction Wednesday for five million Swiss francs (3.3 million dollar). The envelope was part of the collection of Japanese business tycoon Hiroyuki Kanai. The name of the buyer was not disclosed. — AFP photo

Bundesbank leaves key interest rates unchanged

FRANKFURT, Nov 5: The German central bank left its key interest rates unchanged Thursday at its regular fortnightly meeting, reports AP.

No rate change had been expected by economists prior to the meeting. The central council of the powerful Bundesbank had surprised the markets by lowering its key discount and Lombard rates at its last meeting on October 22.

Thursday's decision leaves the discount rate at 5.75 per cent and Lombard at 6.75 per cent. The two rates set the upper and lower margins for interest rates on loans available to commercial banks.

Mexicans expect better under NAFTA

MEXICO CITY, Nov 5: Antonio Gonzalez Rodriguez makes 12 dollar a day, cutting steel sheets that are welded into gas tanks at the Armebe Metalicos plant in Mexico City. He makes what his American counterpart makes in an hour, according to AP.

Low Mexican wages are at the centre of debate over the North American Free Trade Agreement, sent by President Clinton to the US Congress on Wednesday. The House votes on the agreement Nov. 17.

Gonzalez counts himself lucky to earn 240 dollar a month, nearly three times the minimum wage of 4.50 dollar a day.

"It's not a lot but it just about pays the bills, said Gonzalez, 25, who has two children and a third on the way, "sometimes, though, it's struggle to buy new shoes for the kids."

"We eat well enough: bread, vegetables, frijoles (beans) and rice. Sometimes we even eat meat," said Gonzalez. But little

is left after paying for groceries clothes.

Critics complain that Mexico will steal thousands of American jobs. But NAFTA supporters scoff a suggestions most Mexicans work and live in extreme poverty and say NAFTA will actually help raise Mexican wages.

"I have heard about the treaty, some good things, so maybe it will help bring more jobs or better paying jobs," said Gonzalez, grim-smearing from making gas tanks for buses, trucks and stoves.

Government statistics show 20 per cent of the workforce in this nation of 85 million earn only the minimum wage. Many simply won't work for that, said Mexico City merchant Delfino Ochoa, "so we pay our janitors double that."

The UN Economic Commission for Latin America and the Caribbean reported in October that Mexican living standards are rising under the free-market reforms of President Carlos Salinas de Gortari.

It said 13.6 million Mexicans, 16 per cent of the population, live in extreme poverty, down from 15 million in 1989. But another 23.6 million like Gonzalez are struggling, according to the commission.

If Gonzalez paid rent he would be broke; his two room cinderblock house in a poor barrio belongs to his father. Many younger workers live packed with parents or relatives to avoid rents of about 130 dollar a month.

Literally cutting corners, he walks more than 10 blocks to work to avoid a 32-cent bus fare. His family can rarely afford the movies.

At least his job is steady and secure — he can't be fired without cause or severance pay, though many others get hired and paid by the day.

But the lot of workers is improving after Salinas hiked the minimum wage by 9.5 per cent last month on the strength of lowered inflation and the sell off of hundreds of inefficient state enterprises.

Canadian PM wants to renegotiate free trade

OTTAWA, Nov 5: Prime Minister Jean Chretien took office insisting that he will either get a new deal on free trade with the United States and Mexico or pull out of the North American Free Trade Agreement (NAFTA), reports AP.

Chretien also launched a job-creation programme and canceled a multi-billion dollar helicopter purchase after he was sworn in Thursday.

Even as President Clinton struggles to win passage of NAFTA in Congress, Chretien was threatening to withhold final approval of the agreement, aimed at ending virtually all trade barriers among the three North American neighbours. Clinton acknowledges he



Jean Chretien

doesn't yet have the votes to force the agreement through a reluctant Congress.

Chretien, the 59-year-old head of the Liberal Party, wants to renegotiate elements of free trade defining subsidies, dumping and protection of energy resources. The new prime minister has threatened to revoke the existing free trade agreement between Canada and the United States. That deal, separate from NAFTA, has been in effect since 1989.

Chretien told a news conference just hours after his swearing-in that he already had spoken with Clinton and Mexican President Carlos Salinas de Gortari.

"They are aware of our concerns," he said, "and that we intend to sit down with them, even though time is pressing, to gain satisfaction."

Chretien said he intended to maintain an independent foreign policy vis-a-vis the United States, much less cozy than the one former conservative Prime Minister Brian Mulroney had with President Bush.

Indian exports rise 21 pc, imports fall 3.4 pc

NEW DELHI, Nov 5: A spurt in Indian exports shows radical economic reforms are working but a drop in imports indicates industrial growth has not revived yet, analyst said Thursday, reports Reuters.

India's exports rose 21 per cent in dollar terms in the first six months of the '93-94 financial year beginning in April.

But imports dropped by 3.4 per cent in the period, the one figure in otherwise in cheerful statistics issued by the government on Tuesday that worried analysts.

"The pickup in Indian exports, despite non-revival of economies in the west, reflects the success of the trade policy," said K KrishnaMurthy of the

Institute of Economic Growth, an autonomous institution.

"But the impact of liberalisation in terms of pickup in the industrial sector has not materialised," he added.

Since launching its radical economic reform programme in June 1991, India has lifted many of the bureaucratic controls on industry, allowed foreign investors to take majority stakes in Indian companies and substantially liberalised foreign trade.

The numbers revealed the Indian trade deficit plummeted in the first six months of 1993/94 to about 440.5 million US dollar compared to 2.6 billion US dollar in the same period of the previous year.

Exports were estimated at just over 10.3 billion US dollar compared with nearly 8.6 billion US dollar in the same period of the previous year.

Imports were estimated at just over 10.7 billion US dollar, down from nearly 11.2 billion US dollar in the previous year. Many Indian industrial exports depend on imported materials and parts.

"Basically decline in imports does bother me to the extent that it confirms non-revival of industrial growth," said KrishnaMurthy.

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'White October' for UAE stock market

ABU DHABI, Nov 5: In contrast with the world stock market crash in its Black October of 1987, last month was a "White October" for the market in the United Arab Emirates (UAE), dealers say, reports AFP.

A surge in demand pushed up prices of all shares by 10 per cent to record levels, boosting the stock index by nearly 170 points and adding more than three billion dirham (817 million dollar) to the market value of the shares.

"It was a White October that made us forget the Black October six years ago," Ziad Dabbas, share-dealing chief at the National Bank of Abu Dhabi, said Thursday.

"It was a record month in the history of share dealing in the UAE. The increase in the index surpassed the increase in the whole year."

Dealers said the boom was due to speculation on the shares of Etisalat, the biggest telecommunications company in the Gulf, after the government allowed it to raise its authorised capital of three billion dirham (817 million dollar).

They said this triggered speculation on the shares of most other trading banks and companies for the first time since sharedealing began in 1980.

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Next forty days key to world economy

WASHINGTON, Nov 5: The next 40 days — when a summit on Asia is to be held and when decisions are due on the North American Free Trade Agreement and GATT — can shake the economic world, Secretary of State Warren Christopher said, reports Reuters.

Congress is to vote on the NAFTA on Nov 17 the international community has set a Dec 15 deadline for achieving an agreement in world trade talks (GATT) and on Nov 17-21, the United States is to host a 15-nation meeting in Seattle to establish a framework for Asian economic integration and trade liberalisation.

These are 40 days that can shake the economic world and shape America's future position in it," Christopher told the Senate Foreign Relations Committee.

With NAFTA, GATT and APEC (Asia-Pacific Economic Cooperation meeting), there is an extraordinary convergence of opportunities for the United States, he said. Christopher asserted that

these three initiatives — combined with President Clinton's deficit reduction programme and his performance at the G-7 economic summit in Tokyo last July — are "integral elements of the most ambitious international economic agenda that any president has undertaken in almost half a century."

While there is no good time to defeat NAFTA, there could be no worse time than when the GATT negotiations are in their final crucial days leading up to the Dec 15 deadline, he said.

"At this delicate, decisive stage of the Uruguay Round, the United States must maintain maximum leverage — and exercise maximum leadership," he said, adding "a setback on NAFTA would compromise both."

He also reiterated his position that NAFTA is one of the great foreign policy opportunities of this generation whose approval would facilitate cooperation with Mexico on a range of issues and send a signal of cooperation throughout Latin America.

US consumers spending more for autos

WASHINGTON, Nov 5: The Federal Reserve delivered a moderately positive assessment of economic conditions across the country on Wednesday, noting strength in consumer spending, particularly for autos, reports AP.

It said business activity is spotty in California and New York and mentioned some signs of inflation in the raw materials that manufacturers buy. But overall the Fed's assessment of regional business activity was seen by economists as at bit a more optimistic than its last report in September.

"Activity has been increasing at a slow to moderate pace, the Fed said in the "beige book,"

named for the color of its cover. Consumer spending rose in a majority of districts, with particular strength noted in sales of autos and other durables, big-ticket items intended to last three or more years.

Wednesday's report summarized anecdotal material collected before October 26 by the Fed's 12 regional banks. It will be used by monetary policymakers at their next meeting on November 16.

"The message to the Fed here is, Stand pat, you're doing fine. Things are picking up and inflation is a non-problem," said economist Robert Dederick of Northern Trust Co in Chicago.

Tender Notice
বিন্দু বিল নিয়মিত পরিশোধ করুন
Name of Work — Extension of boundary wall of the residential area of Bhola Power Station. Eligibility of contractor — Power Development Board enlisted 'D' class and PDB's other offices enlisted 'A' to 'D' class contractor firms in usual Form T-1 under sealed cover. Estimated cost — Taka 1,61,731. Price of tender — Taka 160/=.

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Sealed tenders are hereby invited by the Managing Director, TSPC Limited, Patenga, Chittagong from enlisted contractors of BCIC under Category A-I for the work of extension of "BULK Storage" of TSP Complex Ltd, Patenga, Chittagong at an estimated cost of Tk.47,43,170/-.