

**Chinese court
fines company
\$ 31800 for
piracy**

BEIJING, Sept 16: A Chinese court has ordered a company that pirated two books to pay over 270,000 yuan (31,800 dollars) to the Taiwan publishers, the largest such settlement since the communist took power in 1949, a newspaper said today, reports Reuters.

The Beijing intermediate court ordered a Beijing company, Zhong Zi, to pay the money to the Taiwan Securities Publishing Company, which published the two books in 1983 and 1985, the China Securities News said.

Zhong Zi published and sold the two books in China in 1992 in defiance of copyright laws protecting the publisher, it said.

Another Chinese company has agreed with the rightful publishers to bring out the books, on securities and finance. They will be available in China at the end of this month, the paper added.

**Dollar up, gold
down in NY**

NEW YORK, Sept 16: The dollar firmed slightly against other major currencies yesterday in light trading mainly because of the Jewish Yom Kippur holiday, reports AFP.

Gold lost 90 cents to close at 388.20 dollars per ounce.

The dollar cost 1.5490 German marks from 1.5418 late Wednesday and 99.50 yen from 99.20.

The dollar also gained against other European currencies at 5.2935 French francs from 5.2740 late Wednesday, 1.2860 Swiss francs from 1.2810 and 0.6402 pound sterling from 0.6386.

Many traders were off yesterday as they were celebrating Yom Kippur while others were awaiting the release of figures for August industrial production and production capacity due out Friday.

Experts are generally forecasting a 0.5 per cent industrial production increase.

**Composite Index
rises in Canada**

OTTAWA, Sept 16: Canada's Composite Index, the main gauge for forecasting the country's likely economic growth, rose in August by 0.4 per cent — unchanged from the previous two months — the government reported Thursday, says AFP.

Statistics Canada said that six of the 10 components that make up the index rose in August, again unchanged from June and July.

But three components, mainly related to household demand, continued to be on the negative side.

"There are few signs of a reversal of the slowdown in household demand that followed higher interest rates," noted Statistics Canada.

The drop in the Housing Index worsened to minus 2.3 per cent in August.

But new orders for manufactured durable goods recorded a tenth straight gain, up 1.1 per cent in August.

**US won't impose
anti-dumping duty
on chemical
from Venezuela**

WASHINGTON, Sept 16: No anti-dumping duties will be imposed on U.S. imports of the organic chemical phthalic anhydride from Venezuela, the U.S. International Trade Commission (USITC) has decided, reports USIS.

The commissioners voted 6-0 in a final determination that the imports do not injure U.S. industry.

Imposition of anti-dumping duties requires affirmative final determinations both from the Commerce Department on dumping and from the USITC on injury.

In August the Commerce Department ruled in its final determination that dumping was taking place, estimating the dumping margin at 52 per cent.

In 1993 U.S. imports from Venezuela of phthalic anhydride, used in the production of plastic and paints, amounted to 3.6 million dollars.

Dumping is the export of goods at less than the cost in the home country or a third country, or less than the cost of production. The dumping margin is the difference between the dumped price and the fair-market value price.

**Singapore bans sale of
all tiger parts**

SINGAPORE, Sept 16: Singapore is to ban the sale of all tiger parts popular in Chinese medicines because they are thought to have healing properties, a government official said today, reports AFP.

The official of the primary production department (PPD) said that the sale and display of all tiger parts will be prohibited in Singapore from November 4 this year under an amendment to the endangered species act.

Singapore banned imports and exports of tiger parts in 1986 when it signed the convention on international trade

in endangered species of wild fauna and flora.

But the government did not prohibit local sales to give traders time to clear their stocks although it fully endorsed the international effort to protect animals threatened with extinction.

"It will be an offence to sell or display tiger parts and derivatives after November 4," said Astrid Yeo, head of the Cities Unit at the PPD.

She said that offenders could be jailed for up to three months and fined up to 2,000 dollars (1,330 US) or both.

Chinese medicine shops here have traditionally sold a

variety of tiger products like tiger bone wine, pills containing extracts of parts of the animal and whiskers, teeth and claws.

"Some Chinese men and women believe that wearing a necklace containing tiger claws and teeth not only bring good luck but also helps keep evil spirits away," said Lim Heng Teng, a trader who once imported tiger parts.

"It stopped importing them after the ban was imposed in 1986," he said.

Lim said that most tiger parts imported previously came from India and Indonesia.



MA Samad, Chairman and Managing Director of Bangladesh General Insurance Co. Ltd., delivering his welcome address at the 9th annual general meeting of the company at Sonargaon Hotel in the city on Wednesday. BGIC declared 21 per cent dividend for the shareholders.

**UNCTAD challenges market-only
approach to development**

WASHINGTON, Sept 16: A new report by the United Nations Conference on Trade and Development (UNCTAD) challenges conventional wisdom that global growth and development must rely exclusively on private markets, reports USIS.

"Over the past decade or so there has been a massive swing away from interventionism towards market forces," Roger Lawrence, deputy to the UNCTAD secretary general, told reporters during a briefing in Washington. "While the reasons for this shift are understandable, there is a danger of going too far and ignoring the very considerable successes that some economies — notably Japan, the Republic of Korea and Taiwan Province of China — achieved through government planning of various kinds."

The UNCTAD report, released yesterday, cites well-targeted subsidies, collective policies toward foreign direct investment and controls on imports used by Japan, Korea, Taiwan and China as evidence that the "economic miracle" in these countries was not entirely a miracle of the market.

The lessons to be drawn from the experience of these countries for wider application in development countries stress the importance of a close partnership between business and government with the latter manipulating market forces in order to ensure that individual firms act not only in their own immediate self-interest, but also in harmony with the long-term interests of business as a whole," the UNCTAD report said.

The report, published annually, also forecast 1994 global output growth at just 2.5

per cent, far short of what is necessary to bring unemployment rates down significantly.

In Geneva UNCTAD economists Yilmaz Akyuz, said it would take consistent growth rates of four to five per cent for at least a decade in the industrial countries to return employment to the levels experienced in the 1960s and 1970s.

The report charged that an excessive emphasis on supply-side economic policies — such as income tax cuts — helped plunge the world into recession and is the reason for the current recovery proceeding at a much slower rate than is normal for a cyclical recession.

"As a result, the world economy has in most years suffered from a deficiency of demand," Lawrence said. "The shift away from demand management has been accompanied by extensive financial liberalization, which has made it easier for private sector borrowing and lending to undergo rapid expansions and contractions, making overall spending — and with it economic activity — more unstable."

Lawrence said the report is not saying that demand management is the only answer, but that a more balanced and pragmatic approach to macroeconomic policy needs to be pursued.

"Unemployment and low commodity prices have both been big problems over the last decade and a half — unemployment for the developed countries and low commodity prices for the developing countries," he said. "We feel that better macroeconomic policy management could make a significant dent in both these problems."

UNCTAD is calling for a re-

duction of interest rates in both Japan and Europe, and warns in the report that "the United States needs to be cautious in applying monetary brakes, so as not to stifle the recovery of investment and employment and the improvement in productivity."

"If the Federal Reserve Board opts for monetary tightening to counteract the impact of dollar weakening on the domestic price level, recovery in North America, as well as overall, will be slowed," according to the report. That in turn would lead to an intensification of trade conflicts between the United States and its trading partners, it said.

The report said that the process of economic and monetary union is aggravating unemployment and stagnation in the European Union countries since governments must impose fiscal restrictions to satisfy Maastricht treaty convergence criteria.

The UNCTAD report advocates either postponing European monetary union, which is currently scheduled to go into effect in 1996, or putting monetary union into effect, but adjusting Maastricht targets for government debt and deficits.

The report also expresses concern over underlying weaknesses in developing country economies.

Growth performance in Africa remains highly unsatisfactory as output growth remains low, high rates of population growth continue and per capita incomes fall, it said.

It also suggested that the recent growth performance in Latin America may reflect speculative development rather than changes in investment patterns.



Commerce Minister M Shamsul Islam addressing a discussion on the role of development-oriented national spirit in balanced trade and industrialisation at the National Press Club in the city yesterday. —Star photo

**Sabic announces
rise in net
profits**

RIYADH, Sept 16: Saudi Petrochemicals giant Sabic announced a rise in net profits and sales yesterday despite the world recession, reports AFP.

Saudi Industry Minister Abdel Aziz Al-Zamil, who is also president of the company, said Sabic's net profits rose by eight per cent, to 2.177 billion Saudi riyals (564.5 million dollar) in 1993, against 1.96 billion riyals (522.6 million dollars) in 1992.

Last year Sabic's Petrochemical production rose by 1.4 million tonnes to 17.11 million tonnes, and sales rose by some 1.1 million tonnes to 13.66 million tonnes, Zamil said in the firm's annual reports, quoted by the Saudi news agency SPA.

He said the rise in sales was due to new markets opening up in south Africa, India and the United States.

Sabic is one of the world's largest petrochemical companies, with capital of two billion riyals (533 million dollars).

It is 70 per cent owned by the Saudi government, which recently announced plans to relinquish more than half its shares to the private sector.

**Farmer makes
fortune from
ginseng root**

BEIJING, Sept 16: A Chinese farmer has made his fortune from a 600-year-old ginseng root which he sold for 1.8 million yuan (209,000 dollars), a newspaper reported, says Reuters.

The ginseng weighed 390 grams (14 ounces) and was 130 cm long, making it the largest of its species found so far in China.

Ginseng is used in restoratives and tonics, especially for the elderly and child-bearing women.

The Jilin Daily, seen in Beijing on Friday, said the farmer found the ginseng on Changbai mountain last month and sold it to a local ginseng trading firm.



Shafiq Ahmed Chaudhuri, Managing Director and Actuary of Dena Life Insurance Co. Ltd., seen speaking at the concluding session of training programme of the company's marketing wing at BARD, Comilla recently. Kazi Fazlur Rahman, Adviser of the company is also seen.

**US to help Haiti recover
economy, says official**

PORT-AU PRINCE, Sept 16: The United States will contribute heavily to Haiti's economic recovery after its military leaders leave power and exiled President Jean-Bertrand Aristide is reinstated, a US official said here, reports AFP.

US aid will focus on Haiti's balance of payments, reorganising the finance and economy ministries, improving the country's infrastructure and organizing general elections before the end of the year, said the official who asked not be identified.

His comments came as Washington steps up plans to head a multinational military invasion of Haiti to depose the generals who overthrew Aristide three years ago.

The official gave no estimates on future US aid to Haiti, but said that it would "increase substantially" from the 74 million dollars of

mostly humanitarian assistance provided this year.

The flow of international aid to Haiti ceased after the September 30, 1991 coup.

The World Bank organised a meeting of donor countries in Paris on August 26 to plan future economic aid to Haiti after the US-led invasion.

Priority was given to the United States helping Haiti meet its debt arrears before it can qualify for fresh loans from the World Bank and the International Monetary Fund.

"The US government will pick up at least 25 million dollars of the 82 million dollars in arrears, the official said, adding that Japan was also expected to make a hefty contribution.

One immediate problem, he said, will be setting the country's balance of payments straight to cope with 15 million dollars in monthly salaries for government workers.

**Move to stabilise
prices of cocoa**

LONDON, Sept 16: Cocoa producer and consuming nations on Tuesday took a step towards a goal of ending boom-bust cycles in their commodity and stabilising prices, reports Reuters.

Delegates at talks of the 34-nation International Cocoa Organisation (ICCO) agreed in London on rules under which a committee will work on a five-year output management plan.

Delegates did not, however, believe that key output policies could be agreed and implemented at the current meeting, due to end on Friday. "It will take longer than that," said a consumer delegate.

Earlier, the ICCO issued data showing that there would be a deficit of 102,000 tonnes in the 1993-94 cocoa year ending in September. This is the third deficit in a row.

An overhang of stocks is

coming down and prices are up by some 30 per cent this year.

The ICCO London talks had needed to agree rules governing a committee to implement a five-year production management plan under a new international cocoa agreement reached in February.

The committee is now charged with drawing up a plan "designed to achieve a lasting equilibrium between world production and consumption of cocoa." It will then coordinate individual producers' output planning and monitor progress.

Rules were agreed after four days of talks. Producers and consumers said a stumbling block was over the quorum needed in the committee to implement production management strategies.

**Mahathir arrives
in Jakarta**

JAKARTA, Sept 16: Malaysian Prime Minister Mahathir Mohammad arrived here today for a two-day working visit, an airport official said, reports AFP.

Mahathir, greeted by Foreign Minister Ali Alatas upon his arrival at the Halim Airport east of Jakarta, was expected to meet President Suharto to discuss preparations of the Asia-Pacific Economic Cooperation (APEC) summit.

**US saves \$47b
by eliminating
71000 jobs**

WASHINGTON, Sept 16: An administration report says that government has saved nearly 47 billion dollars, mainly by eliminating 71,000 jobs, in the first year of President Clinton's much-touted government reorganisation, reports AP.

"Agencies are beginning major streamlining initiatives, cutting headquarters staff, reducing management layers and moving workers to the front line," said an assessment by the National Performance Review.

Vice-President Al Gore was presenting the report to President Clinton on Wednesday at the White House.

In the document, "Culture Change: Reinventing the Federal Government," the administration pats itself on the back for what it said achievements during the last year slimming down the federal bureaucracy, simplifying purchasing and saving money.

A year ago, the National Performance Review, headed by Gore, made 384 recommendations it said would save the government 108 billion dollars over five years.

A recent appraisal by the Brookings Institution, a Washington-based think tank, said the reorganisation made little progress in its first year.

The research group said the National Performance Review set in motion a reform movement and asked the right questions. But it said the endeavour focused so closely on short-term savings that government bureaucrats — the people most needed to make the plan succeed — were alienated.

Gore's status report, however, paints a much different picture, asserting matter-of-factly that government is "starting to cost less."

**Japanese exporters
change in-house
exchange rate**

TOKYO, Sept 16: Major Japanese exporters are changing their in-house exchange rates to 100 yen per dollar for the second half of the current fiscal year, which ends next March, the Nihon Keizai Shimbun said today, reports AFP.

Nissan Motro Co Ltd, Fuji Heavy Industries Ltd, Sony Corp, Fujitsu Ltd, Toshiba Corp, Hitachi Ltd, Mitsubishi Electric Corp, TDK Corp, Nippon Steel Corp, Kawasaki Steel Corp, NKK Corp, Sumitomo Metal Industries Ltd and Kobe Steel Ltd, are among the companies making the change, the daily said.

The in-house exchange rate is a base rate for balance-sheet estimates by companies. Many of the manufacturers had set their in-house exchange rate at 105 yen to the dollar for the first half-year, industry sources said.

The move may slow the dollar's rebound against the yen, because the companies are poised to make forward foreign exchange contracts at about 100 yen to the dollar, the major business daily said.

Asians may be strong bidders for Qantas shares

Vincent W Stove writes from Sydney

Asian investors and airlines are expected to take a keen interest in the privatisation of the Australian government of Qantas, the country's national airline.

As part of its programme to dispose of many state-owned assets, the government will be offering up to 75 per cent of the shares in the airline next April. British Airways will retain its 25 per cent stake in Qantas which it bought for just over 500 million US dollars in March 1993.

The sale of Qantas' shares will be the biggest public asset ever floated off to private in-

vestors by the Australian government. It is being described in terms of a 1,850 million US dollar deal.

Observers are expecting strong Asian participation because they see Qantas as being well-placed to take advantage of the region's travel boom. Asia is forecast to be the world's fastest-growing region for travel well into the 21st century.

Qantas last year expanded its operations from being a purely international airline to include domestic services when it acquired Australian

Airlines (also government-owned) for slightly less than 300 million US dollars — a bargain price, according to industry observers.

Qantas has a 20 per cent stake in Air New Zealand — not a particularly happy situation for both airlines.

The government and Qantas management are closely watching passenger and cargo bookings. They will have an impact on profits for the six months to the end of December.

The results for this half-year are expected to be an-

nounced mid-March — just weeks before the Qantas shares hit the market.

The airline suffered a loss of some 270 million dollars during fiscal 1993. But Qantas has experienced improved operating conditions since then, both in its domestic and international markets.

Managing Director James Strong was quoted as stating that his management team had "guarded confidence that things are improving."

The government has so far not disclosed limits that are sure to be placed on foreign

investors, particularly foreign airlines. It is unlikely that a foreign airline will be allowed to take up a controlling interest in Qantas — although it is possible that a foreign airline could be allowed to match the 25 per cent stake of British Airways.

There is much speculation here about Singapore Airlines — the third largest airline operating in and out of Australia, with about 6.5 per cent of the market. The airline already has a close relationship with Ansett International, the international arm of the big

Australian domestic operator.

Not all within the ruling Labour Party are happy about the privatisation of Qantas. Those to the left of the party see it as an unwarranted disposal of a valuable public asset.

The government is anxious to have the Qantas privatisation issue settled before the national elections at the end of next year of early in 1996.

About 10.5 million passengers pass through Australia's international airports each year. Qantas carries just over 40 per cent of them.

—Depthnews Asia