

Indian trade fair opens today

NEW DELHI, Nov 13: Nineteen countries will showcase products and technologies in the India International Trade Fair (IITF), which opens here Monday under the lingering shadow of the recent plague, reports AFP.

"Despite the plague scare, this will be bigger and better than previous fairs," an upbeat Mahesh Prasad, Chairman of the Indian Trade Promotion Organisation, told reporters Friday.

He said several foreign participants cancelled coming to the fair after the September plague outbreak in the western city of Surat that left 60 people dead and hurt tourism and exports.

Members of the Commonwealth of Independent States, Taiwan and Indonesia are among countries that will go

unrepresented and IITF '94 because of the plague, but their absence will be offset by big Chinese, Russian and Japanese participation.

South Africa will be participating for the first time in the annual event, which last year attracted 100 foreign companies.

About 130 foreign companies from 19 countries and more than 3,500 Indian companies will display products in the fortnight-long fair to be opened by Prime Minister P.V. Narasimha Rao.

Consumer durables such as electronics are expected to be the highlight of the event as producers try to capture part of the burgeoning buying power of India's 200 million strong middle-class population.

India intends to open up its huge market to foreign

consumer goods under its three-year old economic liberalisation programme, which has included a gradual reduction of once-prohibitive import tariffs.

Participants will get a chance to assess the product range and prices of their competitors from handicrafts to heavy machinery, Prasad said.

The event will serve to showcase Indian industry, its ability to absorb advanced technologies and its capabilities as a source of an extensive range of products, capital goods and turnkey projects, the official said.

The fair will focus on such growth areas as space research, energy, steel, transport, telecommunications, oil, chemicals and fertilisers, agricultural and industrial technologies, Prasad said.

Australia-Mexico accord to promote trade

JAKARTA, Nov 13: Australia and Mexico today signed an agreement to promote trade and investment between the two countries, following a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum, reports AFP.

The agreement provides for the creation of a bilateral commission to promote trade and investment opportunities and "issues of concern" to either parties, an Australian press release said.

"Mexico's accession to the North American Free Trade Area (NAFTA) makes it an integral part of a huge North American market and presents Australia with a new range of trade challenges and opportunity," Australian Trade Minister Bob McMullan said after the signing.

The agreement was signed by McMullan and his Mexican counterpart, Jaime Serra Puche.

Book of prisoners in New York to be auctioned

OSSINING, N.Y. Nov 13: The name itself meant prison to decades of moviegoers: Sing Sing, the big house, the place you went when you were sent up the river.

Now a snapshot of life behind the walls of the New York state prison at Ossining more than a century ago is going on the auction block Sunday, according to AP.

Prison keeper James Jessup kept tabs on his more than 1,000 charges at Sing Sing in the fall of 1852 in a pocket size notebook.

The six by four inch (15-by-10 centimeter) ledger is 13 years older than the earliest Sing Sing records in state archives, said William Jenack, whose auction house is running the sale.

"It's a snap of history," Jenack said. "It's such an unusual thing, it's hard to estimate a value. But it's not one of 35. It's one of one and that may increase its value."

"US anxious to strike car deal with Japan"

JAKARTA, Nov 13: US Commerce Secretary Ron Brown said today he was anxious to strike a car deal with Japan and voiced optimism the basics were now in place for progress, reports Reuter.

Brown spoke after an hour-long meeting with Japanese Trade Minister Ryutaro Hashimoto, who declined all comment.

"Obviously I'm anxious to make substantial progress in the autos and auto-parts areas," Brown told reporters. "I'm hopeful we've laid the groundwork for that."

Brown and Hashimoto, in town for Asia-Pacific trade talks, have engaged in a long and elaborate back and forth over car trade, which makes up 60 per cent of the 60 billion US dollar bilateral trade imbalance.

Last week, the two sides agreed with some hoopla to resume the car talks, which have lagged even as other talks picked up pace. They set no date for their next stab.

Nor did Brown and Hashimoto come up with a start date, despite dealing "almost exclusively" with autos, said the US commerce chief.

Kantor doubts China's readiness to enter WTO Jan 1

JAKARTA, Nov 13: US Trade Representative Mickey Kantor said Sunday he doubted that a deal could be struck in time to allow China to join the World Trade Organization by the January 1 target date, reports AP.

The United States says China must do more to bring its economy into line with other major trading nations to qualify as a founding member of the WTO, which succeeds the General Agreement on Trade and Tariffs.

Speaking after a two-and-a-half-hour meeting with Chinese Trade Minister Wu Yi, Kantor said that while it was still possible for China to beat the January 1 deadline, "I am not persuaded that we can finish our negotiations by the end of the year. But we will make every effort."

He said US and Chinese officials would meet in Geneva early next month to pursue a deal.

Kantor said, "The pace of progress depends on China. They know exactly what is necessary." But Wu, who emerged sounding disappointed, said it was not "a one-way street."

"We think we have arrived at the time to resolve the accession (to the WTO)," she said. "But whether we can do it or not isn't only up to us."

Kantor said the overwhelming majority of the 20-nation working committee on WTO membership "support the US position that China's offer at this point is not adequate."

Washington wants a range of commitments from China to

reform its currency and market laws in line with the free-trade principles that underpin GATT.

China maintains that it is a developing country, and that allowances should be made. The United States says China's economy and growth rate are so large that it can no longer claim the status of a developing country.

Kantor said the United States wanted to ensure that "we break down barriers and make rules fair, and that China begins to adhere to the regime that all the trading nations in the world have agreed to."

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World Bank okays \$110m for Russia

WASHINGTON, Nov 13: A loan to Russia of 110 million dollars was approved by the World Bank on Tuesday to help clean polluted air, rivers and lakes, protect dwindling forests and cope with a myriad of other environmental disasters left from communist rule, reports AP.

World Bank headquarters described the credit as its "first environment-focused loan to the Russian Federation," the world's largest country.

The aim is "to begin to reverse 70 years of fragmented and uncoordinated environmental management in Russia," it said.

Russian banks and enterprises will provide another 75 million dollar and the Russian government 9.8 million dollars. About 90 million dollar has been pledged by international donors, including the United States and the European Union — a total of 282 million dollars for what is called Russia's Environmental Framework Programme.

In Russia, 43 cities need urgent measures to reduce high levels of air pollution. 30,000 tons of banned pesticides await destruction, and 1,016 species of plants and animals are endangered, said a World Bank list of Russian ecological problems.

The programme will concentrate on planning for the region of the upper Volga river, the Ural mountains and the northern Caucasus. It will deal with many forms of environmental pollution but not all. Releases of radiation are a major exception, said Roger Batstone, the bank's task manager for its loan.

The European Bank for Reconstruction and Development (EBRD) is working on nuclear safety. Norway and Finland are trying to help Russian lands on their borders and the US Agency for International Development (USAID) is concentrating on Siberia, he said.

"It's not all-inclusive, but you have to start somewhere,"

Batstone said in an interview.

He said some much bigger loans the bank has already made to Russia will also contribute to restoring the environment. Loans to rehabilitate the oil industry in Siberia, for example, will also deal with pollution around the piping and wellheads.

World Bank President Lewis Preston is on a week's visit to Russia and other parts of the former Soviet Union. The announcement quoted him as saying "underpricing of energy encouraged environmentally harmful — as well as economically inefficient — industries and technologies" under the Soviet system.

Under the headline: "Russia's Environment: How Bad is it?" the bank's announcement also noted:

— Russia's industries release more sodium dioxide — an element in acid rain — than West Germany, France, Britain, Belgium and the Netherlands combined.

Indian military enters civilian auto market

NEW DELHI, Nov 13: After three years of economic reforms, the market bug has even bitten the Indian military, reports AP.

The Ordnance Factory board became the first defence establishment to enter the civilian market Thursday by announcing that the Jonga, an army all-terrain vehicle, would be available in automobile showrooms shortly.

And products ranging from designer shirts and leather jackets to detergents and steel castings could be next in line to hit store shelves carrying a "made by the military" label, according to board officials.

Board chief Jagdish Chandra described the foray into the consumer market battle ground as a bid by the organisation to diversify its product range and customer base.

Newspaper advertisements on Thursday told "people who play with power" that the army workhorse had been restyled for city roads after serving the military in mountains, jungles and deserts.

"The army doesn't move without it. Nor will you," proclaimed the advertisement promising a "performance beyond the call of duty."

The Jonga's debut in the expanding automobile market

is in line with a government decision to use the excess capacity of defence factories for commercial production.

It comes three years after Prime Minister P.V. Narasimha Rao launched reforms putting India on the road to a free market economy after decades of socialist style insulation.

In keeping with the liberalisation, the government threw hitherto off-limits military laboratories open to industry for research into new technologies.

The military's entry into the market with the Jonga took the process a step further and was part of the "thrust" being given by the Ordnance Factory board in the diversification efforts of its product range," the board said.

Chandra said the army's purchases of the Jonga had fallen 40 per cent from the mid-1980s along with declining budgetary support from the government.

"Today I have a surplus capacity which I want to use. That is the main consideration for entering the civilian market," he told reporters here.

"We have to optimise the use of our labour force."

Increase production volume would help cut costs, also benefitting the million-strong army which will continue to be

the main customer for the Jonga, made at a factory in the central Indian city of Jabalpur.

It hopes to be able to sell about 5,000 Jongas a year in the civilian market and expects to make a profit although its initial consideration will be to not make a loss, said VR Shiv Kumar, the factory's General Manager.

It will compete with four-wheel drives manufactured by Mahindra and Mahindra, Maruti Udyog Ltd, a joint venture with Suzuki of Japan, and others.

"We are confident it will create its own niche and generate demand," Shiv Kumar said of the car priced at around 300,000 rupees (10,000 dollars) and equipped with a Japanese origin diesel engine.

The Ordnance Factory board is 39 factories employing 170,000 people, engaged in turning out products ranging from weapons, explosives and parachutes to steel castings and uniforms — hitherto exclusively for the armed forces.

Market consultants will advise the organisation in its efforts to diversify into the civilian market, said R Ramamurthy, member of the board in charge of weapons and vehicles.

Automobile industry leaders said they would wait and watch for the consumer response to the Jonga.

But an expert at the institute for defence studies and analyses expressed scepticism about the military's market venture, noting that similar experiments had not been marked by success in such countries as China and Russia.

"All defence industries are not easily transformed into civilian utilities," he said.

Protesters demand Clinton's help in lawsuit against Pepsi

MANILA, Nov 13: About 300 people demonstrated near the presidential palace Sunday to ask President Bill Clinton's help in a lawsuit they have filed against PepsiCo Inc, reports AP.

They set fire to a large paper effigy of a Pepsi bottle with an Uncle Sam hat atop it, and the firecrackers stuffed inside it exploded. No violence was reported, but one demonstrator was briefly detained for carrying large firecrackers in her hands.

About 50 anti-riot policemen and soldiers kept the protesters about 300 yards (meters) from the Malacanang Palace compound, where Clinton and President Fidel Ramos meet Sunday.

On Saturday night, hundreds of anti-US demonstrators carrying burning torches marched toward Clinton's hotel but were turned back by policemen firing tear gas and water cannons.

The protesters were demanding the government reject U.S. requests to allow its warships to refuel and warehouse weapons and supplies in the Philippines.

But Sunday's protesters had a more personal demand.

In 1992, Pepsi promoted sales of its soft drink by putting lottery numbers inside bottle caps and promising "grand prizes of up to one million pesos (40,000 dollars)." Thousands of people claimed to win with the number 349, but Pepsi said a computer glitch had duplicated the number, and it refused to pay them.

Since then, they have filed a lawsuit against Pepsi, and on Sunday they once again asked Filipinos to boycott its sodas.

Earlier Sunday, when Clinton visited Rizal Park to lay a wreath at the monument of the national hero Jose Rizal, who was executed by Spanish colonialists, a group of children tried to approach him and hand him a letter. Police prevented that.

7 banks to operate foreign currency accounts for exporters in KL

KUALA LUMPUR, Nov 13: Malaysia's central bank designated seven of the country's largest banks to operate foreign currency accounts for exporters in a significant move to liberalise its exchange control rules, reports AP.

This also followed the decision by the central bank to allow stronger, well-managed banking institutions to conduct new activities under a more liberal two-tier regulatory environment.

Five Malaysian and two foreign-owned banks will from next month allow exporters to maintain export proceeds in foreign currency of up to an overnight balance of five million dollars per exporter.

"The move to allow exporters to hold foreign exchange besides the central bank and commercial banks represents the first major revision of Malaysia's exchange control rules since 1987," central bank governor Ahmad Mohd Don said.

The liberalisation of Malaysia's exchange control rules was first announced in the 1995 budget presented by Finance Minister Anwar Ibrahim in Parliament on October 28.

Rules governing capital flows had to be changed in view of the increasing number of Malaysians now expanding business abroad in a big way, officials of Bank Negara, the central bank, said.

Previously, exporters had to repatriate proceeds in the form of ringgit back to Malaysia within a specified period.



A protestor wears an effigy of Italian Prime Minister Silvio Berlusconi holding a fork and knife, during a protest rally against the Italian government on Saturday in Rome. One million people are estimated to have taken part in the demonstration to protest against planned spending cuts in the social welfare system during the first six months of Silvio Berlusconi's government. — AFP photo

Japanese analysts see stronger trade pressure from US

TOKYO, Nov 13: Japan will face stronger trade pressure from the United States following the overwhelming Republican election victory, Japanese analysts said Thursday, reports AP.

And elsewhere in Asia, fears are growing that Tuesday's landslide in which the Republicans wrested control of both houses of Congress from the Democrats, will put the economies of heavily indebted countries at risk.

In Tokyo officials are privately worried that the conservative victory will result in a hardening of US policy in the long-running trade dispute with Japan.

The government has refrained from airing its concern openly, but it let slip in newspaper reports here that it was surprised by the election results and that it was uncertain of how Japan-US relations would progress.

The Japanese press was unanimous in highlighting the dangers that unstable administration in both Tokyo and Washington will pose to bilateral ties.

The economic daily Nihon Keizai said the personal blow to President Bill Clinton represented the start of a "period of uncertainty" during which both governments were pre-

cautious and "liable to favour domestic problems and to be pushed into taking a confrontational approach" to foreign policy.

The conservative Yomiuri Shimbun echoed these fears saying: "US administrations with a shaky power base have tended to get tough on foreign policy."

As a result the "Clinton administration could choose to become more unyielding on trade issues and urge Japan to play a greater role in the international community," it added.

The centre-left Asahi Shimbun newspaper agreed, but speculated that if the US administration was embroiled in domestic issues, it may have less time to worry about Japan and its 60 billion dollar trade surplus with Washington, and could result in a respite for Tokyo.

In recent months the two sides have been locked in intense trade talks to reduce the surplus, as the US increased pressure on Japan to open its markets but stopped short of taking threatened trade retaliation against Tokyo, despite the absence of a global agreement. The Asahi Shimbun also said that if ultra-conservatives were appointed to key positions, Clinton's authority over

foreign policy would be strongly challenged.

Economic fears triggered by the congressional election result were also raised in Sydney, where the national-financial daily said it would make the world economy "more dangerous" for heavily indebted countries like Australia.

Among other factors, populist policy competition between Clinton and the Republicans could cause a budget deficit blowout, forcing greater reliance on monetary policy to regulate growth and inflation, said an editorial in the Australian Financial Review.

"The result — higher real interest rates and an appreciation of the US dollar — would have conflicting effects on the Australian economy," it said.

While a higher US dollar would stimulate Australian exports, the higher dollar and an increase in world interest rates would also increase Australia's foreign debt burden.

However, the net effect almost certainly would be negative," the paper said.

But bankers trust Australia chief economist Chris Cation believed the election results would "not have a great effect" on the country.

Big-spending American troops fill Ugandan hotels

Crespo Sebunya writes from Kampala

President Yoweri Museveni of Uganda once claimed he had discovered the secret that turned countries like Japan, Germany and South Korea into fast-growing economies: the presence of large numbers of American soldiers.

The recent arrival of American troops in Uganda seems to be proving his point. Since they set up a base at Entebbe airport, they have really been throwing their money around.

It is estimated the Americans spend on average 100 dollars a day. They have woken up sleepy Ugandan business. Stephen Isabirye, cashier at the Fairway Hotel in Kampala, says its 240 rooms are now overcrowded, usually with two to a room. With 480 people paying 75 dollars a night the income is huge in Ugandan terms.

The 750 Americans, together with Israeli, British, Canadian and Ghanaian, form a 1,500 strong United Nations relief team for neighbouring Rwanda. Their arrival has shown just how inadequate is hotel accommodation in Kampala and Entebbe.

The Ugandan tourist authorities say there are eight hotels of international standards in this city of 800,000 residents with 665 rooms and 1,307 beds. Entebbe has two hotels with

127 rooms and 253 beds.

Until recently, hotel occupancy was below 40 per cent, with even the Sheraton only at 51 per cent. Now all are full. Space for regular visitors has run out and small guest houses in the residential areas are back in business.

A new hotel strategy called Operation Restore Hope is being worked out. Ugandans are enjoying the business. One night the manager of a nightclub found, his small stock of beer, plenty for his usual clientele, had run out in minutes. Crew cut American marines had invaded his club.

He said: "They started swigging the bottles and lifting off girls in a high state of excitement. They told me beer here is cheap. You can buy two bottles in Kampala for the price of one in the US."

The Americans have not only improved the fortunes of ordinary businessmen, the Uganda economy as a whole is better as a result of the inflow of foreign funds. The increased activities of international organisations and repatriation of money by Ugandans resident overseas are all improving the situation. And the Uganda shilling has appreciated against the dollar, up to 930 compared to 1,000 until recently.

Some of the country's currency exchange bureaus popu-

lar when foreign exchange was scarce, have closed as confidence in the shilling has grown. Deposits being handled by commercial banks are up by about 60 per cent.

The economy is attracting investment at the rate of 500 million dollars a year because the country is showing determination to discipline expenditure and control inflation. Moves towards privatisation have improved the Ugandan image and helped regain the confidence of the international community.

The last Ugandan delegation to go to Paris for a donors' conference expected 500 million dollar worth of aid. It got 800 million dollars.

The next crucial stage is how to redistribute the country's wealth. Since Museveni's National Resistance government came to power much of it has gone to the west and central regions, leaving the north and east the crumbs.

This is producing criticism and Museveni has admitted that "those people in the north don't see this government as theirs, but rather as ours (the westerners and southerners)."

This scenario worries government planners. In drawing up a road blueprint for Uganda, they said that unless emphasis was put on the north instability and support for rebel groups still operating there would

continue to grow.

Coming to terms with the realities in the north is a long job. Recently rebel activities there have stepped up. A group calling itself the Lord Resistance Army, led by a youth called Joseph Kony, has spread terror in some districts.

The situation developing in the north has all the hallmarks of foreign interference. Chief of Combat Operations Joram Mugume is increasingly suspicious of Sudan. He has accused that country of re-arming the rebels. The situation became tense when 15 Sudanese soldiers were captured in Uganda allegedly on a mission with the Northern Ugandan rebels. The deployment of foreign troops

in Uganda for the UN led the Kampala Daily Topik to run the headline "US troops' presence scares Sudanese embassy." It was said the Sudanese felt very uncomfortable about the presence of the Americans. The situation was complicated by the fact that Uganda had re-

opened diplomatic relations with Israel.

Sudan says Israel has been arming the rebels fighting for greater autonomy in its south. Israel has been a traditional ally of the Sudanese rebels since the early 1970s when it supported the Anya-Anyia movement there.

It is said the Israeli secret service recruited Idi Amin, former Ugandan president, as



Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on November 13. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	FC	TT Clean	OD Sight Transfer
US Dollar	40.3825	40.4145	40.1000	40.0355
GBP	64.8255	64.8768	63.3794	63.2775
DM	26.6403	26.6614	25.9216	25.8799
F Franc	7.7511	7.7572	7.5387	7.5266
C Dollar	30.0341	30.0579	29.2227	29.1757
S Franc	31.7948	31.8200	30.9351	30.8853
Jap Yen	0.4195	0.4199	0.4041	0.4034
Indian Rupee	1.2915	1.3012	1.2697	1.2506
Pak Rupee	1.3210	1.3309	1.2988	1.2793
Iranian Rial	0.0232	0.0234	0.0228	0.0225
A) T. T.(DOC) US Dollar Spot Buying Tk 40.0677				
B) Usage Rate:				
30 Days	60 Days	90 Days	120 Days	180 Days
39.7497	39.4656	39.1816	38.8976	38.3295
C) US Dollar sight bill 3 months forward purchase: Tk 40.0355				
D) US Dollar sight bill 3 months forward sale: Tk 40.6145				

Currency	Selling		Buying	
	T.T. & O.D.		O. D.	Transfer
S Ryal	10.7672		10.6297	
UAE Dirham	10.9959		10.8554	
Kuwaiti Dinar	135.5800		133.5298	
D Gulders	23.9091		23.5999	
S Krona	5.5493		5.4735	
Malaysian Ringgit	15.7985		15.5967	
Singapore Dollar	27.5743		27.2070	