

AT and T profit rises by 8 pc

NEW YORK, July 30: AT and T Corp reported an 8 per cent jump in profit for the second quarter Thursday and showed signs of recovering lost ground in the unending battle for long-distance phone customers, reports AP.

The company's largest long-distance telephone carrier, said it earned dls 1.13 billion, or 83 cents per share, in the quarter ended June 30. It earned dls 1.04 billion, or 77 cents per share, in last year's second quarter before a 3 cent per share charge for an accounting change.

Revenue rose 9 per cent to dls 17.7 billion from 16.3 billion dollar a year ago.

"It was a god quarter across the board," said chief executive officer Robert Allen. "It is heartening to see that our efforts to profitably increase revenues are yielding results in all parts of our business."

AT and T shares were up 37.5 cents at dls 53.50 in mid morning trading on the New York Stock Exchange.

Earlier this week, AT and T's smaller competitor MCI Communications Corp reported 14 per cent growth. That rate continued to lead the industry but was slower than MCI had previously experienced, suggesting gains by AT and T and Sprint Corp, which said its long-distance traffic was up 12 per cent in the second quarter.

China-Europe fibre optic link for '95

BEIJING, July 30: China said today it had completed all but a final 500 km stretch of a major fibre optic cable communications link to Europe, reports Reuters.

Technicians recently finished laying cable across the most difficult section in the vast and western region of Xinjiang, the official People's Daily reported.

All that remains is a 500 km (312 mile) segment from the Xinjiang capital Urumqi to Yining on the border with Kazakhstan. That stretch is due for completion next year.

The recently completed section links Urumqi with Xian in north-central China. The main eastern segment between Xian and Shanghai was finished earlier.

The ambitious project, whose budget was not disclosed, will increase digital communications with Europe.

"With a total length of more than 21,000 km (13,100 miles), the Asia-Europe fibre optic cable is the longest of its kind in the world," the newspaper said.

About a third of the cable lies within China. It then traverses Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Turkmenistan, Iran, Turkey, Ukraine, Belarus, Russia, Hungary, Austria and Poland before terminating in Germany.

US economy grows at healthy pace in second quarter

WASHINGTON, July 30: The US economy grew at a healthy pace in the second quarter, the Commerce Department said Friday, but the seeds of slower growth were evident in weaker consumer spending and rising inventories, reports Reuters.

In its first look at gross domestic product during the spring quarter from April through June, the department said the economy expanded at a 3.7 per cent annual rate — less than the four per cent rate forecast by Wall Street economists.

Growth was stronger than the revised 3.3 per cent rate recorded in the first quarter, but weaker consumer spending suggests the expansion may cool in the rest of the year and dampen inflationary concerns.

Previously, the department said first-quarter GDP expanded at a 3.4 per cent annual rate. But it trimmed that fractionally as part of a sweeping series of revisions.

GDP measures the value of all goods and services produced by workers and capital within US borders.

Consumer spending, which accounts for 30 per cent of economic activity and is the biggest single influence on GDP — grew at only a dollar 10.8 billion annual rate in the second quarter, down from dollar 40.1 billion in the first three months this year.

Pakistan opens import business to foreigners

ISLAMABAD, July 30: Pakistan has opened the import business, until now a preserve of local traders, to foreign firms, officials said Thursday, reports AFP.

Foreign firms incorporated in Pakistan under the country's companies act can register as commercial importers, a commerce ministry official said.

The export business is already open to foreign companies registered in Pakistan.

Pakistan's imports were worth 8.5 billion dollars in the year to June, with exports at 6.76 billion.

Entry of foreign firms, part of a liberal trade policy announced this week, is expected to irk local import

concerns, which are weaker in finance and sales outlets.

Sheikh Jamil Mehboob Magooni, a top official of the Karachi-based Pakistan Chambers of Commerce and Industry, said it was "not appropriate" to allow foreign companies to engage in import trade.

Tahir Khalaiq, a former president of Karachi Chamber of Commerce and Industry, said the government should encourage foreign investment instead of opening avenues of trading to foreigners.

"The move will generate competition for local firms not geared up to face it," he said.

Humayun Saad, a leading importer of spare parts, said:

It means creating unnecessary competition for local importers."

A leading Pakistani newspaper, Dawn, described the move as "the most controversial provision of the trade policy... But, it said, "since the economy is being opened up under pressure of the integrated global trading system, one of its sectors cannot perhaps be kept closed any longer."

Despite strained ties with India, the government has expanded a list of items that can be imported from that country.

The decision, which adds a number of raw materials and machinery parts to 571 items already imported from India, has been bitterly criticised by the Pakistani opposition.

Production normal during hartal

Production in industries in and around the capital was more or less normal yesterday as there was no disruptive activity in the industrial belts during the hartal, reports UNB.

Almost all the industrial units in Tongi, the main industrial belt near the city, were in operation during the hartal, called by main opposition Awami League and pro-liberation student groups.

However, attendance was slightly thin as some workers could not reach their places of work due to communication disruptions, a staffer of a textile mill at Tongi told UNB reporters covering the general strike.

Production in Tejgaon industrial area was also reported by and large normal during the hartal hours.

Shareholders allow Tata to double stake in TISCO

BOMBAY, July 30: Shareholders have agreed to allow the Tata industrial group to double its stake in its flagship company, the Tata Iron and Steel Co. (TISCO), to 15 per cent, a spokesman said yesterday, reports AFP.

A resolution recommending a rise in the Tata shareholding from about seven per cent was moved by Ratan Tata, Chairman of Tata Steel, India's largest private steel firm, at its 87th annual general meeting here Thursday.

Tata told shareholders that the company's director had recommended the rise by suggesting the issue of 30 million preferential warrants to the promoters.

"This will add seven billion rupees (233 million dollars) to the company's funds and also indicates the Tata's commitment to the firm which we have promoted and nurtured for 87 years, the 57-year-old Tata said.

The resolution was passed by show of hands although four shareholders, holding some 6,000 out of a total of 330 million shares, tried to force a vote.

The Tatras have agreed to make an upfront payment of five per cent. The warrants will be converted into equity shares after 18 months.

The decision comes in the wake of a controversial interview Tata gave to Business Today magazine that quoted him as saying TISCO faced a takeover threat from an expatriate Indian predator.

Tata denied that a specific takeover threat existed against the 1.3 billion dollar company, but the magazine stood by its report.

More than 40 per cent of the TISCO equity base is controlled by Indian financial institutions and an equal portion by shareholders, making it vulnerable to a takeover bid, Business Today said.

Accord to develop Bangla typewriter

Canon Singapore and Shapta Sindhu Ltd of Bangladesh will jointly set up a plant in the country to develop wordprocessors and typewriters in Bangla and other Asian languages, says a press release.

Canon and Shapta Sindhu have reached an agreement to this effect.

The accord was signed between the two sides at Costa Mesa in California last week.

K Asai, General Manager of Canon Singapore and T Nakamura, Director of Canon Business Machines in USA and

Ferdous A Quarishi of Shapta Sindhu initialed the agreement on behalf of their respective companies.

Under the accord, Canon Business Machines will provide necessary technological support to Shapta Sindhu for the development of the new series of multilingual wordprocessors and electronic typewriters.

The new models scheduled to be marketed around April 1995, will have special features targeted for Asian markets and expected to be more cost effective.

Bonn to take back entire shipment of pesticides sent to Tirana

TIRANA, July 30: Germany will take back by November a 465-tonne consignment of pesticides sent to Albania two years ago, environmental officials said on Friday, reports Reuters.

Lirim Selfo, Chairman of Albania's Committee for Environmental Protection, told a news conference the German government had agreed to take back an entire shipment of pesticides which are expired and highly toxic.

US must lead global population stabilisation efforts

WASHINGTON, July 30: The United States must take the leadership role in population stabilisation efforts around the world or global population growth may get out of control, says Timothy Wirth, the under secretary of state for global affairs, reports USIS.

Wirth, in a luncheon speech at the National Press Club recently, said the United States and other countries participating in September's Cairo conference on population and development will need to find the political will to tackle the problem after the conference is over.

"We know what to do and we have the resources to do it with," but the question then remains whether "we will have the political will to take those steps," he said.

Wirth said that 90 per cent of the draft document that will be discussed at the Cairo conference has been fully agreed upon by all participants.

"We hope to come out of Cairo with a very firm broad document that is a ringing endorsement of the need to stabilise population and also a ringing endorsement of the power and opportunity of women as change agents in the world," he said.

Wirth reiterated that the Clinton administration has been "uncompromising and very clear" that the fundamental goal of population stabilisation will be at the top of its agenda on sustainable development, which he described as the "pillar of US foreign policy."

He said the United States has increased its budget for population programmes to around 600 million dollar a year and in this effort has been supported by similar increases in other countries, particularly Japan, which increased its spending ten-fold from 40 million dollar a year to 400 million dollar a year.

Wirth said environmental degradation due to overpopulation and overuse of natural resources has affected many countries, including China where people are migrating from the central hinterland to coastal cities.

He warned that China's "full-speed growth" will eventually run into the "wall of unsustainable development." He said Chinese leaders are aware of the problem.

Wirth said war-torn Rwanda is overpopulated with an average of eight babies being born to a Rwandan woman; also he said food production has declined by 20 per cent in that country.

He said Haiti, with most of its forests cut down, has become "an ecological nightmare," and the future looks even bleaker for that country's population of 7 million expected to double in the next 18 years.

Wirth pointed out that the world's population has doubled since 1960 to today's 5,600 million, and that 97 per cent of future population growth will be in the Third World.

China's nuclear plan expansion threatens to outrun ability

HONG KONG, July 30: The Chairman of the US Nuclear Regulatory Commission said on Wednesday China risked spreading its trained nuclear power industry personnel too thin, reports Reuters.

Ivan Selin, who was in Hong Kong en route to Guangdong, Beijing and Liaoning, said the expansion of China's nuclear plans threatens to outrun its capabilities.

Black pearl farming — a new source of income for Tahitians

Black pearl cultivators in the Pacific are gaining an increasingly lucrative niche in the two billion dollars-a-year pearl industry.

Black pearls are relatively new on the scene and earnings do not compare with the money earned by longer-established white and pink pearls: 101 million dollars a year for the biggest producer, Australia.

But the 4.5 million dollars which the Cook Islands derive from black pearls makes them the country's top export. In addition, the industry employs 600 people out of a population of 18,000 — not bad, considering that 200 years ago children there used to play marbles with natural black pearls.

In Tahiti — which earns 77 million dollars from pearls — Sea Resources Minister Edouard Fritch says 3,000 families are involved in cultivated black pearl production.

"We have an important rule," he says. "Foreign companies can't make pearls in Tahiti: 99 per cent are Polynesian." One reason for trying to keep the industry local in Tahiti's unemployment problem.

"To farm, you need part of the lagoon and must be a landowner or rent," he explains. "Then, the government must give authorisation. You can't give part of the ocean to foreigners."

Some Tahitians form companies with foreigners — "but the government is fighting that," says Fritch.

There is shortage of local grafters, who insert into the gonads of the black-lipped oysters a tiny piece of mussel shell along with a piece of shell tissue from another live black-lipped oyster. If the material is not rejected, which generally occurs within two months, it stimulates the formation of a pearl over a two-year period.

The growing pearls must be monitored closely and protected against predators and parasites as well as pollution, piracy and hurricanes.

To keep pearling Polynesian, says Fritch, the group of islands that make up French Polynesia has established a black pearl school on Polynesia's biggest atoll, Rangiroa.

"Our objective is to train 30 Polynesian grafters" so that eventually Tahitians can control the industry.

The technique is dominated by the Japanese, who perfected the culturing of black pearls about 30 years ago, in the footsteps of Japan's Kokichi Mikimoto, the initiator of general pearl cultivation in 1894.

The Japanese are also important because they are the world's biggest importer of pearls. They buy 80 per cent of Tahiti's black pearls.

"The Japanese like black pearls and know their quality well," says Fritch. "They are a very good consumer for us, very important for the pearl industry."

This domination of the industry has created resent-

ment, which was evident, to the point of racist slurs, during debates during the recent international pearl conference in Hawaii, Peter Williams, a major pearl cultivator from Manihiki

in the Northern Cooks, finally expressed impatience with the "underlying tension" of Japanese at the meeting.

It was Japan which got Australian farming of cultivated

Black is beautiful

- Life-span of black-lipped oyster: up to 30 years
- Weight: up to 11lbs (5kg)
- Diameter: 12in (30cm)

- Habitat: French Polynesia, Peru, Mexico, Panama, Indonesia, Micronesia, Red Sea, Philippines, Okinawa
- Largest known round cultured black pearl (20.8mm)
- Avg. size of Polynesian black pearl: 9-12mm
- Depending on quality, price of a pearl this size would range from \$7,500 to \$450,000



A hostess at the Hanover Fair shows a bicycle battery that can be recharged at a solar service station. The small power pack, attached to the crossbar, drives a front-wheel motor that saves burdensome pedalling for about one hour. — IN press photo

Israeli entrepreneur seeks business success in NY

NEW YORK, July 30: Perhaps it could only happen in New York: A 27-year-old Israeli seeks business success publishing a Japanese-English telephone directory for the local Japanese community, reports AP.

Starting with just 300 dollars and an apartment that doubled as an office, Jack Elan Nissim threw together a Japanese-English telephone book listing of commercial firms for metropolitan New York that within a year has grown to a company with annual sales of 1.5 million dollars.

Nissim's "Nichibel Metro-pages" is now on its third issue. Its staff has expanded to 28 from two, and Nissim has rented a 5,000-square foot (450 square meter) office in downtown Manhattan to house his growing business.

"I don't know how I did it," says Nissim, a stocky Tel Aviv native with a deep, gravelly voice.

An energetic self-promoter,

Nissim hawks his product incessantly.

Nichibel Metro-pages is one of two major bilingual Japanese-English business directories in New York, New Jersey and Connecticut. Los Angeles-based Yellow Pages Japan Inc. produces another — and there are several in Japan.

"The Japanese are the perfect market," says Nissim, a fluent Japanese speaker who studies the Japanese martial art of aikido.

He explains the Japanese tend to appreciate quality products and says that once business people gain their trust the Japanese are "great people to do business with."

Nissim is not alone. He is among a growing number of young Israelis who have taken advantage of warming relations between Japan and Israel to travel to the Far East, says Neil Sandberg, Director of the American Jewish Committee's Pacific Rim Institute.

Until December 1992, for

example, Toyo supported the Arab economic boycott of Israel. Now, Japanese products are flooding Israeli shops.

Nissim went east after finishing his compulsory service in the Israeli Air Force at age 20. After travelling widely and owning businesses that included a gas station in Australia and an Israeli restaurant in Thailand he spent three years in Tokyo.

When he returned to New York, Nissim saw his big opportunity.

"There was something missing for the Japanese businessman and consumer — a yellow pages (commercial) directory in both Japanese and English."

So Nissim designed a glossy directory that lists not only Japanese-owned businesses but also selected American businesses and services.

The directory, which first came out in July 1993, includes articles written by advertisers on everything from fighting tooth decay to proving sexual harassment.

EU farm subsidies to British Royals should be deducted from civil list

BRUSSELS, July 30: A British Labour European MP said Thursday that British Royals who get farming subsidies from the European Union should have the money deducted from the civil list payments received from London, reports AFP.

John Tohlinson, a specialist in dealing with fraud within the 12-member European Union said that every penny that comes to the Royal Family in set-aside payments should be deducted directly from the civil list.

The British newspaper The Times on Thursday quoted Captain Mark Phillips, ex-husband of Queen Elizabeth II's daughter Princess Anne, as saying 90 per cent of their farming profit, came from Brussels.

"The presence of a set-aside system is crazy. At the moment we are really farming the system more than the land," he said.

Gatcombe Park, the estate owned by Princess Anne, was a gift from her mother at the time of her marriage to Captain Phillips.

But the Princess is not the only beneficiary of Brussels' largess.

The Queen receives around one million pounds (1.5 million dollars) every five years for allowing land on her eastern England Sandringham estate to lie fallow.

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