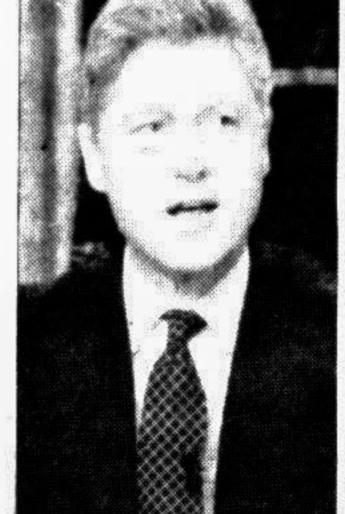
Clinton presents 7-yr budget plan under Republican pressure

WASHINGTON, Dec 8: Under Republican pressure. President Clinton reluctantly presented a seven-year balanced budget plan Thursday that would offer Republicans less than they want in tax cuts or savings from federal health care programme, reports AP.

Clinton's revised offer would save 141 billion dollars more than the budget he unveiled in June, with most of the new reductions in welfare, housing and transporta-

Republicans quickly criticised Clinton's plan, saying it was based on overly optimistic economic assumptions and would not balance the budget. "If they want to keep bringing things to the table that don't have much meaning, that's OK, we'll just keep going to the table," said House Budget Committee Chairman John Kasich, R-Ohio.

It was Clinton's third budget this year and marked another round of White House concessions in an increas-



Bill Clinton

ingly bitter fight with the Republican Congress. The administration called it a starting point to break an impasse in budget negotia-

tions. There darn better be some movement on the part of the Republican congressional negotiators now." said presidential spokesman Mike McCurry. "If there's not, this will be a very short negotiation, I suspect.'

White House Chief of staff Leon Panetta presented Clin ton's latest offer to Republican budget negotiators on Capitol Hill. "There is not a lot of negotiating room here," Panetta said. Clinton personally ex-

plained his plan to a pivotal group of conservative Democrats whose votes are being courted by both the White House and Republican leaders. The president coupled his

plan with a request for a temporary spending bill to keep the government running until Jan 26. The existing spending measure ex-

pires Dec 15, threatening another federal shutdown if no budget deal is concluded

by then.

Nearly half of the administration's — savings 64 billion dollars — would come from programs that Clinton does not consider top priorities, such as transportation, housing and interior. The administration did not spell out the impact of those cuts, amounting to a 20 per cent reduction over seven years in many programs after taking inflation into account.

Clinton said he would squeeze 46 billion dollars from welfare spending, dlrs 8 billion more than he proposed in June. There would be no further cuts in education and environment spending, which Clinton considers crucial.

Another large chunk of the savings, 32 billion dollars, would come from reducing the Consumer Price Index by 0.2 per cent on grounds it overstates infla-

World wheat prices soar

BRUSSELS, Dec 8: World wheat prices soared to values not seen since the 1970s and were set to go higher after the European Union imposed a tax to curb its grain exports to a tight international market, reports Reuter.

Word that the Russians were buying grain abroad fuelled an explosive rally in wheat prices in the US midwest. Futures in Kansas City hit 5.35 dollar per bushel on Thursday, the highest there since 1974.

Food officials of 50 nations meeting in London at the International Grains Council (IGC), declared that there was no crisis but with global grain stocks at 20 year lows food security would depend on the outcome of next year's harvest."

Recent drought in Australia, North Africa and Russia combined ironically with measures elsewhere to pay farmery not to sow grain in order to reduce what used to be huge surpluses led to the present situation.

The EU, the second biggest exporter after North America. imposed a prohibitive tax of 25 ECUS dollar 30 a tone on a key category of wheat exports.

Home (interior) Minister S B Chavan as "an embarrassment

Problems creep into Indo-US

business ties: Chidambaram

lems have crept into relations between Indian and its biggest to his colleagues." business partner, the United Chavan unleashed his States, but the two must not diplomatic broadside in parliament on Monday when he allow irritants to spoil ties, an Indian government minister said Washington had "evil desaid yesterday, reports Reuter. signs" over India's troubled northern region of Kashmir. A Commerce Minister P Chi-

> Chidambaram told the businessmen: "it is possible that two countries will disagree with each other, but these disagreements must be expressed in terms which do not destroy the relationship between the two countries."

US embassy spokesman dis-

missed the remarks as non-

In an apparent reference to Delhi's anxieties about a recent US weapons package for Pakistan and to Chavan's charges. Chidambaram said: "there are serious concerns in India about recent developments."

had been called in for a Chidambaram said he hoped the "developments" A Foreign Ministry spokeswould be contained.

When there is so much contact both at the highest levels and at the level of people to people, there is no reason why differences in per-

ception on a few issues should tend to sour the relationship between two countries," he

Chidambaram said both countries should look beyond some "trivial" problems which have crept into the relation-

He cited the temporary shutdown of two restaurants run by Pepsico Inc's Kentucky Fried Chicken chain by rightwing groups, and the forced renegotiation of a 2.8 billion dollar power project led by US-based Enron Corp in the western state of Maharashtra.

"The concern must be larger," Chidambaram said," on how to build a more durable relationship at the political level so economic relations - trace, business and investment - continue to grow unhindered, unclouded by any upheavals."

The United States is India's biggest trading and investment partner. Two way trade totalled 7.8 billion dollars in the financial year ended last March 31, with Indian exports accounting for 5 million dol-

US dollar lower in Tokyo

TOKYO. Dec 8: The US dollar traded slightly lower against the Japanese yen Friday morning in Tokyo, reports

The dollar slipped as play ers sold the dollar against the German mark in cross trading, traders said.

At 9 am (0000 GMT), it was changing hands at 101.25 ven, down 0.18 ven from late Thursday in Tokyo but slightly above its level in late New York trading overnight of 101.47 yen.

Most players remained on the sidelines ahead of the releases later Friday of US employment figures for November as well as Bank of Japan's quarterly "tankan" survey of business sentiment.

At 9 am (0000 GMT) the benchmark No. 174 10-year Japanese government bonds were traded at 114.05 ven down 0.16 yen from Thursday close. Their yield rose to 2.625 per cent from 6.605 per cent.

KL to manage Phnom Penh airport

KUALA LUMPUR. Dec 8: Malaysia Airports Ltd Thursday signed a joint-venture agreement with Aeroports de Paris Management to operate and manage the Pochentong International Airport in Ph nom Penh. Cambodia. says

The companies will form an operation company under the name of Cambodia Airport Management Services to manage the airport.

The agreement, signed in the presence of Prime Minister Mahathir Mohamad in Langkawi, 450 kilometers (270 miles) northwest of here, will govern the relationship between both parties

At present, Malaysia Airports manages 36 airports and STOL (short take-off and landing) ports in Malaysia. The management of the Pochentong International Airport will be its first overseas | base venture since its incorporation in November, the National News Agency Bernama reported.

Aeroport de Paris is th French airport operator, and includes among its major facilities the Charles de Gaulle and Orly Airports near Paris.

Japan's OECD forecast of 1.8pc GDP growth slated

TOKYO, Dec 8: Japanese Economic Planning Agency Director-General Isamu Kiyazaki criticised the recent OECD forecast of 1.8 per cent real GDP growth for Japan for calendar year 1996 on Friday. saying it did not reflect the emerging signs of economic recovery, reports AFP

"I think it was too low, as it did not include the full impact of the September 20 economic stimulus package and the recent stabilisation of the yen (in foreign exchange trading)." Miyazaki said after a regular cabinet meeting.

Miyazaki said he expected Japan's year to March 1997 real GDP to expand "below the 3 per cent level, and the government should make efforts to bring it above the 3 per cent level in the

following years." However, speaking to a government roundtable on Thursday, Miyazaki said the real GDP for the fiscal year 1996 will only be 'slightly over 2 per cent."

Pakistan still considering MFN status for India

ISLAMABAD, Dec 8: Pakistan is still considering whether to grant regional archrival India most-favourednation status. Foreign Minister Assef Ahmad Ali said vesterday.

"This is under very thorough examination by our Ministry of Commerce and we have to see how far it will affect our own trade and industry," he told Reuters in an interview

"If the effects of this are going to be negative on our own industry, then surely we have a right to defend our own economic interests." he

Ind says Pakistan, as apar of its commitments to the World Trade Organisation (WTO), must grant it Most Favoured Nation (MFN) status - under which two countries undertake to give each other the maximum tariff concessions on mutual trade that they already grant to other

communist leadership has

vowed to maintain their battle

against inflation in 1996 and

to improve order in the econ-

omy, state radio said yester-

A three-day conference to

set the economic agenda for

1996, attended by leaders of

the Communist Party, cabinet

central and local governments.

the military and armed police.

closed on Thursday, the radio

goals set at the fifth plenum of

the party's 14th central com-

mittee at the end of Septem-

main economic problems as

chaos imbalance too high

prices and a weak agriculture

But there were consider-

PUNTA DEL ESTE Uru-

guay. Dec 8: A summit of the

four nation Mercosur cus-

toms union ended Thursday

with an agreement to tear

down trade barriers with Bo-

live by the end of 1996, re-

a similar link-up with Chile

was postponed another three

on Jan 1 1995 when Ar-

gentina. Brazil. Paraguay and

Uruguay agreed to eliminate

most internal trade tariffs

and to apply common tariff

on imports from outside the

consumers Mercosur has a

combined Gross Domestic

Product of 750 billion dollars

other Latin American coun-

tries and trade blocs and to

eventually link up with the

Agreement or NAFTA

conference

North American Free Trade

Vice President Victor Hugo

Cardenas, became the first

country to associate itself

with Mercosur under a so-

called four plus one formula

Uruguayan President Julio

Sanguinetti told a news

creation of a free trade zone

The formula allows for the

Bolivia. represented by

Its aim is to incorporate

A market of 200 million

months, officials said.

Meanwhile, a decision on

Mercosur went into effect

ports AP

able achievements in the

The meeting reconfirmed

Speakers identified China's

day, reports Reuter

Ali shrugged off the possibility of India lodging a formal discrimination complaint against Pakistan at the WTO.

"There are disputes in the WTO. If that's the route India wants to take. That's their decision," he said.

Pakistani manufacturers fear dropping trade barriers would make them vulnerable to an influx of cheap Indian goods.

Ali plans to attend a meeting in New Delhi on December 18 and 19 which will review the working of a separate preferential trade agreement ratified by all seven members of the South Asian Association for Regional Cooperation (SAARC).

Political disputes between India and Pakistan since independence in 1947 have severely limited bilateral

Pakistani exports to India were worth 41.6 million US dollars in fiscal 1994/95 (July-June), against imports worth 64 million US dollars

inflation and fixed-asset in-

vestment were brought down.

and stable industrial growth

and budgetary revenue had

1996, the broadcast said.

laid a good foundation for

would continue its macro-eco-

nomic policy, promote agricul-

ture and speed up reforms of

state enterprises and

strengthen the open-door pol-

dustrial output was 1.59 tril-

lion yuan (191 billion dollars)

a year earlier, the state statis-

its target of limiting annual re-

tail price inflation in 1995 to

15 per cent, against 21.7 per

cent recorded in 1994, officials

a growth of 13.2 per cent from

tical bureau reported on

China will be able to meet

In the first 11 months in-

icy, it said.

Thursday.

have said

barrier with Bolivia

In 1996, the government

China vows to maintain

battle against inflation

BEIJING. Dec 8: China's economy, too, it said. In 1995

ADB okays \$ 150m loan to Thailand

MANILA, Dec 8: The Asian Development Bank (ADB) has approved a 150-milliondollar loan for -wastewater management in a heavily polluted province of Thailand, the bank said today. reports AFP.

The loan, part of the total project cost of 507 million dollars, will go to the construction of wastewater collection and central treatment facilities and the implementation of policy reforms for industrial pollution prevention in Samut Prakarn province, the ABD said in a statement.

. - Samut Prakarn is one of five comprising the Bangkok metropolitan region composed of 1.2 million residents and 4,000 factories which generate large amounts of wastewater, it added.

The loan, approved Thursday, has a term of 25 years including a grace period of five years with principal and interest to be determined according to the bank's variable lending rate system for US dollars.

3 accords on developing Tumen river area signed

CHANGCHUN, Dec 8: Great opportunities for future international trade and investment have emerged in northeast Asia as a multinational programme for the development of the Tumen river area was officially kicked off Wednesday, reports Xinhua.

Three agreements on the development of the area were signed by northeast Asian countries in New York last night, sponsored by the United Nations Development Programme (UNDP).

The signing of the documents sets up a legal framework for international co-operation and represents the start of implementation after four years of preparation, said Ding Shisheng, a Chinese economist who put forward the initial idea for the programme.

The ambitious programme includes a planned investment of at least 30 billion US dollars over the next 20 years to build the Tumen river area into a world economic and trade centre like Hong Kong or Singapore.

NEW DELHI, Dec 8: Prob-

dambaram made his appeal

for greater bilateral under-

standing amid a widening

diplomatic spat prompted by

an Indian cabinet minister's

charge that Washington had

the horizon," Chidambaram

told the Indo-US joint busi-

ness council at the start of a

two-day annual meeting. "The

question is what will business

The latest volley in the bi-

lateral war of words came

from the Indian Foreign Min-

istry on Wednesday night. It

said the US Charge d'Affaires

man said envoy Mathew Oaley

had been told of India's

displeasure over a statement

by an unnamed US official in

Washington dismissing Indian

do to dispel these clouds."

dressing down.

"There are some clouds on

"evil designs" in Kashmir.

The area, connecting China, Russia and the Democratic People's Republic of Korea (DPRK), has a population of 300 million and is rich in both natural and labour resources. Shipping services link the area with Japan and railway transporta tion provides it with access to Europe.

China. Russia. the DPRK. the Republic of Korea (ROK) and Mongolia have directly taken part in the programme, and Japan has shown strong interest in joining.

Experts noted that northeast Asian countries will all benefit from the programme. as Russia. Mongolia, the DPRK and China have un tapped resources in the area while Japan and the ROK boast advantages in capital and technology.

Berth position and performance of vessels as on 7.12.95 Berth Name of vessels Cargo L.port Local Date of Leaving agent arrival

Chittagong port

ping Intelligence

Long Binh Rice (G) Kaki Fairmax Vishva Kaumudi 8/12 Zalco Sharif Wheat (P) Bomb Seacom 19/11 7/12 Banglar KallolWheat (G)/GL Male Jin Hai Yang Cement Sing **BDship** 3/11 9/12 Amrta Jaya-II (48) 5/12 8/12 Banglar Gourab GI (Bitu) Kara R/A 15/12 BSC Jiang Cheng BDship 29/11 8/12 Kinabalu EmnebleasRice (G) Kaki 27/11 Amer Asha GI (Bitu) Fuja 17/12 Merve Ince GSSP Sing 22/11 12/12 J/12 Fong Yun Cont Sing BDship 01/12 7712 Consistence Cont Sing RSL CCT/1 Kota Bintang Cont 2/12 7/12 CCT/2 Meng Kiat Cont 3/12 10/12 CCT/3 Fong Soon BDship 10/12 5/12 Banglar Baani Repair 10/12 Emerald Island C.Clink Chin USTC 13/11 12/12 Karyatis IIII Wheat (G) South 29/11 7/12 Banglar Robi Repair 10/12 R/A RM/4 Sam Hae Idle Sing USTC 13/11 8/12 DOJ Banglar Shourabh Repair 7/12 DDJ/1 Tanary Star **PSAL** 10/12 7/6 DDJ/2 Banglar Sampad BSC R/A 8/12 Repair Al Salma Repair Mong RM/8 ASIL 18/10 12/12 R/A 8/12 Banglar Jyoti BSC Repair

Vessels due at outer anchorage Name of vessels Date of L port Local Cargo Loading arrival call agent Namreen-1 7/12 Nishan Egypt GSSP Ocean Trader 7/12 Ilch Litmond MOP in Bulk 7/12 Anomone Chin USTC Cement 8/12 Rice (G) B.BayD.R Survey Purpose 7/12 impuni, d site Luxum 7/12 B. BaySurvey Lui pose and Caroline 7/1-P Paysures I depuse Sea Wall Dehkhoda (E/L/ 17/1) Rulliu 0/19 PUDIN 9/12 Visha Luag (48) 12/11Banglar Moni Sing BSC 27/11 9/12 Cont Tig River Earn 10/12 Col Karna Java (GI) State of Gujrat 48) 15/11 10/12 SSL GI 11/12 Col GI/GL Cross Hae Woo No 2 10/12 **PSAL** Cement Meng Yang (Cont)) 3/12 10/12 Sing Cont Sea Princess 10/12 Pira Frank Wheat (G) Wheat (G) Anangel Dignity 10/12 Fong Shin 4/12 12/12 Sing BDship Cont Mikhail Stenko 13/12 5/12 Cont Trade Ambassador 13/12 Sing Frank Wheat (G) Sintra 4/12 13/12 Cont 14/12 TSLGI (Steel Slabs) Unimar Robert-E-Lee 14/12 GI (Lash0 Karna Banglar Mamata $(48) \ 5/12$ 14/12 MALE 15/12 Jaguar (24) 22/11 Cont Banglar Urmi 2/12 15/12 Edward 15/12 Yong Jiang 15/12 Prog 15/12 Sevang Ace Meng Lee 6/12 15/12 Cont 16/12 Rice (G) Unimarine Kaki Cross Orange Sky 22/12 (Roro/24) 5/12 PRA Vehicles Eufonia (Roro/24) 24/12 4/12 Vehicles BBA 27/12 Asia Venture Tanker due Crude Oil

40 billion yen (39.909 billion US dollar) winter bonus. — AFP/UNB photo with three Baltic states across Europe ZERMATT, Switzerland, and since then has imple-

Bank employees count Japanese ten-thousand-ven bills at a bank in Tokyo on Friday.

About 4.5 million national and local government employees receive a total of 4 trillion and

but stops short of full mem-Although Chile and Mercosur have missed an end of the year deadline to reach a similar agreement, important progress was made during the summit. Uruguayan Foreign Minister Alvaro Ramos

"In 90 days at the most there will be an agreement. he told reporters.

During that time, final negotiations will be held to determine Chile's list of exceptions to tariffs. Chile wanted certain

goods - mainly agricultural to be exempt from the common tariffs because of strong competition from Argentina and Brazil.

Rwanda expelling 38 NGOs

KIGALI Dec - Rwanda is expelling 38 non-governmental organisations (NGOs), the UN Assistance Mission in Rwanda (UNAMIR) said Wednesday, quoting a government statement. The UN's radio station said it did not have details on why the organisations were asked to leave It said 18 other NGOs had been told to "provisi onally suspend their activities reports AFP

Mercosur ends trade | EFTA signs free-trade treaties

Dec 8: The European Free Trade Association (EFTA) on Thursday signed free-trade treaties with the three Baltic states, expanding its trading relations for the first time to republics of the former Soviet Union, says Reuter EFTA officials said the

treaties with Latvia, Lithuania and Estonia were signed on the first day of an EFTA ministerial meeting in this Swiss mountain resort. EFTA, which now includes

only Switzerland, Norway, Iceland and Liechtenstein. was a pioneer of accord with the Soviet bloc after the collapse of communism. It already has free trade accords with the Czech republic. Glovakia. Poland Bulgaria. Romania. Hungary and Slovenia as well as with Turkey and Israel, and last year reached a cooperation agreement with Albania.

EFTA, which was founded in 1960 as a counterweight to then European Economic Community plans to sigh non-binding declarations on trade cooperation with Egypt, Morocco and Tunisia

EFTA signed similar declarations of cooperation with the Baltic states in 1991.

mented technical assistance and training programmes EFTA members Switzerland and Norway, have aiready concluded bilateral free trade agreements with the Baltic states.

The agreement signed on Thursday provide for free trade in industrial goods as well as in processed agricultural goods and in fish and other marine products. Trade in agricultural goods is subject to bilateral agreement between individual countries

The agreements with Estonia and Latvia do not contain any transition periods, but the one with Lithuania allows Vilnius five years to abolish duties on a limited number of industrial products.

EFTA said the three ac cords were "modern trade agreements which take into account recent developments in the international trade regime" and include provisions on rules of competition, intellectual property protection, public procurement, state

monopolice and state aid Through updated rules of origin" the agreements are designed to facilitate trade

They also contain it evolution clause allow i the states to expand the scope of the accords to such fields as services and investments. The Geneva based EFTA

Aspilos

Dae Jin

Chesthire

Mauro D Alesio

Wawasan Setia

Hawai Splindour

grouping last three of its biggest members - Austria Finland and Sweden - to the now 15-country European Union from January this year Apart from Switzerland which rejected even partial ties with the EU in a referendum in December 1993, the other three EFTA members are linked to Brussels in the European economic area a free trade and investment accord

indicators down

index of leading economic indicators, the government's main economic forecasting guage fell 0.5 per cent in Oc tober, the Commerce De partment said In September the index fell 0 l per cent unchanged from the unitial estimate Wall Street analysts had expected a 0.2 per cent decrease in the October leading indicators index reports AFP

US leading economic WASHINGTON Dec & The

Capitan Manolis Yessels at Kutubdia Date of Local Name of Vessels Cargo 1. port arrival call agent 4/12 B.Bey Sing Tug Toisa Entrepid B.Bay 4/12 Vessels at outer anchorage Ready on BSCR/A GI (Bitul Banglar Kiron (04/12)7/12 Court Padma Vessels awaiting instruction CT 25/11 Koms, interes Armenii Movement of Vessels for 8 & 9.12.95 Shifting Incoming Outgoing 8 12 J/4 B Kironto DDJ/2 Kafeo (A) Che Shire J/2 V Kumudi RM/4 Sam Hae to CUFLJ J/8 Jiang Cheng DOJ B. Shourabh M D Aleisio RM/6 1/9 K Enambilias B Kiron 1/3 RM/9 B Jvoti 9/12 DOJ B Jyon J/1 Long Bing J/13 B Mont J/5 Jung Hai Yang RM/9 Sea World J/13 Consistnece RM/9 B Sampad

7/12

8/12

8/12

11/12

MSPL

MBL

MSPL

Sing

Lunc

Sing

Sing

Vessels not ready

GSSP

Cement

HSD/JP-1

HSD

BDship R/A (9/11)

29/11

4/12

PSAL.

PSAL.

DOJ B Shourabh The above were the shipping position, and performance of vessels of Chittagong Port as per berthing, sheet of CPA supplied by HRC Group, Dhaka