

DThe Daily Star DUSINESS



CARS THAT MAKE SENSE

Pakistan prepares for transit

ISLAMABAD, Mar 20: Pakistan has launched a multi-million-dollar project to upgrade its northern high altitude Karakoram Highway in preparation for transit trade with Central Asia through China. reports AFP.

The 800-kilometre (496-

sonnel from the Pakistani army's frontier works organisation look after maintenance.

Pakistan, as well as Iran. has been keen to establish trade and commercial links with Central Asia after the break up of the Soviet Union. Islamabad's plan to develop

the trade transit route along the Karakoram has been influenced by regional conflicts, an official told AFP. "One main reason for our

interest in using the route via China is the turmoil in Afghanistan to which there seems to be no end in sight." the official confided.

Overland trade between the Pakistani border region of Gilgit-Hunza and China's Xinjiang province has been thriving with markets in Gilgit, the gateway to the mighty Karakoram and Himalayan ranges, offering a variety of Chinese

goods, including cloth and

(13,107-mile) route to Kazakhstan "is generally in good condition but needs upgradation and improvement in certain areas," said an official of Pakistan's National Highway Authority (NHA).

The assessment was made by a joint team of technical experts after driving all the way from Almaty in Kazakhstan to Gilgit in Pakistan. The two republics, Pakistan and China signed an agreement in March

1995 to develop the poute. From the Kazakh capital Almaty to the Kyrghyz capital Bishkek, the 230 kilometres (142 miles) of road is built with asphalt and meets international standards, according to the study.

The road up to the Kyrghyzstan-China border at

Torgurt, over 520 kilometres (322 miles), is also asphalted 'The 21.141-kilometre except for a 120-kilometre (75-mile) section of single lane road from Naryn. Another 520 kilometres (322 miles) of road in China which runs over the nearly 16,000-foot (4,848metre) high Khunjerab Pass, at the border with Pakistan, is said to be in good shape.

Upgrading the Karakoram Highway would include displacement of a dozen flooddamaged bridges, widening and reconstruction of the road at selected locations and installation of snow-clearing equipment:

The NHA officials said more work also had to be done to promote private sector interest in using the route and to speed up paperwork on customs and immigration policy between the four countries.

Business briefs

HANOI, Mar 20: The trans portation Ministry is planning extensive networks of elevated and underground trains to ease traffic congestion in Hanoi and Ho Chi Minh City, the official Vietnam News said Wednesday.

Plans so far call for 200 kilometers (125 miles) of track criss-crossing the cities and respective suburbs, the English-language newspaper

Public transit in both cities is minimal, offering only a few bus routes that offer slow. crowded rides to outlying districts. Rising prosperity has allowed most people to buy motorcycles, resulting in noisy traffic jams in the city cen-

Only 3 per cent of Hanoi's transport needs and 5 per cent of HO Chi Minh City's are met by buses and taxis, the report quoted Nguyen Yuan Dao. director of the Transportation Ministry's research institute. as telling a conference last

He presented proposals for two commuter rail lines in Hanoi and three in Ho Chi Minh City. No discussion of funding was reported and no total bill, although the paper said the cost of the Ho Chi Minh City network was estimated at 1.1 billion dollars.

HANOI: The government has approved construction of Hanoi's first joint venture hospital, a 50-bed facility intended to serve the expatriate community, an official news paper said Wednesday.

The Ministry of Planning and Investment issued a li cense last week for the 26.7 million dollar Bach Mai International Public Health Centre, a partnership of Bach Mai Hospital and Indochina Medical Co. Ltd. of Australia, the Saigon Gtai Phong (Liberated Saigon) newspaper said.

The ministry previously licensed a US-Vietnamese joint venture hospital in Ho Chi Minh City, but it has been stalled by opposition from within the Vietnamese health community. Opponents fear competition from joint ventures and say money would be better spent upgrading existing hospitals, which generally lack necessary equipment and medicines

ADELAIDE, Australia: Toyota Australia on Wednesday began its multi-million-dollar export programme to the Middle East, sending off the first 400 Camry Sedans in Melbourne. The cars were loaded onto

a transport vessel, part of

Toyota Australia's contract to

supply the six nations which make up the Gulf Cooperation Council (GCC) - Saudi Arabia the United Arab Emirates Oman, Kuwait, Bahrain and By the end of 1996, Toyota

expects to have shipped 10,000 of the cars to the Middle East

 Next year, exports to the GCC will rise to 20,000 units as part of Toyota Australia's plans to lift overall exports to 460 million US dollars (600 million Australian dollars) by

Toyota senior executive vice-president John Conomos said the shipment of 20,000 cars to the Middle East next would represent Australia's biggest ever autometive export order.

WELLINGTON: A New Zealand jetboat company is supplying propulsion units to power gunboats the Sri Lankan navy is using in its civil war against Tamil separatists.

CWF Hamilton and Co's Asia regional manager, Wayne Robinson, said the company had, since 1989, sold about 60 units to a Sri Lankan boatbuilder that supplies the Sri

Lankan navy. The navy uses the gunboats to patrol the coastline, rivers and lagoons to stop the Tamils running arms into the country.

The patrols include the Palk Strait that divides Sri Lanka's troubled Jaffna peninsula from India's Tamil Nadu state, where thousands of Sri Lankan Tamils have taken refuge from the fighting.

BANGKOK: The Lao government is launching five large-scale commercial farming projects, including silkworm breeding, to reduce slash-and-burn agriculture in the province of Luang Prabang, Lao government radio said in a broadcast monitored in

Bangkok on Wednesday. Laos has been under communist rule since 1975. The government has been taking steps to reform and liberalise the country's agricultural based economy, but foreign investment in Laos is still small as compared to other coun-

tries in the region. The government has enlisted 649 families to take part in the sericulture - or silkworm project — in the districts of Ngoi, Viengkham and Nam Bark. A projected output

was not released. The project will take up 316 hectares (780

100-page study.

of European firms with respect to production, trade and investment seem to have played a part in limiting their role in Asia," the report concludes.



Due to indefinite non-cooperation programme of the mainstream Opposition parties, countryboats are being used to carry essential commodities to the capital city from far-flung areas instead of mechanised road transports. - Star photo by A K M Mohsin

FedEx launches direct Sino-US all-cargo service

BEIJING, Mar 19: Federal Express Corp. on Tuesday launched the first direct allcargo service between China and the United States, reports

"Flights are up and running and all systems are go," said Michael Ducker, FedEx senior vice president responsible for Asia-pacific operations.

FedEx is the only US-based all-cargo carrier to be issued a permit from the Civil Aviation Administration of China and other necessary licences to operate in China. It also has the approval of the US department of transportation. FedEx is currently serving

China with a Boeing 747-200 cargo plane flying between New York, Anchorage, Beijing, Shanghai and return on a weekly basis.

The Chinese government has given permission for up to four flights as week, and Ducker said three additional flight would likely be added

FedEx also plans to add China to its AsiaOne intra-Asia overnight network and expand the number of Chinese cities same time period. directly served for pickup and delivery to 59 in June from the current 35.

He said China will be crucial to FedEx's development in Asia China signs oil

deal with US firm HONG KONG. Mar 20: China's state-owned China National Offshore Oil Corp. (CNOC) has a signed a contract with US firm Triton Energy Corp. to jointly explore an oil bearing block in the south

China sea, reports AFP. The deal, which was the second between CNOC and Triton, enabled both firms to jointly explore the oil-bearing block 16/03 in the basin of the Pearl river estuary some 150 kilometres (93 miles) southeast of Hong Kong.

as its air cargo market is expected to grow by nearly 400 per cent between 1995 and 2014, compared with a seven per cent world average in the

Benapole fire: **BGMEA**

concerned The Bangladesh Garment

Manufacturers and Exporters Association (BGMEA) has expressed concern at Monday's devastating fire at Benapole landport which gutted huge yarn, reports UNB.

In a statement yesterday. BGMEA cautioned the loss of the imported yarn might add to the existing crisis of the readymade clothing sector.

The association appealed to the authorities to ensure that garments industries, affected as a result of burning of yarn coming under back-to-back LC. be compensated.

Asianisation of Internet predicted

SINGAPORE. Mar 20: Pacific Internet, one of three Internet service providers in Singapore, predicted on Tuesday there would be an "Asianisation" of the Internet, reports Reuter.

"If all of these (countries in Asia) are going to have Internet, we have to see how they can all be connected," Nicholas Lee Chief Executive Officer of Pacific Internet, told a news conference.

Pacific Internet, is a consortium of Sembawang Media Pte Ltd. St Computer Systems and Services Ltd and Singapore International Media.

Pacific Internet has recently commissioned one such link through abone a newly set up Asian Internet backbone that is run by Asia Internet Holdings, a consortium of Pacific Internet. Sumitomo Corporation, Internet, Initiative Japan and Hong Kong Super-

The abone link connects Singapore to Japan and from

there to the United States. Regional links would provide better security controls and lower costs as well. Lee

Bid to steal gold 3 policemen held in India

NEW DELHI, Mar 20: Three policemen were arrested here after they attempted to steal gold from four Indians returning from Dubai, police said, reports AFP.

A search was under way for a fourth policeman, believed to be an accomplice,

Constables Dhir Singh and Bhimsham Singh were taken into custody early Monday after being surprised by a police patrol as they tried to rob their victims at gunpoint near the airport, police said.

The passengers were reportedly carrying gold worth 285,000 dollars on which they had paid duty.

said. He added that the trend in Internet Susage would be increasingly towards, electrenic mail. -

On the recent move by Singapore to check cyberspace abuses such as pornography. hate literature and criminal activities by licensing all Internet service operations and local content providers, Lee said Pacific Internet would filter all data and block access two

Such checks would raise costs slightly, but the company will absorb the costs, he said. subscriber base reached "a

"illegal addresses."

Lee said once Singapore's couple of hundreds of thousand," growth in Internet users would be exponential. Singapore's estimated current subscriber base is 100,000,

Pacific Internet, which has increased its dial-up lines from 200 in November fast year to 700, sees its lines rising to 1,000 by the end of the year. It is also setting up a second Internet centre by the middle of this year, said Lee.

EU urges firms to boost investments in Asia

 BRUSSELS, Mar 20: Saying East and Southeast Asia will remain the world's fastest growing economies, a report issued by the EU on Tuesday urged European firms to boost investments in the region in the next decade, reports AP.

The report puts into context the commitment, forged at a March 1-2 summit, of EU and East Asian leaders to forge a "strong partnership" to balance the economic presence of the United States in Asia.

It details how the EU has not sufficiently tapped into Asia's economic boom and suggest ways of reversing that through more contacts of business leaders and government officials.

"The growth potential of the dynamic Asian economies appear to have been underestimated by European firms in the early stages of the former's take-off, says the report, a joint effort of the EU and the United Nations

It says Western Europe has been preoccupied with its own economic integration and with accommodating East Europe after communism.

Also, it is hampered by an ignorance of the extent to which Asian governments have relaxed trade and investment restrictions, according to the

"In addition, the strategies

"They have relied more on direct exports on opening own representations and establishing extensive marketing net

It says while government can encourage trade and investments in Asia, the drive to deepen economies ties "can only come from business it

Malaysia to join in exploration of oil in Pakistan

KUALA LUMPUR, Mar 20: A Malaysian company signed an agreement Tuesday to join in oil and gas exploration in Pakistan, reports AP.

The government owned Petroliam Nasional Ltd said in a statement that its subsidiary. Petronas Carigali Overseas Ptv Ltd had a 40 per cent working interest in the venture. It said the Oil and Gas Development Corp of Pakistan, the operator, held the remaining 60 per

The exploration will be in the Fort Abbas block, covering 3.810 square kilometres (1.471 square miles) in the Bhawalnagar district in Punjab

province. The agreement would introduce the Malaysian company into the Pakistani petroleum industry. Petronas said It said discussions were

blocks in Pakistan

NZ, Australia to work together on APEC reforms

SYDENY, Mar 20: Keen to develop stronger ties with the world's fast growing region. Australia and New Zealand have promised to work together to boost the Asia-Pacific Economic Cooperation forum reports AP.

The pledge was made at talks between newly-elected Australian Prime Minister John Howard and his New Zealand counterpart Jim Bolger on Wednesday.

Howard told reporters both countries shared a "common commitment to the future of APEC."

Bolger is the first foreign leader to visit Australia since Howard won a general election on March 2.

Bolger, himself, is due to go to the polls in New Zealand

later this year. He hoped the 18-nation

group will continue its push to liberalise regional trade at a summit in Manila in Novem-

APEC leaders have already agreed to eliminate all trade barriers region by 2020.

Howard's predecessor now ex-prime minister Paul Keating had been a vocal proponent of the APEC process.

Since his election Howard has been at pains to dispel lears that his conservative government might scale down Australia's role in Asia

Howard said APEC will have a very positive influence under way with the Pakistani on "the fastest growing ecocompany on securing addition nomic area in the world

trade with Central Asia

Some 500 million rupees (14 million dollars) will be spent this year while the entire three-year work project on improving the strategic road link with China to international standards will cost 85 million dollars, officials said.

mile) highway is the lorfgest segment of the mountainous transit trade route via China to the Central Asian republics of Kyrghyzstan and Kazakhstan

· The Karakoram Highway was completed in 1978 as a joint effort between Pakistani army engineers and Chinese workers. About a 1.000 per-

WASHINGTON, Mar 20:

Urging Congress to "seize the

moment" for fiscal responsi-

bility. President Clinton pre-

sented a 1.6 trillion dollar

spending plan March 19 that

continues to reduce the fed-

eral deficit and projects bal-

ance early in the next century,

Congress, which is controlled

by the opposition Republican

Party, "to seize the opportunity

we now have to give the

said he was meet March

20 at the White House with

congressional leaders to press

tion on the framework docu-

ment Clinton unveiled on

February 5 to meet a statutory

obligation. The president said

then he was unable to provide

a detailed spending plan for

1997 because Congress had

not yet completed work on the

1996 budget. Since then,

Congress has moved closer to

that argument

in people a moment of

martis chievement.

The budget is an elabora-

The president called on

says a USIS press release.

Clinton presents \$ 1.6 t budget to Congress tions and has given a clearer signal of where eventual spending levels will be capped. But many federal programmes continue under a stop gap continuing resolution (CR) that is holding 1996 spending to a fraction of the 1995 total; the

current resolution expires

March 22. Clinton said his budget calls for balance under either the accounting of the President's Office of Management and Budget (OMB) or the Congressional Budget Office (CBO), while protecting higher federal investment in education, environmental protection, science and technology. and government reorganisa-

we can do to keep our economy growing," the president declared. "is to finish the job of balancing the budget in a way that reflects our values." He recalled he had promised to cut in half the federal deficit he had inherited, adding, we are cutting the deficit in half. I'm proud to say that my 1997

budget is the first budget ... in nearly two decades that comes to balance using the numbers of both Congress and the Executive Branch.

Clinton said his plan "cuts unnecessary spending," reforms the system of welfare payments to the poor, "honors our values" by protecting the health insurance plans for the elderly and the needy, and invests in the future by increasing spending on education and

environmental protection. The budget also calls for lowering the income tax bills of families with children under age 13.

"This budget", he declared, "underscores my personal de- termination : we will balance "The most important thing the budget." Clinton argued that the federal government must act to meet urgent national priorities. "We should enact a balanced budget and we should do it now. The American people deserve

nothing less. The president recounted

his three-year effort to reorder

asserted that "the American economy has turned around and is now poised for sustained growth." The economy has created more than 8 mil llon new jobs during his tenure, he said, with the "lowest combined rate of unemployment, inflation and home mortgage rate in 27 years. Exports are up dramatically, to an all-time high."

Vice President Gore said drafting the spending plan in volved "some very difficult choices," but asserted that Clinton had "managed to bal ance the budget without unbalancing our values.

He said the budget recog nises that "government cannot do everything, but that it must do some things."

Goré said Americans insist that the government should protect "our quality of life. from the air we breath to the water we drink to the food we consume." He said Clinton's ·budget increases by 23 per cent the ability of the Environmental Protection Agency (EPA) to cut pollution and en

US spending priorities, and completing 1996 appropriaforce environmental laws.

Greek farmers burn tobacco leaves in the centre of Athens on Tuesday to protest against the European Union's Common Agricultural Policy and low farm prices. Some 2,000 farmers attend the rally, demonstrating against the EU's proposed prices for tobacco, cotton and milk. They are demanding government production bonuses, measures to help them settle

Japan's economy grows moderately in Oct-Dec

their debts, social measures and tax breaks.

TOKYO, Mar 20: Exceeding many economists' expectations, Japan's economy grew at a 3.6 per cent, annual rate in 1995's last quarter, the government announced Tuesday,

reports AP. The Economic Planning Agency reported that the gross domestic product, adjusted for inflation, grew by 0.9 per cent in October-December from the previous quarter. The economic had been in recession

since 1991. "The number is well above consensus," said Jim Vestal, an analyst at Barclays de Zoete Wedd Securities. He added that most economists had been expecting GDP growth of

around 0.2 per cent. In the July-September quarter, it grew at an annual pace of 2.3 per cent.

Capital spending by the nation's manufacturers began recovering this fiscal year after years of sluggishness while domestic recession and currency fluctuations discouraged installation of new plants and equipment.

plant and equipment, for instance, rose 1.4 per cent from the previous quarter and 5.4 per cent from a year earlier. The official discount rate the interest charged on loans by Japan's central bank to commercial banks - now is 0.5 per cent, a record low for

the post World War II period.

Low interest rates have

helped support capital spend-

ing. Corporate investment in

Chirac wants G-7 summit '96 to be simple, low-key, convivial

LYON, France, Mar 20: President Jacques Chirac. hosting this year's summit of the major industrialized countries, has told officials he wants the late June meeting here to be simple, low-key and convivial, reports AP.

The last time it was

France's turn it was 1989, the

200th anniversary of the revo-

lution, and visiting leaders watched a lavish Paris parade on the Champs Elysees as Chirac's more-regal predecessor Francois Mitterrand presided. The previous French sum-

mit they strolled through

Louis XIV's elegant chateau in Versailles. This time Chirac, a beer drinker who can eat local dishes and easily hobnob with farmers or rugby players, has opted for a much less opulent site but still intends to show his guests the best his country can offer.

More than 6,000 officials and journalists from the United States, Canada, Britain France, Germany, Italy and point.

winds it way through a town

that could be in Italy, parallel-

ing and eventually joining the

smaller Soane

Japan are expected June 27-29, some arriving by high speed TGV train from Paris two hours to the north. Russia joins the talks at the midway The conference will be held that he would not do anything in a new art museum located on an old fairgrounds overlooking the Bhone river, which

The museum is flanked by the headquarters of Interpol. the international police organization, and a new red brick multipurpose conference centre. There is a 265-acre park in front of the museum.

Indian court rules Union leader cannot shirk

company work NEW DELHI, Mar 20: An Indian court has ruled that a union leader cannot neglect his work on the grounds of union responsibilities, a newspaper reported Tuesday, according to AFP. The Bombay high court ruled Monday that a company

only his union job without carrying out the duties assigned to him by his employer, the Indian Express said. The ruling followed a case filed by a union leader at a private company who claimed that his employer had allowed him to solely do union work between 1983 and 1989 and

was not obliged to pay an em-

ployee who insisted on doing

In major Indian companies, powerful union leaders frequently absent themselves from duty to organise workers. but continue to draw their salary for work they do not do.

"The people of the city have hidden a treasure from the world for a century" said Andre Soulier, a deputy mayor. "Now with G-7 they will see us again as never before ... Give us a few years and we will rival Venice.

Hyperbole aside, it is true

that many French and foreign-

ers bypass the country's sec-

ond largest city, going under

-AFP/UNB photo

it by tunnel or through by high speed train on their way to the beaches of the Riviera or Alpine ski slopes. Unless, of course, they are fond of food because Lyon is a gastronomic paradise accommodating great names such as

Paul Bocuse as well as typical bistrots known as "bouchons." For many centuries it has been a crossroads of European trade with people coming to attend trade fairs that sparked intense banking and cultural activity in the "old quarter" with its tiled roofs, interior courtyards and rounded tur-

In the 1800s it was a centre

for silk weaving and busi-

design is still important today and manufacturers supply the fashion houses in Paris but also make high-tech fabrics used in planes and rockets. Chirac and his guests, including President Clinton and other world leaders, will dine in a restaurant in the old quarter and watch a cultural pro-

gramme city officials are busy

preparing.

nessmen sold its fabrics throughout the world. Textile acres). Orange plantations are expected to yield 10,700 tons of the fruit, while 2,300 tons are expected from such shortterm crops as maize, peanuts. soybeans, cotton, tobacco,

mung and sesame. Pears, peaches, grapes strawberries and apples will also be cultivated. - Source: AP