

## US exports plutonium-processing tech to Japan: Greenpeace

**WASHINGTON, Sept 13:** The United States exported plutonium-processing technology to Japan in violation of a 1988 agreement, according to a Greenpeace report quoted in today's Washington Post, reports AFP.

Hardware and design data supplied by the energy department, considered "sensitive nuclear technology," contributed to Japan's development of a new plutonium-processing facility from "Ereder" reactor, the report said.

Plutonium, a by-product of the breakdown of uranium fuel in nuclear reactors, is the basic ingredient of nuclear weapons. Arms-control groups fear its use as a commercial fuel could lead to global proliferation of nuclear weapons.

The controversial exports began in 1988, under former Republican presidents Ronald Reagan and George Bush, and continued into 1993, under current Democratic President Bill Clinton, the daily said.

Clinton has sided with arms-control activists in con-

sidering Japan's development of plutonium-producing reactors.

A technology-sharing agreement with Japan negotiated in 1986 by the Reagan administration and approved by Congress in 1988 precluded export of sensitive nuclear technology (SNT).

Despite this, the United States supplied reprocessing technology that enabled Japan to develop its recycle equipment test facility, designed to process plutonium from the Monju and Tojo breeder reactors, Greenpeace said in its report issued last week.

In a July 25 letter to Greenpeace, a senior energy department official said that the reprocessing technology was not sensitive nuclear material when made available to a friendly, technologically advanced nation such as Japan.

A Washington lawyer involved in nuclear proliferation issues quoted by the daily said the energy department's argument was specious, since

the guidelines defining SNT dealt with the content of the information not the country it is being sent to.

The energy department has said it would review its SNT guidelines.

Energy Secretary Hazel O'Leary announced in February that the 1988 technology-sharing agreement with Japan would be cancelled September 30.

### Trade talks need further progress

Another report from Los Angeles says: Walter Mondale, the US Ambassador to Japan, said despite some advances made in US-Japan trade talks, further progress is needed before a September 30 deadline for US sanctions against Japan.

I think we are getting close on insurance and some progress has been made on procurements. But we need to make greater progress before the sanctions are imposed, Mondale told a meeting of business leaders here.

On the sensitive subject of autos, Mondale said the US was not interested in reaching only a broad, general agreement because these usually led to failure.

Talks between the two sides were held here over the weekend during a meeting of the big four economic powers on the broader subject of General Agreement on Tariffs and Trade (GATT), which ended Sunday.

Despite the efforts of US Trade Representative Mickey Kantor and Japanese Trade Minister Ryutaro Hashimoto, Clinton administration sources said it appeared unlikely that a deal could be brokered in time to avert sanctions.

Mondale declined to comment on the status of the talks or whether he believed sanctions could be avoided.

Instead, he focuses on the need for both sides to reach an agreement because of the roles Japan and other parts of the Asian-Pacific region are expected to play as an economic powerhouse this century.

## Iran, Pakistan agree to boost trade ties

**NICOSIA, Sept 13:** Iran and Pakistan have agreed to cooperate in the fields of oil, gas, commerce, industry, agriculture, politics and security, Iranian radio reported Monday, says AP.

The agreements were announced at the second round of talks between Iran's president Hashemi Rafsanjani and his Pakistani counterpart, Farooq Leghari, who is on the last day of a three-day visit to Iran.

The agreements cover the transfer of gas and fuels from Iran to Pakistan, the building of a joint refinery in Pakistan, and cooperation in mineral exploration, according to the broadcast monitored in Cyprus.

They also include the expansion of trade and the creation of "mini-markets" on the borders between the two countries, the export of bulldozers to Pakistan and regional technical cooperation on agriculture, the radio reported.



Haitians scuffle to get in line at a food distribution centre on Monday in downtown Port-au-Prince. Food distribution centres for the poor have been set up by non-government organisations since the beginning of the UN-imposed economic embargo against Haiti. — AFP photo

## Britain raises minimum lending rate

**LONDON, Sept 13:** Britain put an end to the cycle of interest rate cuts on Monday by hiking its minimum lending rate by half a point to 5.75 per cent to counter the effects of strong growth and rising factory prices on inflation, reports AP.

The increase boosted sterling and caused a rally in British share prices but knocked sentiment in Paris, and within minutes the second-biggest British home mortgage lender, the Nationwide, had increased its base rate by 0.4 points to 8.14 per cent.

Finance ministers from the European Union, at a meeting by Lake Konstanz in Germany during the weekend, had agreed that the recession in Europe was over.

The Bank of England announced the increase immediately after the release of official figures showing that British factory wholesale prices were 2.3 per cent

higher at the end of August than at the end of August last year.

In the 12 months to the end of July they had risen by 2.0 per cent the increase between July and August was 0.3 per cent. Analysts had expected this figure to be 0.1 per cent.

Chancellor of the Exchequer Kenneth Clarke said that he and the governor of the central bank Eddie George had agreed on the need for an increase, "to ensure that in the conditions of strong economic growth that we are now experiencing, we take no risks with inflation."

He said: "It is because of the growth of our economy becoming so strong so quickly that have made this move now. Output is growing at its fastest rate in six years, exports are at record levels, and export volumes continue to grow, investment is rising, especially in manufacturing."

"My overriding aim now is to make sure that this healthy growth can be sustained to deliver higher living standards and more jobs.

"So often in the past, accelerating inflation has prevented US from enjoying sustained growth. I'm determined this will not happen again.

"Underlying inflation is currently 2.2 per cent, the lowest level in 22 years, to make sure it stays that way, we need to act in good time to prevent inflationary pressures taking hold, especially since changes in interest rates affect inflation only after a considerable lag.

The announcement pushed up the value of sterling to 2.40 marks from 2.3828 on Friday and to 1.5610 dollars from 1.55.

The foots index of 100 leading shares, which had been showing a loss of 25.3 points in response to the factory price data, rallied on the rate increase to show a loss of 20.4 points to 3,118.9 points.

In Paris sentiment was hit and the cac-40 index, which had been showing a loss of 0.30 per cent, fell to register a fall of 0.63 per cent to 1,936.63 points.

It was the first increases in the British rate since a foreign exchange crisis in September 1992 which caused sterling to leave the Exchange Rate Mechanism (ERM) of the European Monetary System (EMS).

The last change in British rates occurred in February when the Bank of England reduced the rate by a quarter of a point to 5.25 per cent.

During the crisis in 1992 the rate had been increased from 10 per cent to 12 per cent in an unsuccessful attempt to defend the currency and respect obligations under ERM rules.

The report had said that the governing conservative party would prefer to increase the rate after the holding of the party's annual autumn congress.

## US to lend \$ 87m to Palestinian projects in Gaza

**JERUSALEM, Sept 13:** The United States government has agreed to lend 87 million dollars to Palestinian private sector projects in safe areas, the US consulate in Jerusalem said today, reports Reuter.

These projects will result in 1,800 temporary or permanent jobs and an initial investment of 87 million dollars in the West Bank and Gaza, a statement released by the consulate quoted US Vice-President Al Gore as saying on Monday.

Gore was speaking after the US government's Overseas Private Investment Corporation (OPIC) signed the loan agreement with the Palestinian authority.

Palestinians said the projects involved a group called builders for peace formed by Arab and Jewish American investors after last year's peace agreement between Israel and the PLO.

The United States has committed 500 million dollar to Palestinian development over five years to bolster political support for the peace deal.

The projects include a factory to bottle mineral water, another factory making furniture, three luxury hotels and a plant to produce building materials.

OPIC will offer loans, loan guarantees and insurance to American companies involved in the projects.

PLO leader Yasser Arafat, who has repeatedly criticised donors for delaying aid they promised, is due to meet Israeli Foreign Minister Shimon Peres in Norway later today to try and clear the way for a new meeting of donors.

## Swedish companies warn against tax rise

**STOCKHOLM, Sept 13:** In a pre-election warning, Volvo and three other big Swedish companies Monday threatened to send their investments abroad if taxes are raised further, reports AP.

The unusual joint appeal one week before national elections came from Volvo chief executive Soren Gyll and leaders of Ericsson, Stora and Asea Brown Boveri, or ABB.

"The threat of increased marginal taxes is very serious. Tax policies strongly affect the industry's competitiveness," they said.

The rare move reflected industry's growing concern about how politicians plan to solve a sharply rising national debt and a huge budget deficit.

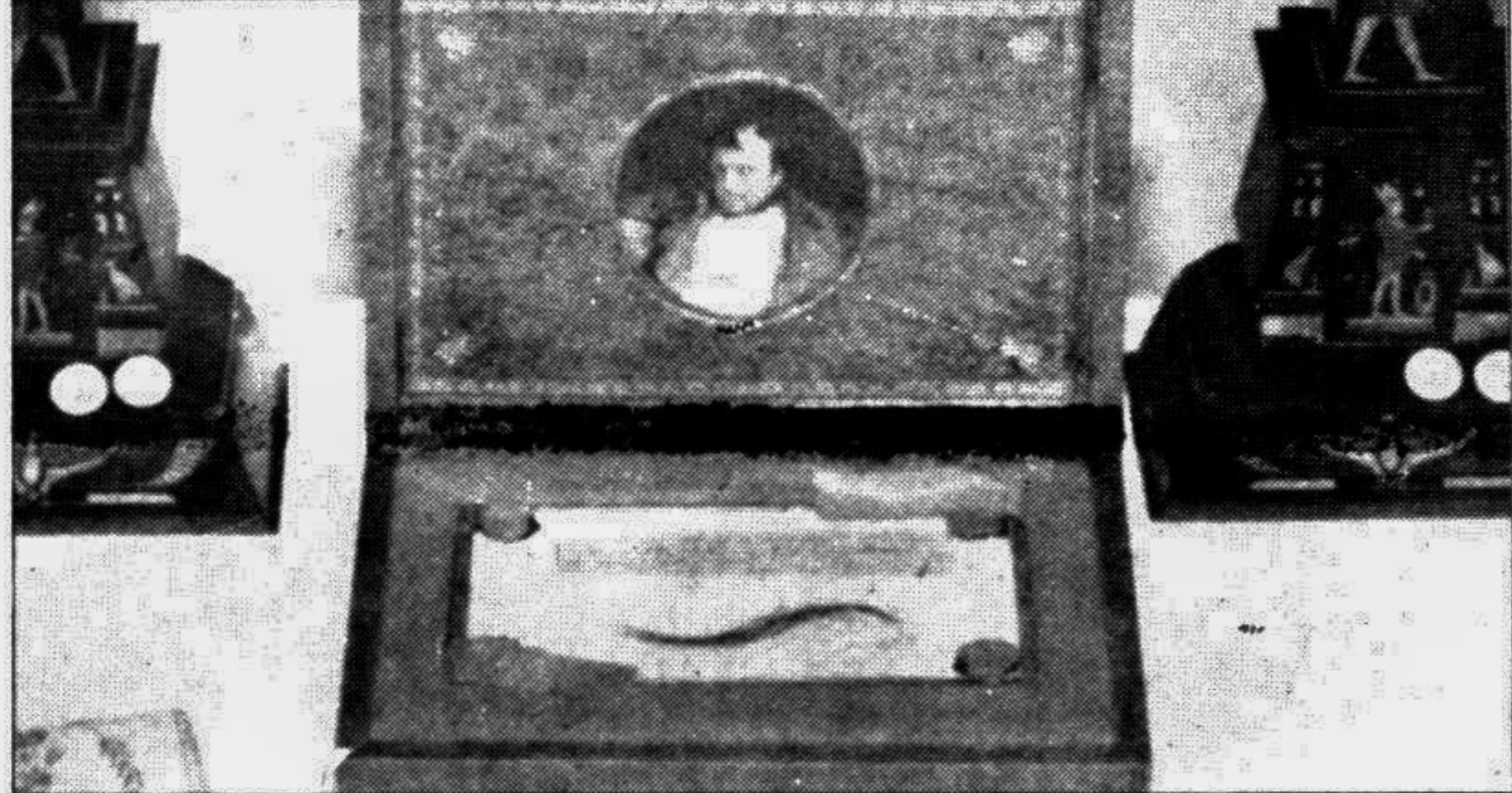
Recent polls indicate Sweden's Social Democrats will succeed Prime Minister Carl

Bildt's center-right government after the Sept 18 elections.

Swedish industry in the past has stayed out of domestic politics. But the companies have changed their tack because of the economic situation and the likelihood that the Social Democrats, builders of the welfare state, will raise taxes.

Income taxes, widely criticized for discouraging the incentive to work, were lowered in 1990. But the Social Democratic Party recently proposed raising taxes for incomes beyond 200,000 kronor (26,000 dollars) from 50 to 60 per cent.

Sweden has among the highest tax rates in the world, but was hard hit by the latest recession.



A lock of hair, reportedly cut from Napoleon Bonaparte's head by his linen maid six hours after his death in 1821, sits for sale on the auctioneer's table in Chicago at the annual Napoleonic Society of America Convention on Sunday. The Federal Bureau of Investigation, which had conducted DNA tests on a sample of the hair, announced it was unable to confirm whether the hair was Napoleon's. — AFP photo

## Construction begins on huge Chinese dam

**BEIJING, Sept 13:** Construction has started on a huge dam that will help prevent floods in the Yellow River basin in central China's Henan province, reports AP.

The Xiaolangdi Water Conservancy Project will control water on 694,000 square kilometers (26,600 square miles) of land, or more that 92 per cent of the basin on the Yellow River, one of China's major rivers, the Xinhua News Agency reported Tuesday.

Some 10,500 people whose homes will be flooded have been resettled, Xinhua reported.

The project is expected to cost nearly 1.2 billion dollars and take eight years to complete, it said. Funding includes loans by the World Bank.

## Beijing reports trade surplus in August

**BEIJING, Sept 13:** China recorded a trade surplus of 170 million dollars in August — its first surplus in more than a year, customs officials reported Tuesday, says AP.

Officials said that contrary to expectations, the improvement was a result of China's decision to eliminate a two-tier foreign exchange system, making convertible its currency, the yuan.

Exact figures for exports and imports in August were not reported. However, the 170 million dollars surplus was an improvement over July's 70 million dollars deficit, the official China Daily reported.

Exports soared 31.5 per cent to 68.95 billion dollars in the first eight months of 1994, while imports grew 18.3 per

cent to 68.85 billion dollars, the report said.

That brought total foreign trade volume to 137.8 billion dollars between January and August, an increase of 24.6 per cent.

China enjoyed three successive years of trade surpluses until 1993, when the booming economy created a huge appetite for imported steel, oil and other raw materials. It ended the year with a 12.18 billion dollars trade deficit.

The January 1 switch to a single currency eliminated a special currency called Foreign Exchange Certificates that was given to foreigners in exchange for hard currencies such as dollars and traded at a rate of 5.8 yuan to the dollar.

## Arafat, Peres will try to clear way for investment in Gaza, WB

**OSLO, Norway, Sept 13:** Israeli Foreign Minister Shimon Peres and PLO Chairman Yasser Arafat, visiting Oslo on the anniversary of the Mideast peace accord, said Tuesday they would try to clear the way for investments in Palestinian territories, reports AP.

"Basically, I believe we have two problems," Peres said upon landing in a rain-soaked Oslo. "One is how to enhance the economic activities, to make the situation in Gaza more promising... And on the other hand, (to enhance) security measures."

Arafat landed a few hours later, also on the military security of the Fornebu airport. He told reporters he expected "a lot" from the meeting with Peres and said he was optimistic the peace process would be broadened to include Syria and Lebanon.

The two leaders were planning private discussions with each other and with Norwegian officials before the start of a Peace Concert organized by UNESCO.

The celebrations mark the signing of the peace treaty one year ago Tuesday in Washington by Arafat, Peres, Israeli Prime Minister Yitzhak Rabin and Mahmoud Abbas, the chief negotiator for the Palestinian Liberation Organization who since has had a falling out with Arafat.

The breakthrough followed intense, secret negotiations brokered by Norwegian officials that culminated on August 20 last year and have come to be called "The Norway Channel."

All four men are considered frontrunners for this year's Nobel Peace Prize, which will be announced on October 14 in Oslo.

The anniversary gala and meetings are important to Arafat, who must persuade international sponsors to release the development funds for the Gaza Strip and Jericho that reportedly were stalled over his comments about control of Jerusalem.

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PLO Chairman Yasser Arafat (R) shakes hands with Israeli Finance Minister Abraham Shohat during their meeting in Gaza City on Monday. Shohat said Israel had already transferred around 15 million US dollars to the Palestinian authority. — AFP photo

## Shipping Intelligence

**CHITTAGONG PORT**  
Berth Position and Performance of Vessels as on 11.9.94

Berth No	Name of Vessels	Cargo	L/Part Call	Local Agent	-Date of Arrival	Leav. inst.
J/1	Tirgu Seculesc	P.Iron	Trin	USTC	9/8	13/9
J/2	Varadero	Sugar(G)	Sato	Seacom	8/9	19/9
J/4	AL Salima	GI	Perq	ASLL	4/9	14/9
J/5	Iran Elham	Cement	Yang	BSC	R/A	15/9
J/6	Fulvia	MO(PI)	ILYC	Litmond	16/8	11/9
J/7	Shaplaeverett	GI	Sing	EBPL	8/9	12/9
J/8	Yang Lu	GI	Sing	Prog	4/9	11/9
J/9	Iyeverett	GI	Sing	EBPL	6/9	12/9
J/13	Meng Kiat	Cont	Mong	AML	10/9	11/9
MPB/1	Lhotse	Cont	Sing	RSL	10/9	12/9
	Fong Shin	Cont	Sing	BDSHP	10/9	14/9
CCJ	Komsomolets					
Rositi		C.Clinker	Okha	Seacom	8/9	15/9
GSJ	Iran MeySAM	Cement	Sing	PSAL	8/9	16/9
DOJ	Banglar Jyoti	C.Oil	—	BSC	R/A	11/9
DD	Al Zahara	Repair	Mong	SETL	1/9	13/9
DD/2	Banglar Asha	Repair	—	BSC	R/A	16/9
RM/9	Banglar Robi	Repair	Sing	BSC	31/8	25/9
CUJ	Dignity-1	Urea	Mong	USTC	1/9	12/9

**VESSELS DUE AT OUTER ANCHORAGE**

Name of Vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Landing Part
Feng Guang	12/9	Mong	MSPL		
Banglar Sarpad	11/9	Kara	BSC	Rice (P)/GI	
Tuq Tong Huat	12/9	—	NOVO		
Banglar Maya	12/9	Mong	BSC	GL	Laff
Andrian Goncharov	31/8				
Asian Venture	15/9	—	B.Bay	GI	
Ultima 4/9	13/9	Col	NASS	Cont	Mong
Bright Ace	13/9	Sing	JP		
Adriatic Prestige	14/9	Vanc	Ancient	Wheat(G)	
Banglar Gourab	15/9	Hong	BSC	GI	
Hang Cheng	14/9	Ulsan	OWSL	Sugar	
Optima 5/9	15/9	Sing	RSL	Cont	Sing
Developing Road	14/9	Sing	Karna	GI (Lash)	
Yang Su Bong	15/9	—	Rainbow	Cement	
Kapitan Anduladze	15/9	Yalta	Seacom	M.Seeds	
Pratita 7/9	15/9	Sing	AML	Cont	Sing
AL Anfushi	15/9	Mong	MMI		
I.Yamburenko 4/9	15/9	—	CT	Cont	Sing
Wang Ting	16/9	Rizh	Delmaru	Cement	
Zheng Jiang	16/9	—	PSAL	Cement	
Banglar Moni 8/9	16/9	Sing	BSC	Cont	Sing
Diomidis	17/9	Vanc	Ancient	Wheat(G)	
Petr Starostin 1/9	18/9	—	CT	Cont	Sing
ImkeWehr 10/9	18/9	—	APL(B)	Cont	Sing
Mikhail Stenko 10/9	18/9	Col	B.TSA	Cont	Col
Fath Allah (24) 7/9	19/9	MAD	MSL	GI	
Jiang Cheng	21/9	Mong	BDSHP	GI	C.Ports

**TANKER DUE**

Ocean Trader	12/9	Sing	MSPL	HSD
American Energy	14/9	Braz	Royal	CLSO

**VESSELS AT KUTUBDIA**

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Romina-G	C.Oil	Jebe	East West	3/9
Banglar Shouabh	C.Oil	—	BSC	R/A
Salvador-1	Cement	Sing	HSL	R/A (10/9)

**VESSELS AT OUTER ANCHORAGE**

**READY ON**

Kota Bintang	Cont	Sing	CTS	10/9
Tiger Sun	GI	Kara	Prog	11/9

**VESSELS AWAITING/INSTRUCTION**

Samudra Raj — — — — — SSL — — — R/A

**VESSELS NOT ENTERING**

Banana Reefer	Scrapping	Dan	RSSA	2/9
Kronid Korenowe	Scrapping	—	CT	7/9
Al Kantara	Bunker	Mong	MMI	8/9

**MOVEMENT OF VESSELS FOR 12, 13 & 14.09.94**

OUTGOING				SHIPPING
J/7	Shapla Everette	J/7	Feng Guang	
J/13	Meng Kiat	RM/4/5	Ocean Trader	
DOJ	Banglar Shourabh	J/12	Banglar Maya	
CUJ	Dignity-1	RM/4/5	Al Kantara	

J/9 <th>Tirgu Seculesc</th> <th>MPB/1</th> <th>Ultima</th> <th>J/4</th> <th>AL Salima</th>	Tirgu Seculesc	MPB/1	Ultima	J/4	AL Salima
J/9	Iyeverett	J/4	Bright Ace		
MPB/1	Al Mantara				
RM/5	Fong Shin	DOJ	Banglar Shourabh		
J/12	K.Bintang				

The above were the Sunday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

## Poland's leading cosmetics maker adjusts to market economy

**WARSAW, Sept 13:** Poland's leading cosmetics maker had to switch gears to survive when its traditional foreign markets dried up and it was forced to compete with the cutthroat West after the fall of communism, reports AP.

It was not alone.

Thousands of export-dependent, state-run plants ran aground with the introduction of a market economy and the loosening of ties with Moscow and other traditional East bloc trading partners.

Before 1989, when communism fell, the Poliena-Ewa cosmetics plant in Lodz would send products to the Soviet Union every day. The shipments accounted for nearly 40 per cent of its annual sales.

But after communism's fall, contracts with the East dried up, Poland was flooded with

high-quality products from the West. In 1991, Poliena-Ewa, based in central Poland, experienced its worst year ever.

"April was a tragic month because for a week we had no work to do," said Helena Margel, the company's deputy chairman.

Poliena's managers had to scramble to keep afloat. Production was geared tightly to demand to avoid unnecessary investment in raw materials and wrappings. The work week was cut from six days to five.

The plant managed to avoid layoffs, but wages temporarily dropped with the shorter weeks, Margel said.

Poliena's efforts, however, paid off. The company intensified domestic marketing, offered new products and managed to win customers in

Poland. The company today lives off domestic sales.

"We succeeded at home, because our quality and wrappings can compete with the Western ones, while the prices fit the Polish purse," Margel said.

But sales abroad have been a different story. Poliena-Ewa is trying to regain its lost eastern markets. Exports to the United States, Canada and Germany remain minimal.

"This is a difficult and long path," said Eleonora Dutkiewicz, who is in charge of exports for Poliena-Ewa.

Poliena's scramble to catch up is typical of industries that were often outmoded and propped up by the government before being forced to compete on their own. Not all have been as successful as Poliena, however.

In 1990, exports accounted for 25 per cent of Poland's gross national product. Last year, they made up just 13.7 per cent.

Despite the drop, the government's new economic plan sees exports as a driving force for internal growth and external integration. Last year, Poland exported 11.4 billion dollars in goods and services, 63 per cent to Western Europe.

The government's strategy calls for a 33 per cent increase in exports by the end of 1997.

Critics suggest such expectations are too high because too much of Poland's industry is uncompetitive and inefficient.

The government's priorities include expanding markets in Asia and South America, fighting protectionism in the west,

increasing exchanges with traditional central and eastern European partners and offering wide financial support including tax exemptions to exporters.

The fight for Poland's former eastern partners is proving a tough task for a number of reasons.