

US demands closure of Chinese compact disc factories

BEIJING, July 22: China must shut all 26 of its compact disc factories to stop rampant copyright piracy and avoid US trade sanctions, a senior US trade official said Thursday, reports AP.

The factories, capable of producing 75 million CDs annually, are suspected of turning out pirated CDs that sell by the millions overseas and have been found as far away as Canada, said Charlene Barshefsky, deputy US trade representative.

"These factories must be shut down," she said. "If one is going to halt piracy, one must go to the source."

She also demanded that China shut down producers of pirated computer software.

Otherwise, China faces US sanctions on 800 million dollar worth of goods, the amount that US companies say they lost to piracy in China last year.

"We expect China to take effective measures to curb piracy, including the closure of 26 CD and CD-ROM factories," Barshefsky said.

She spoke at a news conference after two days of meetings with Chinese officials, including Foreign Trade Minister Wu Yi.

Trade has replaced human rights in recent months as the focus of Chinese US disputes.

Also Thursday, China accused the United States of violating a textile agreement when it cut Chinese textile quotas on July 1 to punish Chinese companies it said illegally imported textiles to the United States through third countries, the official Xinhua News Agency said.

Lee Sands, assistant deputy trade representative, said the US government offered China quotas to foreign businesspeople. They want China to lower import tariffs, publish its trade laws and open more markets to foreign competition.

The United States will present its own tariff requests to China August 1, Barshefsky said.

There is massive demand in China for foreign music and

films, but because China restricts the entry of these products, Chinese buy pirated products, she said.

China restricts foreign films and other cultural products because it fears they spread ideas that could undermine the ruling Communist Party.

Barshefsky said Chinese officials were "quite cautious" about the US demands, but she refused to elaborate.

She also refused to speculate about why China so far has failed to crack down severely on pirate CD producers.

But much of the problem is that the CD factories are often joint ventures between foreign companies and local Chinese governments that view them as good for local economies.

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re-registered and investigated.

Chinese police have raided markets and shops selling pirated CDs and computer software, but Barshefsky said this was not enough.

Opening markets and protecting intellectual property rights is also a requirement of the General Agreement on Tariffs and Trade, the major world trade body that China wants to join.

Barshefsky denied Chinese accusations that the United States is seeking to block China's GATT bid. She said many GATT members were anxious that China abide by GATT rules before it is admitted as a member.

GATT members fear that China's trade system is too closed and discriminatory against foreign businesspeople. They want China to lower import tariffs, publish its trade laws and open more markets to foreign competition.

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Amoco to cut 3,800 jobs

CHICAGO, July 22: Amoco Corp said Thursday it will cut 3,800 jobs over the next year in a major restructuring, reports AP.

The oil company said another 700 jobs would be eliminated by the end of 1996.

A number of other oil companies, including Atlantic Richfield Co, Texaco Inc. and Mobil Corp have recently announced major reorganizations and layoffs. The companies blame the cutbacks on low oil prices and restrictions on domestic drilling.

Amoco warned employees in March of a major reorganization that would involve layoffs. In June, management said in a letter the cuts would be extensive.

"The changes we are announcing today will result in a different organization," chairman and chief executive officer H. Laurence Fuller said in a statement Thursday. "We're removing an entire layer of management."

The cuts include about 2,000 support staff. Earlier this year, the company eliminated 350 marketing jobs.

Amoco employed people 46,000 at the end of 1993, including 7,750 in Illinois. In

1992, the company cut 8,500 jobs, or about 16 per cent of its work force at the time.

Amoco has already eliminated three operating divisions, replacing them with 17 smaller business units. Authority will be divided among the units rather than concentrated at the Chicago headquarters, spokesman Greg Clock said.

The company projected annual cost savings of 600 million dollars by the end of 1995 as a result of the restructuring. It said additional restructuring charges of about 200 million dollars will be incurred through 1996 for redesign, relocations, work consolidation and other measures.

"Increased competition, low oil prices, it's just a very competitive market place," said Robin Shoemaker, an analyst for Lehman Brothers Inc. financial firm.

While the oil companies are not in immediate danger, they need to position themselves for the future, said John Hilton, an analyst with Argus Research Corp in New York.

"It's not for near-term, it's to stay competitive in the long-term. They're extremely healthy financially," he said.

Bangladesh Bank Affairs

Statement of affairs of the Bangladesh Bank Banking Department as on June 30.

Liabilities	Taka
Capital Paid Up	3,00,00,000
Reserve Fund	3,00,00,000
Rural Credit Fund	211,05,96,000
Industrial Credit Fund	59,78,52,000
Export Credit Fund	61,00,00,000
Agricultural Credit Stabilisation Fund	205,00,00,000
Deposits:-	
(a) Government:	87,84,000
(b) Banks:	4769,44,76,000
(C) Others	5029,62,90,000
Allocation of Special Drawing Rights:	91,74,31,000
Bills Payable	200,26,91,000
Other Liabilities	2274,23,14,000
Total Liabilities	12909,04,34,000
Assets	
Notes	79,54,000
Taka Coin	
Subsidiary Coin	
Bills Purchased & Discounted	
(a) Internal	
(b) External	
(c) Govt Try Bills	
Balances held outside Bangladesh*	7619,65,59,000
Special Drawing Rights held with the IMF:	20,00,00,000
Loans and Advances to Government	1388,93,14,000
Government's Debtor Balances	1541,74,46,000
other loans and advances	2337,91,61,000
Total Assets	12909,04,34,000

*Includes Cash & Short Term Securities

Registered No

An account pursuant to the Bangladesh Bank order

1972 for the week ended June 30: Issue Department

Liabilities	Taka	Taka
Notes held in the Banking Department	79,54,000	
Notes in circulation*	5966,20,13,000	5966,99,67,000
Total Notes Issued		5966,99,67,000
Total Liabilities	5966,99,67,000	
Assets		
1A. Gold coin and Bullion	109,15,97,000	
Silver Bullion		
Special drawing rights held with the International Monetary Fund		
Approved Foreign Exchange	3400,00,00,00,000	3509,15,97,000
B. Taka coin	16,60,06,000	
Government of Bangladesh securities	205,15,34,000	
Internal bills of exchange & other commercial papers	2236,08,30,000	2457,83,70,000
Total Assets	5966,99,67,000	

*The statement with regard to "Notes in circulation" is made without prejudice to the claims of the Government of the People's Republic of Bangladesh/Bangladesh Bank for obtaining value from the Government of Pakistan/State Bank of Pakistan in respect of Pakistani currency Notes demonetised and withdrawn from circulation.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 21.7.94					
Birth No	Name of vessels	Cargo	L. port	Local call	Date of arrival
J/1	Nand Bhagirathi	HE	Magd	OTL	7/7
J/2	Karabevrett	Gl	Sing	EBPL	17/7
J/3	Jala Mudra	Cement	Jaka	USTC	6/7
J/4	Safina-e-Islam-2	Rice/Gl	Kara	Prog	14/7
J/5	Catriona	Sugar (P)	Kaus	Seacom	18/7
J/7	Sea Song	Wheat (P)	Cana	Seacoast	10/6
J/8	Salem Twelve	Gl	Mong	OWSL	18/7
J/9	Perla One	Cement	Sing	PSAL	28/6
J/10	Dolores	Idle		Seacom	R/A
J/11	Alexander Pereidey	Gl	Mala	OWSL	18/7
J/12	Irene P	Cement	Sing	PSAL	18/7
J/13	Fong Shin	Cont	Sing	Bdship	15/7
MPB-1	Ultima	Cont	Col	Baridhi	18/7
CCJ	Banglar Asha	Repair		BSC	R/A
GSJ	Western Greeting	Wheat (G)	Rouen	LTL	5/7
TSP	Sidi Bishr	Idle/Bunker	Kara	MMI	11/7
RM/4	Akademik Vekua	CDSO	Sing	Royal	19/7
RM/6	Team Trinta	Hsd/Ms	Sing	MSPL	10/7
DOJ	Banglar Jyoti	C.Oil		BSC	R/A
DD	Al Swamruz	Repair	Lena	ASLL	29/6
DDJ/1	Pearl One	Repair	Yang	ENCL	15/6
DDJ/2	Banglar Shobha	Repair	Pase	BSC	22/6

*The statement with regard to "Notes in circulation" is made without prejudice to the claims of the Government of the People's Republic of Bangladesh/Bangladesh Bank for obtaining value from the Government of Pakistan/State Bank of Pakistan in respect of Pakistani currency Notes demonetised and withdrawn from circulation.

Italian cabinet adopts \$ 86b deficit budget

ROME, July 22: The Italian cabinet adopted late Thursday a 1995 outline budget foreseeing a reduced deficit of 138,600 billion lira (\$ 86 billion dollars), largely thanks to a programme of swinging spending cuts, an official cabinet document showed, reports AFP.

The overall debt will be squeezed by 45,000 billion lira (\$28 billion dollars), 30 billion of which will come via public sector spending cuts and the remainder via new receipts.

Up until the end of 1997, the government will need to find 117,000 billion lira worth of new receipts and spending cuts spread over the 1994-97 period.

But Prime Minister Silvio Berlusconi said he would hold to his promise of no new taxes.

Next year, the government hopes to achieve a positive balance net of debt servicing interest charges worth 34,140 billion lira in 1995 will be followed by 32,000 billion in 1996 and another 35,000 billion in 1997.

For this year, Rome adopted a balancing item of 5,000 billion lira to counter a budget deficit of 155,000 billion lira.

Of this 3,000 billion lira comprises new payments, with the remaining 2,000 billion taken up by budget cuts.

The cabinet met to discuss economic policy orientation for the coming three years, with their resulting document much awaited by analysts.

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