US foreign aid reform bill needs focus, critics say

WASHINGTON, Feb 13: The Clinton Administration's bid to reform legislation governing foreign aid is being criticized by members of the US Congress as well as private sector organizations, reports USIS.

At the first Senate hearing on the administration's proposed Peace, Prosperity and Democracy Act of 1994, the measure was challenged on some of its policy implications.

Paul Sarbanes, Chairman of a Senate Foreign Relations subcommittee with jurisdiction over the bill, questioned the administration's efforts to give more flexibility to the foreign aid programme and language that appears to give the president broad authority to provide assistance — including military — to support international peacekeeping operations.

Sarbanes particularly questioned language in the proposed bill that states that the funds proposed for the president will be made available "notwithstanding any provisions of law that restrict assistance to foreign countries."

Brian Atwood, Administrator of the US Agency for International Development (USAID), said at the February 9 session that while the bill is designed to give the administration flexibility in carrying out the foreign aid programme, the measure contains provisions that limit that flexibility by restricting transfers of money from one account to another.

Atwood said any transfers from one account to another are limited to either a decrease of 10 per cent or increase of 20 per cent in any given account.

Richard Moose, the State Department's under secretary for management, said the measure would give the president authority to provide assistance to countries engaged in United Nations peacekeeping operations, regardless of whether that country were eligible under existing law to receive bilateral aid from the United States.

An example is the case of Pakistan, which is participating in UN peacekeeping operations in Somalia but is barred from getting US foreign aid — other than humanitarian — because it is in violation of the Pressler Amendment prohibiting aid to countries engaged in nuclear armament activity.

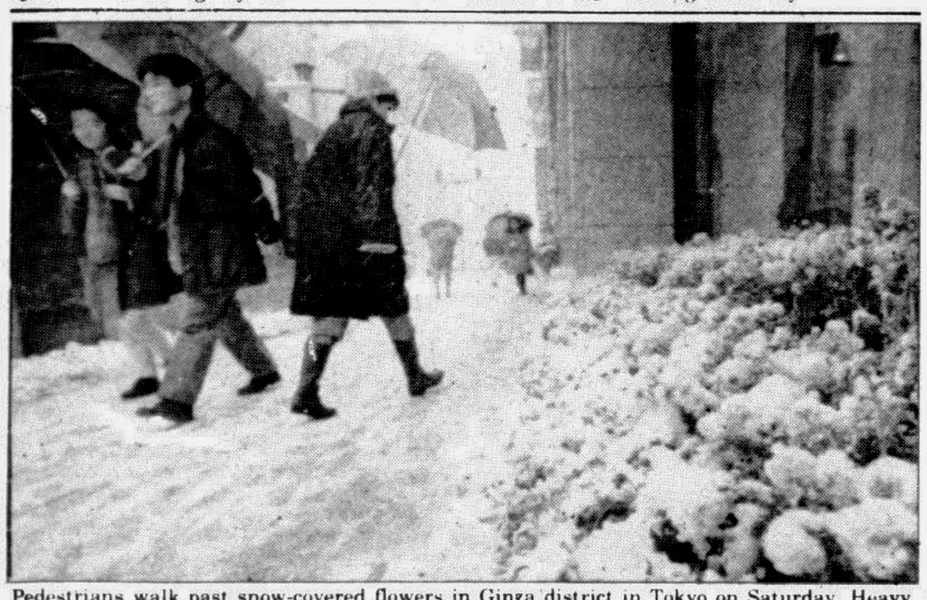
Under the proposed new law, Pakistan could get aid specifically for its peacekeeping needs in Somalia, a State Department official confirmed.

Earlier the same day, private development and environmental groups at a hearing with the House Foreign Affairs Committee said the proposed bill is vague and lacks a focus on priorities.

Richard Bissell, a former assistant administrator of USAID, argued that USAID should remain as independent as possible from the State Department and that its traditional programmes not be folded into the State Department's jurisdiction.

Bissell said "development is a long-term process," and he is concerned that it may become "hostage" to the short-term demands of the budget.

Jhon Sewell, President of the private Overseas Development Council, said the relationship between USAID and State needs to be clarified, especially in the area of promoting democracy.



Pedestrians walk past snow-covered flowers in Ginza district in Tokyo on Saturday. Heavy snow in Japan shut down airports as well as causing train delays and traffic problems. Meteorological agency officials warned that additional heavy falls were expected for the rest of the day. — AFP photo

Hosokawa seeks to raise Japanese contribution to int'l community

TOKYO, Feb 13: Japanese Prime Minister Morihiro Hosokawa stressed in a statement Friday that the country should make more contributions to the international community, reports AFP.

"Japan must try to fulfil its responsibility as much as it can as a more trustworthy state in the international community," Hosokawa said in a statement read here by Chief Cabinet Secretary Masayoshi Takemura.

Hosokawa was in Washington Friday for talks with US President Bill Clinton.

The Prime Minister said in the statement that the peacekeeping role of the United Nations should be strengthened.

The statement was read at a meeting held to celebrate Japan's National Founding Day, a national holiday.

Some 1,300 people, including members of parliament, attended the ceremony organized by the association to celebrate national holdays with support from government.

Armenia urges Georgia not to attack gas pipelines

MOSCOW, Feb 13: Armenia appealed to neighbouring Georgia on Saturday to take "adequate measures" in order to stop attacks on the only pipeline delivering natural gas to the republic, a news agency said, reports AP.

ITAR-Tass quoted an Armenian government statement as saying that sabotage acts on the pipeline continued despite Georgian assurances that the country would prevent them.

The latest pipeline explosion, which blocked all natural gas supplies to Armenia, occurred just before midnight Thursday in Georgia's Marneuli region, an area near the Armenian border populated mostly by ethnic Azerbaijanis.

Armenia, a republic in the Caucasus mountains, has no fuel of its own and depends exclusively on imports, which are especially vital in winter.

Last year, the pipeline was blown up at least seven times.

Bonn keen to trade with India

BOMBAY, Feb 13: Germany supports investment and joint ventures in India because of New Delhi's on going market reform policies, German Minister for Economic Cooperation Karl Difter Spranger said here yesterday, reports AFP.

Spranger said Germany was looking for new opportunities to create economic and cultural ties with South Asian nations, adding that his government was particularly interested in business with India because of ongoing sweeping open-market reforms.

"The openness in market reforms now justifies improving Indo-German ties," he said. "The liberalisation programmes are sending definite and clear signals that the Indian government would stay by the course of market economy."

"Positive activities and trends have already emerged from the process," he said of the economic reforms launched in 1991 by Prime Minister P V Narasimha Rao's government.

Spranger told a meeting of the Indo-German Chamber of Commerce here that Germany would encourage the Indian government to press on with the reforms and further open the economy to private sector investment.

Chamber president Helmut Brenneiser acknowledged that German industry had changed its attitude towards India as a result of the reforms.

"In the past the attitude was more reserved and critical. Today, German industry has clearly discovered India as part of the South Asian growth engine," he said.

The official said the German automobile giant Mico Boshche joint venture here was planning to expand production, while Siemens had also announced a number of new projects.

"Major expansion projects are also being discussed in the chemical industry," Brenneier said.

The German Deutsche Bank has also been given the green light to open a third branch in the southern city of Bangalore and plans to further expand business in India, he added.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on February 13.'

(Figures in Taka)

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Ex. Bills.	Buying OD Transfer
US Dollar	401225	40.1525	39.9200	39.8360	39.7125
Pound Sterling	58.7072	58.7511	57.9332	57.8113	57.6321
DM	22.9932	23.0104	22.6365	22.5890	22.5189
F Franc	6.7691	6.7741	6.6645	6.6505	6.6299
C Dollar	30.0135	30.0359	29.5539	29.4917	29.4003
S Franc	27.2546	27.2749	26.8291	26.7726	26.6896
Jap Yen	0.3785	0.3789	0.3689	0.3681	0.3669
Indian Rupee (AMU)	1.2825	1.2863	1.2722	1.2564	—
Pak Rupee (AMU)	1.3223	1.3263	1.3116	1.2954	—
Iranian Riyal (AMU)	0.0230	0.0230	0.0228	0.0225	—

A) T. T.(DOC) US Dollar Spot Buying Tk 39.8780

B) Usance Rates:

30 Days DA	60 Days DA	90 Days DA	120 Days DA	180 Days DA
39.5713	39.2885	39.0057	38.7230	38.1574

C) US Dollar sight export bill 3 months forward purchase: Tk. 39.8355

D) US Dollar 3 months forward sale: Tk. 40.5525

Indicative Rates

Currency	Selling T.T. & O.D.	Buying O. D. Transfer
S Riyal	10.6996	10.5883
UAE Dirham	10.9260	10.8120
Kuwaiti Dinnar	134.9630	133.2411
Singapore Dollar	25.3199	24.8872
D Guilders	20.3678	20.1535
S Kroner	5.0376	4.9827

Note : AMU- Asian Monetary Union.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 12-2-1994

Berth No.	Name of Vessels	Cargo Call	Last Port Agent	Local Arrival	Date of	Leaving
J/1	Rong Jiang	GI	Sing	Prog	02/2	14/2
J/2	Moskovskiy Kom.	Cement	TUTI	ANCL	07/2	15/2
J/3	Calatagan	D.Peas	Cal	Litmond	09/2	18/2
J/4	Marine Three	Cement	TUTI	BML	21/2	13/2
J/5	Island Sky	—	Sing	MSA	01/2	12/2
J/6	Gold Finch	MOP(P)	UKRA	MSA	04/2	16/2
J/7	Hang Cheong	Cement	Sing	PSAL	06/2	20/2
J/8	Shaplaeverett	GI	Sing	EBPL	10/2	15/2
J/9	Hang Wan	Cement	S.Hai	BDship	31/2	14/2
J/10	Dolores	Idle	—	Seacom	R/A	15/2
J/11	Meng Kiat	Cont	Sing	AML	9/2	12/2
J/12	Qun Chong Nyon Ho	Cement	Sing	Litmond	03/2	18/2
MPB/1	Eponyma Andrian	Cont	Sing	CTS	11/2	14/2
	Goncharog	Cont	Sing	CT	11/2	14/2
MPB/2	NGS Ranger	Cont	Sing	BDship	09/2	12/2
CGJ.	Arcadia	C.Clink	Viza	CSL	10/2	20/2
GSJ.	Danyang	Cement	Rizh	OTL	10/2	14/2
TSP.	lokasti	Cement	Tuti	Litmond	01/1	15/2
RM/4	Pu Aspiration	Cement	Sing	PSAL	03/2	15/2
RM/5	Nina	HSD	Sing	MSPL	09/2	12/2
DOJ:	Banglar Jyoti	C.Oil	—	BSC	R/A	14/2
RM/9	Banglar Asha	Repair	—	BSC	R/A	16/2

VESSELS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of	Last Port arrival	Local call	Cargo agent	Loading Port
Banglar Robi 1/2	12/2	Mong	BSC	Cont	Sing
Chestnut Hill	12/2	Sing	BSL	Wheat (G)	—
Banglar Baani	15/2	Mong	BSC	—	—
Salem Nine	12/2	Sing	MSA	SSP	—
Super Venture	13/2	Ilyc	Litmond	MOP	—
Fong Shin 6/2	15/2	Sing	BDship	Cont	Sing
Morning Star	13/2	—	CCNL	M.Seeds	—
I. Yamburenko 1/2	15/2	Sing	CT	Cont	Sing
Ingenuity 5/2	14/2	Col	BTSA	Cont	Mong
Georgios-M	14/2	Aqaba	SSST	—	—
Sea Venture	14/2	Sing	AML	Cement	—
Blue Ocean	15/2	Cal	Cross	Pulses	Ying
Ivan Vazov	15/2	Const	OTL	GI	—
Al Tafsir	14/2	—	BSL	—	—
IMKE Wehr 7/2	16/2	Sing	APL (B)	Cont	USA.Fe
Banglar Moni 8/2	16/2	Sing	BSC	Cont	Sing
Robert-E-Lee	17/2	—	Karan	GI (Lash)	—
San Mateo (Roro) 2/2	17/2	Sing	JF	Vehicles	—
Vishva Partjat	17/2	—	SSL	GL	UK.Cont
Kormat	17/2	Ging	SSST	Wheat (G)	—
Cherry	18/2	Sing	SSST	Wheat (G)	Wall
Dorianne	18/2	Hald	MBL	Wheat (P)	—
United Spirit	18/2	—	PSAL	Cement	—
Infinity 8/2	18/2	Sing	RSL	Cont	Sing
Tiger Hope	18/2	—	Prog	GI	—
Golden Lake	18/2	—	Prog	GI	—
Luna —II	19/2	-	Prog	Wheat (G)	—
Tannary Star	20/2		USTC	Cement	—
Fong Yun 10/2	20/2	Sing	BDship	Cont	Sing
Qing He Cheng	20/2	S.Hai	BDship	GI	Ports
Pine Trust	23/2	—	Prog	Wheat (G)	-

TANKER DUE

Global Mars	12/2	-	Seacom	(RM/4/3)

VESSELS AT KUTUBDIA

Name of Vessels	Cargo	Last Port call	Local agent	Date of arrival

VESSELS READY

*Ronj Victory	Cement	Viza	USTC	07/1
*Hawk	HSD	Sing	MSPL	12/2

VESSELS NOT READY

Hang Loy	Cement	Sing	Nishat	09/2
Al Reza	—	Mong	BSL	08/2
Al Tabith	—	-	BSL	R/A(9/2)
Philia	Cement	Chin	USTC	11/2

VESSELS AWAITING INSTRUCTION

Loyal Bird	—	Mong	Seacom	15/11
Banglar Shourabh	—	—	BSC	R/A
Samudra Samrat	-	—	SSL	R/A (9/2)

MOVEMENT OF VESSELS FOR 13/2/94

Outgoing			Incoming			Shifting
J/3	Calatagan	RM-4.	Global	GSJ	Dan Yang	—J/5
J/7	Hang Cheong	RM-5	Hang Wan	RM-4	Aspiration	—J/11
		J/3	Salem Nine			
		NB-	Morning Star			
		GSJ	Al Tabit			
		J/7	Ronjay Victory			

The above were the Saturday's (12-2-94) Shipping position and performance of vessel of Chittagong Port as per berthing sheet of CPA supplied by **HRC Group,** Dhaka.

Dhaka Stock Prices

At the close of trading on February 13, 1994

Losers dominate floor

Star Report

The losers, led by the Beximco Ltd, dominated the floor of the Dhaka Stock Exchange (DSE) on Sunday, and the price index fell significantly.

The Beximco led 24 out of 40 issues traded while the Eastern Cable topped the list of 10 losers in terms of volume. The share prices of other six issues remained unchanged.

The Beximco Ltd's 6100 shares were transacted at the rate of Taka 67.38 as against Taka 71.82 of the previous day.

In terms of volume, other remarkable losers were: The 6th ICB M Fund (1470), Quasem Drycells (1000), BD Oxygen (1137), Ambee Pharma (4700), Beximco Pharma (2893), Beximco Synthetic (3320), Bata Shoe (2046) and the Apex Footwear (4940).

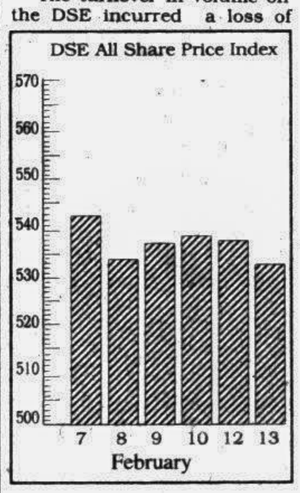
The 5th ICB M Fund (1170) and the Eastern Cables (1520) were the major gainers in terms of volume.

The share price of Bangladesh Lamps rose to Taka 490.00 from Taka 475.00 leading the gainers in terms of value. But only 29 shares of the company were traded.

The turnover in volume on the DSE incurred a loss of Taka 5.223 per cent while the turnover in value increased by 39.690 per cent.

A total of 42558.00 shares worth Taka 10853094.50 changed hands as against Saturday's 44903.75 shares valued at Taka 7769379.25.

The DSE All Share Price Index showed decline of 4.881 points decreasing to 532.72248 from 537.60442.



Trading at a glance

DSE All Share Price Index	532.72248
Market Capitalisation Tk	24235081106.08
Turnover in Volume Tk	42558
Turnover in Value Tk	10853094.50

Company's name	Change (per share)	Number of shares traded
Gainers (10)		
5th ICB M Fund	3.03	1170
BD Lamps	15.00	29
Eastern Cables	0.01	1520
Dhaka Vegetable	2.44	555
Modern Dyeing	1.00	80
Eagle Star Textile	0.10	100
Dulamia Cotton	1.79	140
Pharmaco	3.00	10
Rahman Chemicals	14.31	100
BCIL	8.00	100
Losers (24)		
6th ICB M Fund	1.17	1470
Aftab Automobiles	1.00	15
Quasem Drycells	0.06	1000
B Thai Aluminium	0.56	180
Bengal Food	14.78	570
Ctg Vegetable	0.40	310
BD Oxygen	2.00	1137
Padma Textile	2.87	100
Ambee Pharma	1.00	4700
Beximco Pharma	43.87	2893
Pharma Aids	5.24	145
Wata Chemical	4.14	300
Beximco Infusions	9.31	50
Beximco Synthetic	9.18	3320
Bata Shoe	1.38	2040
GQ Ball Pen	11.39	495
Monno Ceramic	5.91	350
Usmania Glass	5.00	100
Beximco Ltd	4.44	6100
Ctg Cement	32.23	830
Apex Footwear	3.07	4940
BGIC	1.00	360
United Insurance	8.64	110
B Infusions (Deb)	5.00	10

Issues (6) unchanged

4th ICB M Fund (10), Tamijuddin Textile (470), Progressive Plastic (13), BD Monospool Paper (45), Green Delta (80), Beximco Synthetic Deb (24).

DSE Shares and Debentures

Company	FV/ML (Taka)	Closing Rate (Taka)
BANKS (12)		
Al-Baraka Bank	1000/1	805.00
A.B. Bank	100/5	190.00
City Bank	100/5	290.00
Eastern Bank	100/20	110.00
IDLC Ltd	100/20	280.67
I.F.I.C	100/5	158.02
Islami Bank	1000/1	1407.00
National Bank	100/5	123.00
Pubali Bank	100/5	100.00
Rupali Bank	100/10	80.00
U.C.B.L	100/5	108.00
Uttara Bank	100/5	90.00
INVESTMENT (8)		
I.C.B	100/5	110.00
1st ICB M. Fund	100/5	700.00
2nd ICB M Fund	100/5	190.00
3rd ICB M. Fund	100/5	156.39
4th ICB M. Fund	100/10	160.00
5th ICB M. Fund	100/10	131.67
6th ICB M. Fund	100/10	98.02
ICB Unit Cert.		
Sales Price		118.00
Re-purchase		113.00
INSURANCE (4)		
BGIC	100/10	305.00
Green Delta	100/10	273.00
Peoples Insurance	100/10	405.00
United Insurance	100/10	266.36
ENGINEERING (19)		
Aftab Automobiles	100/5	219.00
Atlas Bangladesh	10/50	53.00
Aziz Pipes	100/5	291.00
Bangladesh Autocars	100/5	490.00
Bangladesh Lamps	100/5	475.00
B. Thai Aluminium	100/10	86.44
Bengal Carbide	100/5	502.56
Bengal Steel	10/50	20.00
Eastern Cables	100/5	80.66
Howlader PVC	100/10	74.00
Karim Pipe	100/5	80.66
Metalex Corp	100/5	39.00
Monno Stafllers	100/5	340.00
Monno Jutex	100/5	1000.00
National Tubes	100/10	59.00
Panther Steel	10/50	8.00
Quasem Drycells	10/50	11.94
Renwick Jajneswar	100/5	73.00
Singer Bangladesh	100/5	1802.17
FOOD & ALLIED (23)		
A.B Biscuit	100/5	199.00
Alpha Tobacco	10/50	50.00
Amam Sea Food	100/5	100.00
Apex Food	100/5	1100.00
Aroma Tea	100/5	45.13
Bangas	100/5	140.00
B.D. Plantation	100/5	500.00
Bengal Food	100/5	155.09
B.L.T.C.	100/5	800.00
B.T.C.	10/50	170.00
Ctg. Vegetables	100/10	94.60
Dhaka Vegetables	100/5	87.95
E.L. Camellia	100/5	1040.00
Frogleg Export	10/50	2.00
Gemini Sea Food	100/5	35.00
Hill Plantation	100/5	550.00
Modern Industries	100/5	390.00
N.T.C	100/52	275.00
Rabeya Flour	10/100	NT
Rupan Oil	10/100	4.00
Tulip Dairy	100/10	68.00
Yousuf Flour	10/50	NT
Zeal Bangla Sugar	10/50	6.50
FUEL & POWER (4)		
BD Oxygen	10/00	163.00
Eastern Lubricant	10/50	14.00
National Oxygen	100/10	74.33
Padma Oil Co.	10/50	48.00
TEXTILE (20)		
Alhaj Textile	10/50	NT
Arbee Textile	100/10	112.00
Ashraf Textile	10/50	28.00
Chand Textile	10/50	NT
Chand Spinning	10/50	NT
Desh Garments	100/10	50.00
Dulamia Cotton	100/10	77.79
Eagle Star Textile	10/50	11.10
GMG Ind. Corp.	10/50	10.00
Modern Dyeing	100/5	31.00
Padma Textile	100/20	274.00
Quasem Silk	10/100	2.40
Quasem Textile	10/50	2.50
Rahim Textile	100/5	100.00
Saiham Textile	100/10	75.50
S.T.M. (ORD)	100/5	20.00
Stylecraft	100/5	550.00
Swan Textile	100/5	9.00
Tallu Spinning	100/10	96.00
Tamijuddin	100/10	135.00
PHARMACEUTICALS & CHEMICALS (20)		
Ambee Pharma	10/50	15.00
Bangla Process	100/5	61.95
BCIL	100/10	308.00
Beximco Infusion	100/00	670.00
Beximco Pharma	100/5	1280.13
B. Synthetics	100/20	219.64
Glaxo	10/50	125.00
A C I	10/50	10.00
Kohinoor Chemical	100/5	76.09
N Polymer	100/10	110.00
Petro Synthetic	10/50	7.00
Pfizer	100/5	650.00
Pharma Aids	100/5	181.76
Pharmaco	100/5	68.00
Progressive Plastic	100/5	22.00
Rackitt & Colman	10/50	90.00
Rahman Chemicals	100/10	65.00
Therapeutics	100/5	72.00
The Ibnsina	100/10	103.00
Wata Chemical	100/20	195.00
PAPER & PRINTING (6)		
Eagle Box	10/50	16.00
Monospool Paper	100/5	24.00
Paper Converting	100/5	55.00
Paper Processing	100/10	16.00
Padma Printers	10/50	50.00
Sonali Paper	10/50	52.00
SERVICE (2)		
Bangladesh Hotel	10/50	12.00
Bd. Service	10/50	NT
MISCELLANEOUS (18)		
Apex Footwear	100/20	473.60
Apex Tannery	100/5	715.00
Aramit	10/50	30.00
Bata Shoe	10/100	88.02
Beximco	10/100	67.38
B.S.C	100/5	80.00
Ctg. Cement	100/5	392.25
G. Q. Ball Pen	10/50	110.52
High Speed	100/5	50.00
Himadri Ltd.	10/100	6.00
Milon Tannery	100/5	5.00
Monno Ceramic	100/5	500.00
New Dhaka Refac	100/20	89.17
Phoenix Leather	100/5	115.00
Savar Refractories	100/5	62.00
The Engineers	100/5	100.00
Texpick Ind	100.10	171.62
Usmania Glass	100/5	2950.00
JUTE (12)		
Ahad Jute	100/10	NT
Anowara Jute	10/50	NT
Delta Jute	10/50	8.50
Gawsia Jute	10/50	NT
Islam Jute	100/5	85.00
Jute Spinner	100/5	80.00
Mutual Jute	100/5	105.00
Northern Jute	10/50	NT
Shamser Jute	100/5	100.00
Specialised Jute	10/50	NT
Shine Pukur Jute	100/5	215.00
Sonali Aansh	100/5	120.00
DEBENTURES (6)		
BCIL (17%)	2000/1	2752.27
Beximco (17%)	1665/1	1650.00
Beximco Infusion (17%)	1500/2	1645.00
Beximco Pharma (17%)	999/1	935.00
Beximco Synthetic (14%)	2500/2	2430.00
Quasem Silk (17%)	1500/1	1340.00

Note : FV = Face Value ML= Market Lot NT= Not Traded AL = Allotment Letter

China lends public companies to private sector

Wang Zhengzhong writes from Beijing

A programme with a tongue-twister of a name is breathing new life into flagging state-owned enterprises in China.

Though the Chinese government still officially opposes privatisation, it has approved a plan meant to encourage individual initiative and expertise. And 'public running of publicly-owned businesses' (PRPB) appears to be successful in revitalising 36 small and medium-sized enterprises in the pilot area of Tongling city, Anhui province.

Tongling, a pilot area for China's comprehensive reform initiatives, has rented out the 36 public enterprises to private proprietors since August 1992 in a bold controversial step toward a more diversified economy.

An attempt to enhance the efficiency and profitability of public enterprises, PRPB is not a deviation from the official line of maintaining the dominant position of public ownership in socialist China, according to Wang Shengbang, Tongling's mayor. "Businesses involved (in the scheme) remain public property, though their management is now in private hands,' he explained.

All the enterprises now run by individuals instead of state cadres were found to be unprofitable, primarily due to mismanagement. Some were on the brink of bankruptcy. Despite painstaking efforts by the municipal government to put them back on the right track, they showed little sign of life.

The PRPB system has given these languishing enterprises a shot in the arm; 90 per cent of them turned a profit before the first year was up. According to Tongling municipal reports, labour productivity has increased 50 per cent in these leased enterprises.

The PRPB system requires that each state-or collectively-owned enterprise offered for lease has to evaluate scrupulously its assets before advertising for private lessees. After signing contracts ranging from three to 10 years and before assuming control of operations, each private leaseholder must pay rent and insurance premiums. Fees amount to 5-10 per cent of the enterprise's gross property value for rent, and 1-10 per cent for insurance.

The lessee then assumes responsibility for all staff members. He or she gets to have the final say on almost everything except property ownership. This has the disadvantage of making workers at the former state-owned enterprises confused. Suddenly, they are no longer public servants, but ordinary employees. Employees of privately-run public enterprises may also fear that their jobs now depend on the whims of their new boss. To prevent any abuse on the part of the new managers, regulations require that no less than 70 per cent of the employees must be retained, a rule intended to protect workers' interests. Others will be retrained, or will have to find other jobs.

Regulations also stipulate that after paying taxes, leaseholders can retain 20-50 per cent of the profit. The cost of the gross receipts goes toward equipment renewal, technology upgrading, and employees welfare.

According to Mayor Wang, a striking characteristic of the PRPB system is that the private entrepreneurs enjoy full autonomy. 'The PRPB system takes advantage of dynamism intrinsic to private management, so as to avoid certain drawbacks encumbering the development of public businesses," said Wang.

Tongling's Jinxing Silk Fabrics Factory is just one of the many successes of he PRPB system. In just one year, the innovative system has breathed new life into the factory. Yearly profits amount to nearly one million yuan (172,000 US dollars), and the monthly maximum wage for each worker is now 500 yuan (86 US dollars), three times what it used to be.

Si Qin, the leaseholder of the factory, understood the challenge when he put his name on the front office door 'I run this factory at my own risk. If I fail, I'll pay for the loss with my personal property.

'However, I have the power I need to make the decisions I deem best for the factory. I don't need to worry about following rigid bureaucratic rules. For example, I have every right to sack those who are not working hard. In the past, this was simply inconceivable. I think the potential rewards justify the risks,' he said.

Presently, Si employs 340 people, 16 of whom are white-collar workers. In this privately-run enterprise, there is no dead wood and no idle paper-pushers.

The success of the pilot programme in Tongling city led to the introduction of the PRPB system in Beijing, Liaoning, Shanghai, Tamjin, Hubei, Guangdong, Henan, Jilin, and other cities and provinces. Results in these places have also been most encouraging.

In some cases the PRPB system has even turned what seemed to be worthless metal into gold. Last year, workers of the Yingkou Transformer Factory in Liaoning province, northeast China, paid one million yuan (172,000 US dollars) to purchase management rights for the factory for three years. The money was paid in the name of Fan Xianguo, the former factory director. 'Now that we operate as a PRPB enterprise, we have created a favourable environment to develop our great potential,' said Fan, the titular leaseholder.

Bo Jingchun, a worker at the factory, added, 'Now the more I work, the more I earn. My monthly labour productivity has gone up 100 per cent." The average income of workers at the factory has increased by 30 per cent, and the factory showed profit of 800,000 yuan (138,000 US dollars) by the end of July 1993. They expect to clear another 600,000 yuan (103,000 US dollars) by the end of this year.

Although there are still kinks to be ironed out, such as the often arbitrary rent charges, the PRPB system has effectively spurred China's public sector in recent years.

Economists predict that some medium-sized enterprises may evolve quietly into joint-stock companies now that the PRPB system is working quite well. Recently, the Chinese central government announce some small state-owned enterprises can be sold to individuals and collectives. This amounts to privatisation on a small scale.

China now has more than 400,000 industrial enterprises, and 97 per cent of them are small or medium-sized. With these enterprises producing 70 per cent of the nation's gross industrial output value, the PRPB system may play a major role in China's future economic growth and reform.— *Depthnews Asia*

US may give Cambodia MFN status soon

PHNOM PENH, Feb 13: Cambodia moved a step closer towards achieving Most-Favoured Nation (MFN) status with the US after talks between trade delegations from both countries, reports Reuter.

"We made progress towards our common goal of reaching a bilateral trade agreement between the United States and Cambodia.

"This agreement would include the reciprocal extension of Most-Favoured Nation (MFN) Tariff treatment and other measures to facilitate enhanced trade between our two countries, such as protection of intellectual property rights," said a statement from both countries dated February 11.

The statement followed two days of discussions between trade delegations from Cambodia and the US which finished yesterday.

Sierra Leone takes away bank governor's car for austerity

FREETOWN, Feb 13: Sierra Leone's government has taken away the central bank governor's new Mercedes, considering it a ridiculous extravagance during economic austerity, reports Reuter.

An official of the national provisional ruling council, who declined to be named, said the government felt this was not the time for the central bank to be seen spending 89,000 US dollar on a new Mercedes 300 sel.

"It would sound ridiculous to part with such a fabulous amount at a time when the bank is on the verge of laying off about 200 workers," he said.

The new Mercedes has been given to the foreign ministry, which will use it to ferry visiting dignitaries.