

Cash machine
glitch makes
withdrawal
double in NY

NEW YORK, Feb 18: Tens of thousands of New Yorkers who used Chemical Bank automatic teller machines to withdraw money had their transactions doubled by a malfunctioning computer programme, reports AP.

Ken Herz, a bank spokesman, said Thursday the bank had no estimate of how much money was involved, but he said it was "significant."

The number of people affected was probably in the tens of thousands, he said, but most of them never realized there was a problem.

"Every single withdrawal or transfer involving a Chemical Bank account that was made at one of the bank's approximately 900 automatic teller machines in New York state earlier this week was affected."

The printed record of transactions spit out by the machines was accurate, but the computerized posting of withdrawals and transfers was automatically doubled.

The result was that if someone withdrew \$100 from an account the machine gave them \$200 and a receipt showing a \$100 withdrawal. But it noted the transaction as \$200 withdrawal in the bank's computer records.

The glitch began Tuesday evening, Chemical examined the system after customers began complaining and had it operating normally by Wednesday morning, Herz said.

The errors in individual accounts were expected to be corrected by Friday morning.

China's industrial
profits increase
by 62 pc from '92

BEIJING, Feb 18: China's industrial sector reaped 145 billion yuan (16.9 billion dollars) in profits last year, a leap of 62 per cent from 1992, but state-run firms remained in the doldrums, the China Daily said Friday, reports AP.

Sales were also up 42 per cent last year, although loss-making factories — the majority of which are state-owned — continued to hamper industrial development, sitting on large amounts of raw materials and stocks.

More than 25 per cent of firms in the state-dominated heavy industry sector reported operating losses in 1993, a particularly poor performance given that nearly 70 per cent of last year's profits were generated by heavy industry.

Industrial output in January jumped 33 per cent compared to the same month last year, indicating that the Chinese authorities will have difficulty restricting production to the target level of around 20 per cent.

Limiting industrial output this year is seen as crucial to ensuring economic growth of less than 10 per cent, following 13 per cent growth last year.

In what may be another worrisome sign for the government, State Statistics Bureau figures showed that the gap between the booming coastal provinces and the less-prosperous interior widened last month.

Mackintosh's 90-yr
old writing desk
sells for \$1.17m

LONDON, Feb 18: A 90-year-old writing desk made by Scotland's art nouveau architect and interior designer Charles Rennie Mackintosh on Thursday became the most expensive piece of 20th century furniture ever sold at auction, reports Reuters.

The ebullient mahogany desk was bought for 793,500 pounds (1.17 million dollars) on behalf of a private British collector, London auctioneers Christie's said.

Work by Mackintosh, who led a group of designers known as the Glasgow four, was once largely forgotten but he is now regarded as one of the century's most influential designers.

The desk was part of a private collection of 143 lots of rare furniture, designs and drawings by Mackintosh and his three fellow designers which sold for a total of 2.2 million pounds (3.3 million dollars), twice the expected amount.

The collection belonged to Dr Thomas Howard, a Professor Emeritus at Canada's Toronto University. Christie's said Howard was largely responsible for rediscovering and appreciating the work of Mackintosh, who died in 1920 aged 59.

Joint approach proposed

EC criticises US attempts to
force open Japanese market

BRUSSELS, Feb 18: The European Community criticised US attempts to force open the Japanese market here yesterday and proposed a joint approach with Washington and Tokyo to overcome Japan's barriers to foreign imports, reports AP.

EC Trade Commissioner Leon Brittan said the community did not support the US strategy to negotiate sectoral market shares with Japan because there seems to be an element of managed trade in it.

He was speaking at a press conference to launch a major export promotion campaign aimed at helping small and medium-sized European firms get a foothold on the Japanese market.

The United States and Japan have been brought to the brink of a trade war because of Japanese refusal to accept numerical targets for increasing imports of American products.

Brittan said the EC was nervous about the US numerical

target approach because American gains in Japanese market share could be at European expense.

The EC, by contrast, is trying to make European goods more attractive to Japanese consumers, while at the same time trying to make Japan dismantle general barriers to (foreign) imports such as tax laws and cartels.

Brittan suggested that the EC and the US might work together in a "trilateral approach" with Tokyo to push exports to Japan and at the same time create an economic environment which would encourage Japanese consumer demand.

But he stressed that the idea was still in its infancy, and not yet a firm proposal.

Announcing the gateway to Japan "initiative, Brittan said, 'We are pushing open the door to Japan... we look to European businessmen to march through that gateway into the

Japanese market."

Penetrating the Japanese market might be difficult, he said, but was possible if the Europeans produced quality, properly-promoted products at the right price.

The commissions said the "gateway to Japan" programme would include workshops throughout the EC for medium-sized companies interested in testing the Japanese market, plus trade missions and displays in Japan.

It is to concentrate during a kick-off 1994-95 phase on support for companies in the medical equipment construction materials and equipment, waste management technologies and packaging machinery.

The commission said these were sectors where Europeans firms were particularly competitive, although under-represented on the Japanese market.

Brittan said the European Commission would finance the three-year campaign to the

tune of 7.1 million ECU (7.8 million dollars). It will be run by the Association of European Chambers of Commerce and Industry (Euro-Chamber).

The EC's trade deficit with Japan was 31 billion dollars in 1992 and 26 billion dollars in 1993.

Brittan said EC sales to Japan between 1986 and 1992 had increased 78 per cent faster than its world-wide exports, but that this trade had fallen off over the last two years.

Euro-Chamber President Thomas Macpersen said: "This is a very major project. The message is that selling in Japan is not impossible. It can be profitable."

The Commission also announced it was extending an annual scheme to boost EC-Japan trade — by teaching Japanese to about 50 young European executives, then placing them in Japanese firms for six months.

Tehran imposes
restrictions on
imports by
private firms

TEHRAN, Feb 18: Iran has imposed new restrictions on imports by private companies in a bid to shore up its hard currency reserves amid a severe debt crisis, reports AP.

The Daily Hamshahri said yesterday private enterprises were banned from purchasing hard currency from banks at the official rate and were also prevented from importing more than 'new government regulations introduced on Wednesday.

Hard currency could only be transferred for imports on presentation of an export certificate for an equivalent amount, the paper said.

The new restrictions cut off one of the last remaining channels for private companies to import goods at the official rate. Iran's trading partners no longer accept the traditional letters of credit, due to the country's chronic backlog of debt payments.

Western experts put Iran's debt arrears at 13 billion dollars.

The dollar has soared in the past week on the open market, gaining nearly 10 per cent in value, and changing hands for up to 2,330 rials. The official rate set by the central bank has remained fixed at 1,750 rials to the dollar.

Iran moved to drastically curb imports after oil revenues plummeted in 1993 due to falling crude prices.

On Wednesday, the government cut from 200 dollars to 80 the value of goods travellers could import from the country's three duty-free zones.

EU to help China
enter GATT

BRUSSELS, Feb 18: European Trade Commissioner Sir Leon Brittan on Thursday gave an upbeat assessment of China's prospects for admission to GATT but said Beijing must do most of the work to bring this about, reports Reuters.

In a speech prepared for delivery at the Royal Institute of International Affairs in London, Brittan said the European Union would welcome the conclusion this year if possible of GATT membership preparations for China and also Taiwan.

"We will do all in our power to make it possible. But China must do more than half the work if we are to meet so ambitious a target. Nor can we subordinate the substance to the timetable," he said.

Britain, who goes to Beijing next week, said he would explore in some detail with his Chinese counterpart show best to conclude the accession process on time, and the details of the sort of protocol that could enable China to join.

Process for powder
cleaner production
leased out

Process for production of powder cleaner developed by Bangladesh Council of Scientific and Industrial Research (BCSIR) has been leased out to a local entrepreneur for commercial production, says a press release.

An agreement in this regard has been signed between BCSIR and Need Supports Ltd, 17/A West Nakhla Para, Dhaka on Thursday at the committee room of BCSIR here.

The process powder cleaner has got its brand name "Ash detergent powder" which is active in cleaning all household utensils including commode, basins, toilet etc.

NAFO rejects proposed
ban on cod fishing

BRUSSELS, Belgium, Feb 18: Ending three days of closed-door meetings late Thursday, fisheries officials from 15 nations rejected Canada's plea for a total ban on cod fishing in international waters off Newfoundland, reports AP.

But members of the North Atlantic Fisheries Organisation (NAFO) agreed to curb cod catches and halted Southern Grand Banks cod fishing in NAFO-administered waters southeast of Newfoundland and Nova Scotia.

The new limits would apply until Dec. 31.

Canada's fisheries minister, Brian Tobin, called the decision a victory for efforts to restore the stock, even though the new rule would not completely forbid cod catches.

A report by NAFO's scientific committee showed cod stocks have not deteriorated to the extent of Tobin's urgent warnings. EU officials hinted that the study played a crucial role in their vote against the Canadian proposal.

Tobin, who lobbied hard for the ban and warned of the species extinction, said the findings should not relieve NAFO members from their

duty to protect cod spawning stock.

"Any harvesting of fish will reduce the rebuilding potential," Tobin read from the report.

Canada sought a three-year ban, enough time for young cod to spawn and replenish the stocks.

The new cod limit must be approved by the dozen governments of the EU, whose fisheries ministers are scheduled to meet in April. EU officials said the decision will also be reviewed at NAFO's regular annual meeting in September, when NAFO members will decide whether to extend the new rule to 1995.

According to an EU official, Japan, Russia, Poland and the Baltic states supported Canada's drive for a complete ban, while Norway, Greenland and the EU held out against it.

Under decisions taken Thursday, boats would be limited to 6,000 tons of cod as a "bycatch," or accidental catch, in nets aimed at other types of fish. The organization had already placed a 6,000 ton cap on cod harvests, but that did not include bycatches.

World Bank okays \$282m
to combat leprosy in India

WASHINGTON, Feb 18: New help is on the way to blind people, urban poor and lepers in India, reports AP.

The World Bank this month approved or completed negotiations on a total of 282 million dollar worth of loans for Indian government programme aimed at eradicating leprosy, treating cataract blindness and providing health services for impoverished slum families.

Officials of the Bank, owned by more than 175 governments, on Wednesday announced rising support from the International Development Association, a loan branch of the World Bank, for social welfare and health in India, which receives more IDA credit than any other country.

The new Indian effort has the potential for eliminating leprosy as a public health problem just after the turn of the century, said Richard Skolnik of the Bank's India department.

The World Health Organisation estimates that 4 million of the world's 6.8 million lepers live in India.

The leprosy project, with \$86 million in IDA credit granted Feb. 4, will use multi-drug therapy and other technological advances, the Bank said.

The World Bank said it completed negotiations Feb. 1 on a \$118 million IDA credit to help India reduce the backlog of 11 million people who are "needlessly blind" from untreated cataracts.

Dollar rises against
yen in Tokyo

TOKYO, Feb 18: The US dollar rose against the Japanese yen Friday morning and stock prices ended the first session slightly higher as traders watched for developments in US-Japan trade spat, reports AP.

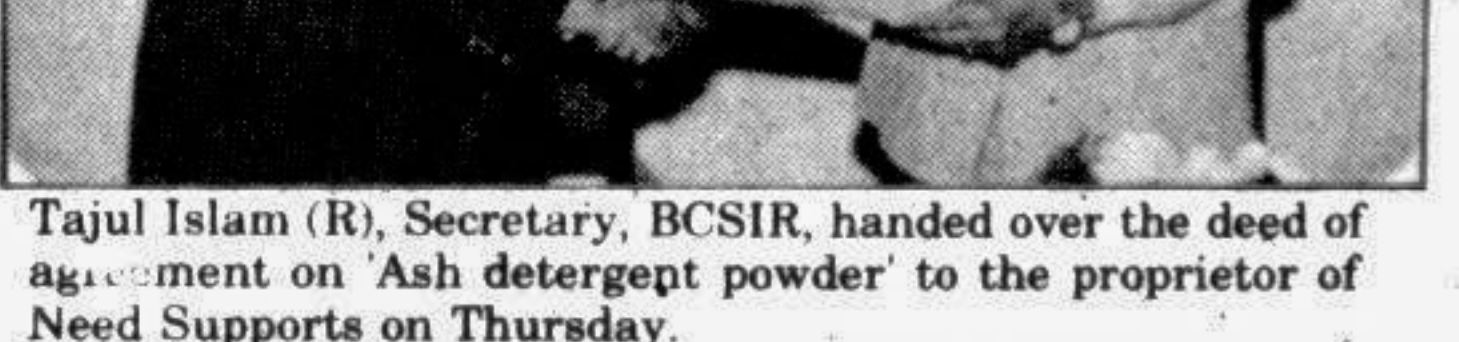
The dollar was trading at 104.35 yen at midday, up 0.87 yen from Thursday's close in Tokyo and also above its finish at 104.17 yen overnight in New York. It began trading in Tokyo at 103.98 yen.

After slipping to 103.55 yen in the morning, the dollar

jumped just before midday as reports emerged that the Bank of Japan was intervening in the market by buying dollars.

At about the same time, the bank's governor, Yasushi Mieno, told a Parliamentary committee that the yen's recent 6 per cent jump against the dollar was "excessive" and suggested that the shift did not reflect economic fundamentals.

The central bank does not comment on its actions in the market, but dealers have reported several such interventions this week.



Tajul Islam (R), Secretary, BCSIR, handed over the deed of agreement on 'Ash detergent powder' to the proprietor of Need Supports on Thursday.



Arnold Brenner (C), US electronics giant Motorola vice president speaks at a press conference in Tokyo on Wednesday while Japanese Motorola President Isamu Kuru (R) looks on. Brenner welcomed the decision by the US government to impose sanctions against Japan to protest the limited foreign access to its cellular phone market. — AFP photo

GATT report says

Unilateral action by US to
damage int'l trading system

GENEVA, Feb 18: The world trade watchdog GATT warned protectionist pressures in the United States would remain strong despite administration support for freer trade through the NAFTA and Uruguay Round accords, reports Reuters.

And in a major report on Washington trade policy, GATT said, both the openness of US markets and the entire international trading system could be damaged by demands for unilateral US action against other countries in trade disputes.

The report said the United States was well placed to face the competition that will result from the Uruguay Round and the NAFTA (North American Free Trade Agreement), but will remain vulnerable to domestic protectionist pressures.

Declining national savings rates largely linked to federal budget deficits had generated current account shortfalls which brought pressure for protection against high-saving

countries with whom trade imbalances were greatest.

"Pressure to take (unilateral) action against these partners threatens both the openness of the US trade regime and the multilateral system," the report declared.

The seven-year round aimed at liberalising most of world trade by easing access to markets in goods and services was completed in December and is due to be formally approved by ministers in Marrakesh, Morocco, in April.

NAFTA — linking the United States to Canada and Mexico — was approved by the US Congress in November after a long battle between the Clinton administration and opponents who argued it would destroy millions of American jobs.

The report, one of a series produced every two years on major economies by the secretariat of GATT, the General Agreement on Tariffs and Trade, was written before the current trade row between the United States and Japan.

That dispute, sparked by US efforts to force open Japanese markets, was echoed in Geneva on Wednesday when a senior Tokyo official accused Washington of bad faith in pulling back tariff cut offers made at the end of the round.

The US says the offers, particularly in electronics, were always conditional on deeper cuts from Japan and that nothing firmly promised was being withdrawn.

The GATT report said member states were concerned over US readiness to use direct measures to expand its own exports — as it has threatened to do against Japan over cellular telephones.

Other members of the Geneva-based GATT, which administers agreed world trade rules, "point to what they consider the contradictions inherent in laws aimed at opening markets based on threats to close the US market," the report declared.

Small chamberpot
embarrasses
big Shanghai!

BEIJING, Feb 18: Shanghai, hailed as the "dragon's head" leading China's economic charge into the 21st century, cannot claim to be fully modernised until it gets rid of its 700,000 chamberpots, the People's Daily said.

"Today in the 1990s, millions of people in this world-famous city must deal with chamberpots everyday, the communist party's official newspaper said in an expose-style report today.

The People's Daily said inadequate sewage systems and antiquated plumbing were the main reasons behind Shanghai's tenacious grip on the chamberpot.

Professional "chamberpot aunties" trudge through Shanghai's narrow alleys collection household sewage each morning, depositing it at local depots from whence it is sent to fields in the countryside, the newspaper said.

One elderly collector said she had been "tipping chamberpots for 60 years."

"Everyday is the same neither wind nor rain can stop me," she was quoted as saying.

The People's Daily quoted delegates to the Shanghai People's Congress (municipal government) as saying the 700,000 chamberpots are one reason for the filth, chaos and backwardness of Shanghai.

Health and planning officials have tried to root out the chamberpot in the city of some 12 million, and estimated the need for about 180,000 such jugs had been eliminated since the 1970s.

Slow progress in renovating Shanghai's cramped and decrepit housing stock means the chamberpot will still be around for a while, the newspaper said.

Apex gets \$1.2m
German order

The Board of Directors of Apex Footwear Limited announced Monday that the Company has signed a firm contract with a German company for export of leather shoes to Russia valued at over US\$ 1.2 million. The entire transaction will be done in US dollars, according to a press release.

Lawmakers call upon Hosokawa to trim trade surplus

TOKYO, Feb 18: Lawmakers troubled by the spectre of trade war with the United States urged Prime Minister Morihiro Hosokawa Friday to take swifter action to trim Japan's swelling trade surplus, reports AP.

Switching tactics in the trade dispute with Washington, Hosokawa's government agreed Thursday to draft a broad package of measures to help open Japanese markets to more foreign products.

An intense session of Parliament's lower house budget committee Friday was dominated by calls for Hosokawa to take more dramatic action. "The easygoing approach we've taken so far just won't work," said Socialist lawmaker Shigeru Goto. "Japan should take drastic action to open markets

and ease regulations."

"Politicians directly elected by the public must take responsibility for the results of their policies," Hosokawa responded. "Politicians should exert leadership in that sense." After talks on reducing Japan's growing trade surplus with the United States collapsed last week, Hosokawa returned from a summit with President Clinton saying that Washington was pushing Japan to move faster than it could in dismantling government regulations that are blamed for shutting imports out of its markets.

Since the fears that a trade war with the United States — by far Japan's biggest market — could do irreparable harm to its already sluggish economy have goaded Hosokawa into action.

Economists say freeing up Japan's labyrinthine distribution systems and bureaucratic bottlenecks that favour local firms over their foreign competitors would also help Japan recover from its worst recession in decades.

Hosokawa's government has been pledging such reforms since it took office last August. Battered down in haggling over political reforms and other matters, however, it has so far accomplished little in the way of economic reforms.

The plan announced Thursday would focus on four areas: promotion of imports and foreign investment, deregulation, tougher anti-monopoly enforcement, and fairer government purchasing.

Chief government spokesman Masayoshi Takemura said

the government would have to plan its package of reforms carefully, because they would "lead to a change in style and structure of the entire Japanese economy."

Takemura said Japan might put its package together, however, before finance officials from the Group of Seven richest industrial nations meet on February 26. And once it is ready, Japan may send an emissary to Washington to explain the package once it is ready, he said.

Although US Ambassador Walter F Mondale gave Hosokawa "high marks" Friday for his efforts to overhaul Japan's corruption-ridden political system, he said he had not yet seen any new proposals on trade.

"We cannot sustain these

current account imbalances. The rest of the world cannot," Mondale said. "Look what we want is an open market, what they have now is a closed market."

On Thursday, the United States announced the trade deficit with Japan shot up nearly 24 per cent last year to a record 59.3 billion dollars, surpassing the 56.3 billion dollars set in 1987.

The new trade package is unlikely to solve the key issue that caused last week's deadlock: a US demand for numerical benchmarks to measure the success of trade agreements that Japan says would involve too much interference in private business decisions.

Skiing that issue, Mondale said the United States would be satisfied if Japan fully

opened its markets and trade figures reflected that change.

"In those parts of the Japanese market that are open, you don't hear any complaints," Mondale said.

But he defended the US trade offensive on Japan against criticism from other trading partners, who sharply criticized Washington's threats of unilateral trade action against Japan during a heated meeting Thursday of the General Agreement on Tariffs and Trade in Geneva.

Mondale said the GATT rules would not get to the heart of the US trade problem with Japan.

"I think we should have more support in Europe than we do," Mondale said. "The whole world has a stake in an open trading system."

Malaysia opposed
to managed
trade idea

TOKYO, Feb 18: Malaysian International Trade and Industry Minister Rafidah Aziz said yesterday her country was opposed to the idea of managed trade, reports Reuters.

Rafidah told a news conference Malaysia would not subscribe to any move by any nation, including the United States, to institute managed trade.

The Malaysian minister said she recognised the need for Japan to continue with market-opening measures and reduce non-tariff barriers.

"Malaysia is watching very closely how this Japan-US trade conflict will be resolved," she said.