

# Thai Opposition for probe into central bank scandals

BANGKOK, Thailand, Mar 16: A group of opposition politicians wants the House of Representatives to investigate financial mismanagement and other scandals at the central bank, a member of the opposition Democrat Party said Friday, reports AFP.

Alongkorn Ponlabutr, a Democrat lawmaker, said Thailand's economic stability is being threatened by a series of scandals at the Bank of Thailand.

The Democrats are demanding that a House committee investigate the firing last year of the Securities and Exchange Commission chairman, a troubled bank's loans to a group of politicians so they could play the stock market, and stock purchases made by central bank Governor Vjitt Supinit.

"During the past year the actions of the Bank of Thailand, particularly the actions of the governor, have affected investors, and especially foreign investors confidence in Thailand," said Alongkorn.

A central bank spokesman said Friday that Vjitt wasn't planning to comment on the Democrat motion.

Perhaps the most troubling controversy came in December when Securities and Exchange Commission chief Ekamol Khiriat was dismissed by Finance Minister Surakiat Sathirathai, and then sacked from his position as deputy governor of the Bank of Thailand by Vjitt.

The finance minister said Ekamol had leaked state secrets, but has so far offered no evidence. Observers have called the firing political.

"Certainly the Ekamol affair didn't help how foreign investors view the central bank," said Graham Catterwell, acting managing director of Deutsche Morgan Grenfell Securities.

Catterwell agreed that on several occasions over the past year foreign investors' confidence in Thai capital markets has been undermined by the actions of the bank. But he said politics also played a role in the Democrats' motion for a House committee.

Alongkorn said that because of Finance Minister Surakiat Sathirathai's involvement in some of the controversies, a committee's findings could be used in a no-confidence vote against Prime Minister Banharn Silpa-archa's ruling coalition.

Vjitt is also under fire for holding shares in Siam City Credit Finance and Securities Public Co. Ltd.

Matchon, a Thai-language newspaper, reported that in 1993 Vjitt, in his capacity as central bank governor, took part in deliberations over whether Siam City would be allowed to list on the stock exchange at the same time as he was holding stock in the company.

Two weeks before the finance company was listed, Vjitt held 44,000 shares. He now holds 74,000 shares, according to filings with the Commerce Ministry and the Stock Exchange of Thailand.

# Taiwan approves visits by another 55 Chinese businessmen

TAIPEI, Mar 16: Taiwan has approved visits by another 55 Chinese businessmen and plans to ease regulations surrounding such trips, a government official said today, reports AFP.

Among the 55 mainlanders, authorised Friday to come to Taiwan for business activities were 28 agents of Taiwan's computer giant Acer Inc, which is hosting an international sales meeting in June, said investment commission executive secretary Tsai, Lien Sheng.

A total of 408 Chinese businessmen have been authorised to travel to Taiwan since such trips were allowed in mid-1995, Tsai added.

The commission is also planning to lower capital requirements on local firms eligible to invite mainlanders for business trips from 30 million dollars (1.1 million US) at present to 20 million dollars, he said.

Some 20,000 Taiwanese enterprises have invested in the Communist mainland, committing an estimated 25 billion US dollars in capital, according to the investment commission, an agency that comes under the aegis of the economy ministry.

# Israeli blockade of Gaza, WB costs Palestine millions of dollars

GAZA CITY, Gaza Strip, Mar 16: Palestinian farmer Mousa Zurub watched helplessly as a grubby white donkey munched on a box of cucumbers that had rotted during the Israeli blockade of the West Bank and Gaza Strip, says AP.

"That's how most of my produce is ending up, feed for the animals," said Zurub, who before the closure exported 800 boxes of tomatoes, cucumbers and potatoes to Israel every day.

Now Zurub is happy if local vendors buy his vegetables at a quarter of the pre-closure price.

The blockade of the West Bank and Gaza, imposed by Israel on February 25 after a series of suicide bombings by Palestinian militants, costs the Palestinian economy millions of dollars a day in lost wages and exports.

Unemployment has soared to 70 per cent, medical care is close to collapse and schools

are in disarray with 50 per cent of the West Bank teachers kept from their jobs by army roadblocks.

Despite the hardships, Israeli Prime Minister Shimon Peres said Thursday he would only lift the siege once he considered it safe to do so. Israel demands that Palestinian leader Yasser Arafat arrest the Muslim militant leaders behind the recent violence.

Arafat warned Thursday that the blockade, which bars two million Palestinians from entering, Israel, could spawn more attacks. "This closure... has given a very good platform for those who are against peace," Arafat said.

After 20 days of blockade, the Gaza Strip — one of the world's most densely populated areas with more than 950,000 people squeezed into 145 square miles (377 square kilometers) — seems ready to blow.

"A prison cell is larger than

Gaza these days. This is driving me crazy," said Mohammed Tayyeb, a retired teacher, as he coaxed a baker to sell him some flour to make batter for fish.

No one was starving in Gaza, despite shortages of flour, sugar and other food staples. But many families dipped into meager savings, sold gold jewelry — the dowry of Palestinian women — or borrowed money to make sure children had enough to eat.

Israel eased the closure slightly this week, allowing food convoys into Gaza on Wednesday and Thursday and permitting fishermen to take their boats up to six kilometers (four miles) into the sea after a weeklong naval blockade.

Palestinians export about 400 million dollars a year, with 80 per cent of the goods going to Israel.

Palestinian economist Samir Huleih said unem-

ployment has risen to about 70 per cent, from about 35 per cent before the closure.

In addition to some 60,000 registered workers who lost their jobs in Israel, there are some 75,000 others who used to sneak into the Jewish state to find menial jobs and now have to stay home, he said.

The siege of 465 West Bank towns and villages that has confined Palestinians to their communities since March 4 has also led to the shutdown of many factories. Teachers can't get to their schools and doctors can't reach clinics and hospitals.

Nazmi Mansour, who teaches first grade in the Amari refugee camp in the West Bank, said he asked past an army roadblock Thursday to get to school for the first time in over a week. Mansour said he had to walk three miles (five kilometers) through back roads and missed the first two classes.

# Unemployment high in UAE

ABU DHABI, Mar 16: The United Arab Emirates (UAE), one of the world's richest countries, is suffering high unemployment rates among its national population because of excessive reliance on Asians and other foreigners, a local study said today, reports AFP.

Citing official figures, the study estimated there were around 15,600 jobless nationals, accounting for more than 15 per cent of the local workforce.

The level compares to 7.1 per cent in North America and 1.9 per cent in the European Union, said the study, published in *Al-Bustan* magazine.

The bitter fact that the main reason for the unemployment problem in the UAE is the imbalance in the wages system because of the private sector's policies of dependence on cheap labour, it said.

"The persistence of economic problems, including inflation and a decline in local currencies, in India, Pakistan, Bangladesh, Iran, Egypt and other countries that are a source of labour, means that wages in the UAE will remain high by local standards of those countries. This will keep the door open for more immigration from such countries."

The study gave no figures on unemployment among foreigners, who account for around two thirds of the UAE's population of 2.37 million.

Asians, mainly from those countries as well as Sri Lanka and the Philippines, exceed half the population and the 800,000-strong workforce.

Independent studies have estimated tens of thousands of expatriates are jobless as they stay in the UAE after the expiry of their visas. Others enter the oil-rich Gulf country illegally in search of jobs.

# UN, Iraq divided over food aid to Kurds

UNITED NATIONS, Mar 16: While the United Nations and Iraq have made progress in oil for food talks, they are divided over the crucial issue of food aid to the largely autonomous Kurdish north, diplomats said Friday, according to AP.

Disagreement could lead to collapse of the talks, a UN diplomat said on condition of anonymity.

The second round of talks, which began this week, had been expected to end Friday, but both sides said they will continue Monday.

"Unfortunately, we could not finish our work," said the UN chief Iraq negotiator, Abdul Amir al-Anbari.

Iraq insists that it purchase the food that will be distributed in the largely autonomous Kurdish north of the country, diplomats said. That would make it appear as though the food comes from Saddam Hussein's government.

The United Nations, wanting it to be clear that the aid comes from the international community, insists that it buy

and distribute the goods.

US and British diplomats have said repeatedly that they will oppose any agreement that appears to strengthen Saddam Hussein.

The United Nations imposed sweeping sanctions against Iraq in 1990 after Baghdad's invasion of Kuwait. The council has said it will not consider any easing of the sanctions until Iraq cooperates fully with UN weapons monitors.

In April, the United Nations offered to allow Iraq to sell 1 billion dollars worth of oil every 90 days to buy humanitarian aid. Iraq rejected the offer at first, saying UN controlled oil sales would violate its sovereignty, but finally agreed in January to talk.

The resolution specifies that 130 million dollars to 150 million dollars of the food aid be distributed in the Kurdish north. It allows Iraq to purchase and distribute food and other humanitarian aid in other parts of the country, with UN observation.

# US aid to help Israel build separation zone with West Bank

JERUSALEM, Mar 16: Israel plans to create a separation zone between itself and the West Bank, complete with guard towers, electronic fences and bomb sniffing dogs to stop terrorists, officials said Thursday, according to AP.

They suggested part of the money could come from aid promised by President Clinton. But a State Department official in Washington said the aid would not be used for that purpose.

The project, which would require confiscation of Palestinian land, has been denounced by Palestinian leaders as a unilateral attempt by Israel to define a border.

And the State Department official, commenting on condition of anonymity, said, "The United States does not intend for any of its aid to be used in any kind of permanent separation zone."

But police spokesman Eric Bar-Chen said Israeli police expect at least some of the 100 million dollars Clinton pledged Thursday to go toward the project.

Bar-Chen called it "a sort of demilitarized zone" along the 200-mile (300 kilometers) frontier to protect Israel from infiltration by terrorists.

The project, first proposed by the late Prime Minister Yitzhak Rabin, was approved by Israel's Cabinet in emergency session on March 3 after suicide bombings rocked the nation.

Though some in Israel believe their nation and the Palestinians could benefit from economic cooperation and do not want such a traumatic and fast-paced separation, after the bombings there were few voices raised against the idea.

The project is expected to cost 300 million dollars and take at least two years to complete.

Israel plans to build 18 border crossings and seal off all back roads to prevent Palestinians from sneaking into Israel without permits, Har-Chen said.

In some areas, electronic fences will be set up to separate Israel from the West Bank, as is now done on the border with Lebanon.

Each Palestinian will be issued a magnetic identity card, and entry into Israel will be strictly limited, as it now is in the Gaza Strip, where the frontier is entirely fenced in.

"Some of the money will go to this project," said Shlomo Dror, spokesman for the Israel army unit that coordinates policy toward the Palestinians.

Dror said Israel was looking to the United States to help train bomb sniffing dogs and provide electronic equipment to detect infiltrators along the separation line.

Israel also needs helicopters and all terrain vehicles to help patrol the zone, he said.

Philip C. Wilcox, director of the State Department office of counterterrorism, will confer with Israeli Internal Security Minister Moshe Shahal next week on the exact Israeli requests, police said.

# UN conference seeks to draw attention to world's water crisis

UNITED NATIONS, Mar 16: In Nairobi, Kenya, enough water is lost through leakage or theft to supply the nation's second-largest city. In China, government figures show 300 cities suffer serious water shortages, reports AP.

Around the world, ensuring adequate supplies of fresh water is becoming a major problem because of growing population, urbanisation and environmental degradation.

The United Nations hopes to draw attention to the problem during the UN Conference on Human Settlements set for June 3-14 in Istanbul, Turkey.

"I suspect that in the next 50 years, we will see a shift from oil to water as the cause of great conflicts between nations and peoples," said Wally N'Dow, secretary-general of the Istanbul conference.

There is a tremendous economic and human cost involved due to inadequate supplies of water, he said.

The effects of inadequate freshwater supplies are felt

strongest in the developing world, N'Dow said. Throughout the developing world, an estimated 20 per cent of urban families buy water from vendors because they have no access to municipal systems.

In Khartoum, Sudan, for example, families with access to the city water system pay about 2.60 dollars a month for service. Khartoum families that buy from vendors, who deliver sacks of water by donkey, pay an average 16 dollars a month.

That can amount to about 35 per cent of a poor Khartoum family's monthly income, UN studies show.

Poor water supplies also an enormous toll on public health. The United Nations estimates that only five per cent of the wastes generated in cities worldwide is chemically treated before it is dumped into rivers or the ground.

Pollutants then slowly seep their way back into streams and ground water and end up back in the sources of drinking water.

A 1991 cholera outbreak in

Peru, brought about by sub-standard water and sewer systems, cost the country about 1.5 billion dollars in lost tourism and fishing revenues, according to the UN Development Programme.

"In Europe, 40 or 50 years after the installation of a good water system, life expectancy in the case of France jumped by an average of 30 years," N'Dow said. "Developing countries must go along the same path."

But developed countries are not immune from the problems, N'Dow cited declining water supplies in the western United States, where booming populations in southern California, Arizona and parts of Texas have strained resources.

UN officials believe the answer lies in upgrading and expanding water distribution and purification systems. During the Istanbul conference, N'Dow said, participants will discuss new technologies and exchange ideas on how to improve and finance water systems.

# Unions at ROK TV, radio support striking

SEOUL, Mar 16: Labour unions at South Korean television and radio stations on Friday they would stage sympathy strikes if the government intervened to end a stoppage at the nation's second-largest broadcaster, reports Reuters.

Hundreds of journalists, producers and support staff at Munhwa Broadcasting Corp (MBC) entered the third day of their strike, forcing the company to cut its television programmes.

"We have agreed to start a joint action once the authorities intervene in the Munhwa affairs," said Kim Jin-Young, spokesman for the joint committee of labour unions at television and radio stations.

The committee represents unions at National Broadcasting Companies, including the state Korea Broadcasting System (KBS), the country's largest station.

Munhwa union members are protesting against what they call the politically-motivated appointment of the company president, Kang Sung-Koo, to a second three-year term.

The company's board approved the reappointment on Wednesday, but protesters argue the decision was made under government influence before general elections due on April 11.

"We believe the decision was made to use our network in the election campaign," Yoon Byoung-Chae, spokesman for Munhwa's labour union, said on Thursday.

Munhwa's majority shareholders is the foundation for broadcast culture, which was set up in the late 1980s by the government to promote independent management. The union says the foundation is influenced by the government.

Yoon said the strike by 870 union members, out of about 1,400 full-time employees, would continue until the management accepted their demand that Kang resign immediately.

Yoon said Kang and the board chairman had met an aide to president Kim Young-Sam to discuss the reappointment. President Kim heads the ruling New Korea Party, which is battling to keep its parliamentary majority in the elections.

# Computers now high on list of wedding presents in China

CHONGQING, Mar 16: The age of new technology has finally caught up with marital bliss in China, says Xinhua.

Wedding gifts traditionally include tea sets, cooking utensils and ornaments.

Now computers are high on the list of wedding presents.

One newly married couple went to a computer shop in Chongqing the largest city in southwest China to collect an 11,000 yuan latest model computer. It was a gift to the happy couple from the mother of bride Wang Xiaoli.

Computers, once regarded as a virtually unused "offering" in scientific research institutions a decade ago, has become a necessity for more and more Chinese people.

"China is in a second fever of computer popularisation," said Tan Haoping, a noted computer expert.

Tan, Deputy President of the Beijing Automation Engineering Institute, disclosed that the first fever took place in the 1980s, when more than one million viewers watched his lectures on the general knowledge of computer via TV.

Almost nine million people bought copies of his book — "basic language of computer."

"People have come to see that computers are a good helping hand in daily life, as well as in work, study and business," Tan added.

To help people to master computer knowledge, radio and TV stations have offered special programmes. Newspapers and magazines have launched special columns, and computer training courses are mushrooming across the country.

A survey found that the computer news in Chongqing has developed into the largest professional journal specialising in computers since it first appeared in 1992. Its sales have been increasing annually by 30 per cent.

The government of Guangzhou, capital of Guangdong province, has issued a stipulation demanding all government staff members under 50 years old must learn general computer knowledge, has chosen 72 computer teaching centres specially for the training of its employees.

# Fokker nosedives after 77 years in the sky

AMSTERDAM, Mar 16: Fokker planes have plied the airways for 77 years but the last decade has seen the world's largest regional aircraft battered by turbulent markets and on Friday it finally crashed, reports Reuters.

Fokker, a byword for Dutch industrial expertise, folded because of intolerable debts racked up by making its planes in strong guilders and selling them for dollars. High labour costs and turbulent markets eventually proved too much for one of the great pioneers of aviation.

The global aerospace industry has struggled since the 1980s as economic recession hobbled the profits of its airline clients and aircraft oversupply depressed prices and crushed margins.

Fokker's collapse is expected to spark the biggest mass redundancy in Dutch corporate history, with close to 5,000 workers, many very highly-skilled, losing their jobs.

But, behind the recent problem years, lies a glorious past.

In 1946 it was founded as a commercial aircraft builder on July 21, 1919, Fokker has designed and built over 125 different types of plane, including the Fokker IV which made aviation history in 1922 by crossing the United States coast-to-coast.

The company was among the pioneers of passenger flight. It built the eight-seater Fokker VII in 1924 and made the first direct flight from the Netherlands to Dutch Indonesia in the same year. Its founder's death in December 1939 and the outbreak of World War II halted project development.

In 1946 it was rebuilt by the post-occupation government, eager to foster an independent Dutch aerospace industry.

A 10-year marriage to German plane-maker VFW in the 1960s foreshadowed Fokker's 1993 rescue by Daimler Benz AG unit Deutsche Aerospace (DASA), but recession pushed Fokker into the red and prompted the first of many state bailouts in 1987.

A year later Fokker axed over 1,700 jobs as it began a restructuring and by 1990 was back in the black with profits of 83 million guilders (50 million dollars) and predicting good times ahead — spurring merger talks with DASA.

Within a year the turbulent aircraft industry had placed Fokker back on the rack — shattering its finances and destroying all hope of an equal partnership with DASA.

Keen to grab Fokker's impressive know-how and experience, DASA agreed to pay 880 million guilders in October, 1992 for a 51 per cent stake.

But, as the aircraft market nosedived, the German company imposed new conditions and forced down the cost to 686 million guilders in a deal that was finally sealed in March, 1993.

DASA stood by Fokker and never publicly said it regretted its investment, but loyalty exacted a high price.

On February 1, 1994, Fokker announced more job cuts, laying off 1,900 workers in a bid to trim costs. A month later it disclosed a record loss of 460 million guilders which it blamed on heavy restructuring charges.

Last August Fokker posted record first-half losses of 651 million guilders and warned of a bleak year ahead. Soon after, it emerged that shareholder equity had been wiped out.

The government and DASA spent the last three months of 1995 locked in desperate talks.

# Taiwan economy a victim of Chinese war of nerves

TAIPEI, Mar 16: After a slump in the property market and a string of bank failures, a war of nerves with China is the last thing the Taiwanese economy needs, reports AP.

The eight-month crisis has turned Taiwan's stock market into a roller coaster, and its vaulted foreign currency reserves have lost weight as Taiwanese rush to buy US currency as a hedge against war.

"Through waves of more and more menacing military moves, China is demonstrating its ability to influence Taiwan's financial markets and the overall economy," says Chen Wen-Lang, an economist at the China Trust Bank.

The government is making an all out effort to prop up the markets, buying shares and

# Taiwan economy a victim of Chinese war of nerves

selling US dollars to boost the Taiwanese currency.

But public confidence continues to flag with every round of Chinese missile tests — the most recent on Friday — and every military exercise — the latest, using live ammunition, starting Tuesday.

The military threats already have pushed Taiwan's 1995 economic growth rate down by almost a percentage point to 6 per cent, and the situation is so volatile that economists are reluctant to predict the 1996 rate. The main stock index has lost 13 per cent since June.

In the past week, people have bought so much US currency that banks have had to set a ceiling of 3,000 US dollar per transaction and fly in emergency supplies of cash.

The heavy buying becomes a vicious circle, because it prompts rumours that the government will impose controls and people rush to buy even more foreign currency before it's too late.

Taiwan, of course, has a huge cushion to fall back on. The island of 21 million people is the world's 14 largest trading power. It may not have diplomatic relations with many countries, including the United States, but those countries are keen on Taiwanese investment. Some 20 American states have trade representatives here.

Thousands of them have poured into China to develop a 24 billion dollars stake in the mainland since 1987.

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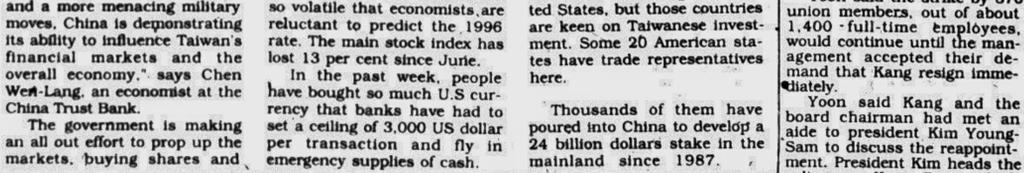
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Most of the petrol pumps in the city, as elsewhere in the country, on verge of closure due to the Opposition-sponsored indefinite non-cooperation movement. — Star photo.

# Exchange Rates Janata Bank

The following are the dealing rates to public for some selected foreign currencies with Bangladesh Taka as on March 16, '96. (Figures in Taka)

Name of Currency	Selling		Buying		
	T & O.D.	B.C.	T.T. Clean	O.D. Sight	O.D. Transfer
US Dollar	41.1620	41.2150	40.8660	40.7026	40.5909
G.B. Pound	63.1431	63.2196	62.1691	61.9110	61.7488
D.Mark	28.1333	28.1673	27.6317	27.5170	27.4449
F. Franc	8.2039	8.2139	8.0667	8.0273	8.0062
J.P. Yen	30.3297	30.3942	0.3841	0.3825	0.3815
C. Dollar	30.3799	30.3666	29.7985	29.6748	29.5970
S. Franc	34.8820	34.9241	34.2631	34.1208	34.0314

Janata Bank's selling and buying rates in cash currency for public					
	US DLR	G.B.P.	S. Riyal	UAE DH	Kaw Dinar
Selling	42.5500	63.1431	11.9600	11.5600	135.8000
Buying	41.7500	60.8931	11.0000	10.7600	131.8000

# US mounts diplomatic offensive on wheat crisis

PARIS, Mar 16: The United States pursued urgent diplomatic talks with food importing nations on Friday to try to get vital wheat shipments flowing again after a rare crop disease halted US exports to 21 countries, diplomats said, reports Reuters.

A deal over food safety rules must be reached quickly to release up to one billion dollar of wheat stranded near US ports since Wednesday, just as global grain stocks are running low.

"We are trying as quickly as possible to work out ways with each individual country for commerce to continue," a US diplomat close to the talks said.

Wheat markets have been in disarray since Wednesday when the US the world's top

# US mounts diplomatic offensive on wheat crisis

supplier, halted most exports following an outbreak of the foul-smelling karnal bunt fungus in Arizona.

The US Agriculture Department (USDA) says the problem is serious, but contained to a small area of the country, which has been quarantined.

Bunt disease — also known as stinking smut of wheat — has not invaded the vast majority of America's huge crop. It affects grain quality, but is not harmful to humans.

The effective embargo is necessary because many nations ban imports from any country where the disease has broken out.

China, the world's largest importer, is waiting for some 2.5 million tonnes of grain because of the halt and has ac-

used the United States of double standards over its wheat policy.

The United States has for some time criticised Chinese rules barring imports of wheat containing another disease, known as TCK, as a trade barrier.

Diplomats said the US was acting swiftly to find a compromise over the wording of importers' health restrictions to resume exports and head off any trade friction.

"For the 21 countries they have to work out something, because they cannot issue the certificates needed for export."

In all, three to four million tonnes of wheat ordered by developing nations are sitting in silos or on grain vessels waiting to be sent abroad, diplomats estimated.

The demonstrators were to return to their homes in the country's interior while agricultural leaders held weekend meetings to discuss a plan of action.

Earlier Friday, the workers, chanting protest slogans and waving banners, marched to the capital to demand better prices for their produce, land rights and improved social benefits.

Fourteen agricultural leaders met with President Juan Carlos Wasmosy, but later claimed talks could not continue since Congress had lost a list of their demands that was delivered on February 28.

Arsenio Vasconcellos, minister of agriculture, addressed the demonstrators, saying the government would form a technical committee, that would include farm workers, to study demands.

# Farm workers in Paraguay threaten further protests

ASUNCION, Paraguay, Mar 16: Angry farm workers, threatening to occupy land and block roads nationwide, accused the government Friday of ignoring their demands for better working conditions, reports AP.

The government and Congress have no answer for us, so, colleagues, occupation is the only solution. Alberto Areco, President of the National Farm Workers' Organisation told some 30,000 workers at a rally outside Congress in downtown Asuncion.

"All this is disgraceful and frustrating," said Gregorio Fernandez, another leader, "the president does not want to solve the problems of farm workers. We will close down roads across the country in protest."

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