

**China's finance ministry flayed for investing in securities firms.**

BEIJING, July 5: China's state audit watchdog has seriously criticised the finance ministry for investing in securities firms and lending money to "commercial organisations," says AFP.

The official China Daily newspaper said Friday that legislators had demanded the ministry "put its house in order" after hearing the results of the State Auditing Commission's work on the 1995 accounts.

Details of the audit were given to the national People's Congress Standing Committee on Wednesday. The committee called on administrators to tighten control to prevent corruption and waste, the official Xinhua news agency.

The ministry's 1995 accounts noted down 200 billion yuan (24 billion dollars) — almost half the ministry's accounted receipt of 386.66 billion yuan — as extra-budgetary expenses, reports said.

Such expenses are normally used for central bank loans to cover the huge debts of state enterprises.

But the audit commission said accounts had revealed that the ministry had "invested in several securities firms with state money and lent state funds to commercial organisations," the English language China Daily reported.

**Thai airport opens special lane for ASEAN passengers**

BANGKOK, Thailand, July 5: Thailand has opened special immigration lanes at Bangkok's international airport for travellers from the Association of Southeast Asian Nations, says AP.

The ASEAN lanes will not change immigration procedures but should shorten queues for passport holders from Thailand, Brunei, Indonesia, Malaysia, the Philippines, Singapore and Vietnam.

Local media reported Tuesday that Thailand was the first country in the seven-nation association to implement the lanes as agreed at an unofficial meeting of tourism ministers in January.

**KL to give \$ 40 m to poor nations**

KUALALAMPUR, July 5: Malaysia will give 100 million ringgit (40 million dollars) in technical aid to less developed nations from 1996 to 2000, an official said, reports AP.

During the past five years, Malaysia has given only 67.4 million ringgit (26.9 million dollar), Chong Kah Kiat, minister in the Prime Minister's department, said.

The aid will continue to be concentrated on human resource development, particularly in areas in which Malaysia has the experience and competence such as economic planning, privatisation, monetary policy and project development, Chong said.

He said Malaysia's has found a great demand among developing nations for Malaysia's experience in development.

**US, UK, Japan to cooperate in commodity market**

TOKYO, July 5: Japanese, US and British regulators have agreed to speedily inform one another if they notice signs of manipulation in commodities markets that are common to all three countries, a Japanese trade official said, reports AP.

Noaki Kurumada, director of the commercial affairs office at Japan's Trade Ministry, said recently that he met with US and British regulators last week, when they were in Japan investigating illicit copper trading by an employee of Sumitomo Corp.

Sumitomo announced last month that Yasuo Hamanaka, its star copper trader, may have lost 1.8 billion dollars through unauthorised trading activities over a decade.

**Sharp differences sparked in coalition govt**  
**Gowda refuses to review price-hike in petroleum despite Opposition protest**

NEW DELHI, July 5: Indian Prime Minister H D Deve Gowda refused yesterday to review a steep hike in petroleum prices despite opposition protests and rumblings within his minority centre-left government, reports AFP.

Deve Gowda said in the northern city of Lucknow that the increase in the price of petrol, diesel and cooking gas announced late Tuesday was justified to ease the burden of a soaring import bill.

"There is no question of revising the price hike," the 63-year-old premier said, rejecting criticism by the opposition that it would hurt millions of poor people.

Some 500 activists of former prime minister P.V. Narasimha Rao's Congress (I) Party, which gives crucial parliamentary support to the fragile government, were temporarily

detained here Thursday when they staged a noisy protest.

The police sprayed water on the demonstrators after they breached a police cordon in downtown New Delhi in the first public protest against the price hike which was also bitterly attacked by trade chambers.

"It will lead to cost-push inflation and have an adverse effect on the competitiveness of domestic products in the international market," the Federation of Indian Chambers of Commerce and Industry (FICCI) said.

The confederation of Indian industry said the move was unwarranted, "especially when the global prices of petroleum products were stable and likely to be rolled back."

In Bombay, India's financial capital, nearly 45,000 taxis and 80,000 scooter-taxis went

off the roads to demand that they be allowed to increase the fares to offset the hike in fuel prices.

In New Delhi, taxis and scooter-taxis upped their fares unilaterally, prompting numerous complaints from harassed commuters. Newspapers said airfares would go up soon throughout India.

The decision also drew flak from the Communist Party of India (CPI), the only leftist member of the nine-party ruling coalition, and the Communist Party of India-Marxist (CPI-M), which supports the government from the outside.

The government increased the prices of petrol by 25 per cent and that of cooking gas and diesel by 30 per cent. However kerosene, the fuel used mainly by the poor, was spared.

Officials said the move

would beef up the financial position of state-run Indian Oil Corp., the main agency for importing petroleum. The company has been badly strapped for funds.

New Delhi said the hike would marginally push up the inflation rate.

The main opposition Bharatiya Janata Party (BJP) denounced the decision as "anti-people," and threatened a country-wide campaign to force the government to back-track.

The CPI urged the prime minister to review the move. The more militant CPI-M accused the united front government of being biased towards the rich.

"The government (should) show its capacity and willingness to tax the rich and ensure compliance from those who could afford to pay," the CPI-M said, demanding alternative measures to raise revenue.

The Congress Party echoed the sentiments.

"It is an irony that those who have in the past criticised Congress governments for resorting to such (price hikes) should take recourse to similar steps," party spokesman Vithal Gadgil said.

But Gadgil said the Congress would continue to prop up the government.

Deve Gowda had last month threatened sweeping austerity drive that would have led to severe job cuts, but he beat a hasty retreat following protests by communists and trade unions.

Another report adds: The Indian government's decision to raise fuel prices has sparked sharp differences between Prime Minister H.D. Deve Gowda and Communist allies in his fragile coalition.



Activists of former Indian Prime Minister P.V. Narasimha Rao's Congress (I) party protest a steep hike in prices of petroleum products by the centre-left government on Thursday in New Delhi.

**Lanka faces serious economic crisis**

COLOMBO, July 5: Sri Lanka, plagued by a separatist war and drought, faces an economic crisis as prices and unemployment rise and top export firms look elsewhere to do business, an opposition leader warned yesterday, reports Reuters.

Ranil Wickremasinghe, former prime minister and leader of the United National Party (UNP), blamed the people's alliance coalition government for the economic woes. The people's alliance ousted the UNP from 17 years in power in 1994.

"The crisis has affected every sector... a number of businesses are up against the wall," he told a news conference.

"Mismanagement... by the government has resulted in this deep economic crisis... a crisis not found at any other time."

Wickremasinghe said an estimated 75,000 to 100,000 people would lose their jobs this year.

Wheat and rice prices were rising and top export firms were looking to India and Bangladesh to do business, he said.

Tourism was ailing, the balance of payments had swung to a deficit from 1994 to 1995 and foreign currency reserves were falling, he added.

Business is aware of what is happening," Wickremasinghe

said. The country must be prepared for disaster.

Central bank governor A S Jayawardena said in May that Sri Lanka could easily match the high growth rates of economies like South Korea and Taiwan if it were not for the 13-year-old ethnic war against Tamil Tiger separatists in the north and east.

"If not for this huge spending on defence, we could easily achieve annual GDP (gross domestic product) growth of about eight per cent," he said.

The economy grew 5.5 per cent in 1995, down from 5.6 per cent in 1994, the central bank has said.

Deputy Finance Minister G L Peris last month said military spending this year could be seven or eight billion rupees (127.3 million or 145.5 million US dollar) more than the originally estimated 38 billion rupees (690 million US dollars) budgeted for 1996.

The government on Wednesday announced an 125 million rupee (2.27 million US dollars) plan to promote tourism but Wickremasinghe described this as too little too late. Arrivals fell nearly 40 per cent in April from a year earlier.

"There should be secure tourist areas and an assurance the capital Colombo is safe," he said.

**MANILA, July 5: The Philippine Stock Exchange's main index closed at a record high for the second straight session Friday, buoyed by news of lower inflation for the month of June.**

The government announced early Friday that inflation was 9.8 per cent in June compared with 10.4 per cent in May.

The Philippine Stock Exchange index of 41 selected issues rose 22.67 points, closing at 3,374.40 after Wednesday's 46.05 point climb. Thursday was a holiday.

Lito Vicencio, a trader of Peregrine Securities (Philippines) Inc., said the lower inflation "bolstered hopes of lower interest rates. This would make the equities market more attractive to investors than fixed income securities."

The market is also expecting strong second quarter corporate earnings, which are expected to be released in the next few weeks, he said.

Spencer Yap, an analyst of BPI Securities Corp., said the market's new records indicate "we're up for a bull run."

At current levels, Vicencio said the market is trading at an expensive 22 to 23 times 1996 forecast earnings. But looking forward to 1997 when higher earnings growth is expected, the market may not be expensive for some investors, he said.

**BANGKOK:** Thai and Japanese companies have teamed up to form a joint venture to produce automobile upholstery for Thailand's booming car market.

**Thailand Carpet Manufacturing and Suninco Textiles and Habitat Industry, Japan's largest interior fabric maker, have pitched in 12 million dollars to form TCH Suninco, a company official said Friday.**

The new company already has about five million dollars worth of orders from Toyota, Nissan, Isuzu, Mitsubishi and Honda, officials said.

Thailand has the largest automobile market in Southeast Asia. More than 500,000 cars were sold here during 1995 and industry experts believe sales will top a million vehicles a year by the year 2000.

Most Japanese carmakers have automobile assembly plants in Thailand.

**BEIJING:** China will try to save energy by eliminating inefficient and energy-wasting equipment, according to a government policy outline.

The outline, issued this week, said all sectors of the economy must work harder to save energy, the China Daily reported Friday.

Under China's ninth five-year plan for 1996-2000, the energy consumed to produce 10,000 yuan (1,200 dollars) worth of gross national product should be reduced from 2.2 tons of coal in 1995 to 1.7 tons by 2000.

China spent 40 billion yuan (4.8 billion dollars) in developing energy conservation technologies.



Japanese Ambassador to Bangladesh Yoshikazu Kaneko called on Post and Telecommunications Minister Mohammad Nasim at his office on Thursday. — PID photo

**Private Indian airline plans to lease 7 aircraft from Airbus**

NEW DELHI, July 5: A private airline plans to lease seven aircraft from Airbus Industrie in the first deal between an Indian carrier and the European consortium, a newspaper reported yesterday, according to AFP.

The Business Standard said the airline, operated by India's Natural Energy Power Corp. (NEPC), will add three new Airbus-310s to its fleet and replace four ageing Boeing through the arrangement with the French-led consortium.

The 285-million-dollar NEPC will pay 10 million dollars over six years to Airbus with the option of either purchasing the planes at a pre-determined price after the year 2002 or selling them on, the daily added.

Airline officials said the agreement with Airbus will help ease the financial problems facing NEPC, which last year bought another private carrier here but was disallowed to operate it under the company banner.

"Such an agreement will offer the airline financial flexibility as well as a NEPC fleet," the daily quoted NEPC Director Thirupathi Khemka as saying.

**Shipping Intelligence**

**Chittagong port**  
Berth position and performance of vessels as on 4/7/1996

Berth No	Name of vessels	Cargo	L Port	Local call	Date of agent	Leaving arrival
J/1	Bosco Snow	Caracas	JEDD	Cross	3/7	9/7
J/4	Banglar Baani	Repair	R/A	ESC	R/A	5/7
J/6	Wang Ting	GI	Sing	PL	2/7	11/7
J/7	Anra Java-1	GI	P Kel	IFA	1/7	4/7
J/8	Sea Tradition	GI	Sing	ANCL	25/6	6/7
J/9	Fong Soon	Cont	Cal	BDShip	2/7	4/7
J/10	An Da	C Link	Sing	MBL	2/7	17/7
J/11	Hong Qi-206	C Link	Hong	Cosmos	22/6	7/7
J/12	Pearl One	Sugar (G)	Hald	Cross	19/6	7/7
J/13	Fong Yun	Cont	Sing	BDShip	28/6	4/7
CCT/1	Consistence	Cont	Sing	ISL	1/7	5/7
CCT/2	Banglar Robi	Cont	Sing	ISC	3/7	5/7
CCT/3	QC Teal	Cont	Sing	QCSL	1/7	5/7
RM/14	Banglar Asha	Repair	Mong	ISC	5/6	10/7

**Vessels due at outer anchorages**

Name of vessels	Date of arrival	L Port	Local agent	Cargo	Loading port
Banglar Shobha	4/7	Kara	ISC	GI	
Hales (E/L)	6/7	Sing	SSS	C/L	BALB
Kota Berjaya 20/6	6/7	Sing	PL (B)	Cont	Sing
Padma 26/6	5/7	Sing	ISL	Cont	Sing
Meng Yang 23/6	8/7	Sing	AML	Cont	Sing
Susak 15/6	7/7	Col	Baridhi	Cont	CEO
Shenton 25/6	7/7	Sing	APL(B)	Cont	Sing
Balt Harmony	7/7	Mong	OWSL	GI	
Steuart 1/7	9/7	Col	BDShip	Cont	Col
Fong Lee 1/7	9/7	Sing	BDShip	Cont	Sing
Polar Bird 1/7	10/7	Col	BDShip	Cont	Col
Maersk Wave (Roro)	8/7			Oil	Vehicles
Kota Bintang 29/6	9/7	Sing	PL (B)	Cont	Sing
Banglar Mamata	9/7	Mong	ISC	GI	
Sintra 23/6	9/7	Sing	PL (B)	Cont	Sing
Aries 19/6	7/7	Mong	Banubi	Cont	Sing
OC Pintail 19/6	9/7	Sing	QCSL	Cont	Sing
Diasong	10/7		IFA	GI	
H-Steal	10/7	Rainbow	M Seeds		
Green Island	10/7		Kama	GI	
Tia Estela	10/7		Oil	GI	
Banglar Moni 30/6	11/7	Sing	ISC	Cont	Sing
Eurasian Challenger	12/7	Sing	Oil	Vehicles	
Oriental 3/7	13/7	Sing	PL (B)	Cont	Sing
Ocean-1	14/7	Yang	Cross	GI	

**Tanker due**

Name of vessels	Date of arrival	L Port	Local agent	Cargo	Loading port
Mat of Steel	6/7		TSL	CPO	
Renata 11	7/7	Rainbow	CISO		

**Vessels at Kutubdia**

Name of vessels	Cargo	L Port	Local agent	Date of arrival
				Ready on

**Vessels at outer anchorage**

Name of vessels	Cargo	L Port	Local agent	Date of arrival
Banglar Shourabh	C Oil		HBC	R/A

**Vessels not ready**

Name of vessels	Cargo	L Port	Local agent	Date of arrival
Alga	Cement	Sing	PSAE	22/6
Banglar Jyoti	C Oil	Sing	ISC	R/A
Pratacan	Cement	Sing	Delmaire	3/7

**Vessels awaiting instruction**

Name of vessels	Cargo	L Port	Local agent	Date of arrival
Banglar Sampad			ISC	R/A
Zalco Sharti			Seacom	R/A

**Vessels not entering**

Name of vessels	Cargo	L Port	Local agent	Date of arrival
London	Scraping	Jeddah	JF	23/6
Thalis of Miltos	Scraping	Qing	OTBL	1/7
Sea Venture	Cement	Long	AERA	23/6

**Movement of vessels for 4/7/96**

Outgoing	Incoming	Shifting
5/7		
J/4 B-Barut	CCT 1 Padma	
CCT 1 Consistence		DD Meng Kiat to J/13
CCT 2 B Robi		(DJ) 2 Fong Shin to DD
CCT 3 Q Teal		
RM 5 P Hunter		
RM 8 Sea World		
6/7		
DDJ B Shourabh	CCT 2 Kota Berjaya	DIX/2 Fong Shin to DD
	(KAI) B. Man	
	RM 3 Man of Steel	

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CIA supplied by HRC Group, Dhaka.

**Internet — a child molester or an avatar?**

SEATTLE, United States, July 5: The net is reviled as a child molester, hailed as an avatar of democracy. And from Berlin to Beijing, from Paris to Singapore, everyone wants a piece of the action, according to IPS.

On Capital Hill in Washington, right-wing members of Congress conjure images of children assaulted by online pornography and have passed a law imposing censorship of "indecent" computer communication.

Republican representative Henry Hyde tacked on a provision that forbids sending any information about abortion over computer networks. The resulting furor has united civil libertarians with the communications and computer industries in a campaign to have the restrictions declared unconstitutional.

A recently leaked report at the Pentagon reveals that the US military views the net as a source of cheap intelligence and a potential conduit for psychological operations and military communications. Information warfare is emerging as a potential growth sector for military planners and contractors.

"Rather than merely fitting in to pre-existing social process, the internet is actually transforming the nature of the process themselves," writes US Department of Defence Analyst Charles Swett.

Calling the net "a potentially lucrative source of intelligence" useful to the department, he recommends that the Pentagon explore the net as a medium for psychological operations and an offensive tool for unconventional warfare.

But as some countries scramble to impose their own ideas of order on the chaotic online universe, citizens are discovering ways to subvert controls.

Edward Wenk, Science Advisor to three US presidents, credits communications innovations as a major factor in the disintegration of the Soviet Union.

The internet appears to be both riding and driving historical forces of globalisation.

French political theorist Jean-Marie Guehenno, in a recent book the end of the nation-state observes that the "age of the networks" with its increased velocity and volume of information, is undermining existing nation-states and governments and bringing on a new "imperial age" that is "at once unified and without a centre."

The net, says Anthony Rutkowski of the Washington-based internet society, has an intrinsic learning in the direction of greater freedom because of its highly distributed, bottom-up characteristics.

Because the net is based on

software standards rather than hardware technology, it can "zigzag" on any kind of local phone system and as low-earth orbit satellites offer the possibility of cheap telecommunications everywhere.

Rutkowski sees "national policies that have propped up the telecom monopolies" and driven up access costs as the most significant impediment to the introduction of internet services in developing countries.

The internet's decentralised character was originally built into it by the US military.

The US Department of Defence created the network's ancestor ARPANET in the 1960s as a test for a flexible communications system that could withstand a nuclear war. Ironically, Iraqi President Saddam Hussein's headquarters reportedly resorted to the internet during the US-led Gulf War when Iraq's own C3 communications system was destroyed.

But the internet has only recently seeped into the consciousness of most governments.

In the People's Republic of China, the democracy movement's use of telecommunications following the 1989 Tiananmen massacre alerted the government to new threats

to its control of information. The student movement, in particular, took advantage of internet access through universities.

Chinese leaders are apparently aiming to use the internet for international business while cracking down on political use of the network. Earlier this year, they ordered internet users to register with the government. Then in March, they suspended new internet accounts, claiming "technical problems."

"They're using 19th century modes of repression for 21st century ideology and it's not very successful," says Benjamin Barber, a US political scientist. They negotiated with Rupert Murdoch's Sky Television, for example, to remove the BBC World Service. They left MTV on. No I think MTV is a much more dangerous and insidious coloniser of Chinese civilisation.

Singapore, too has imposed tight restrictions on internet users. The government decreed in March that internet providers must censor material on sex, religion, and politics.

Information Minister George Yeo expressed concern about content that would have a public impact on public morals or the stability of Singapore.

In Germany, government efforts to censor computer communications began with Neo-Nazi computer bulletin boards. But last December, German prosecutors tried to force the US-based online service Compuserve to restrict access to sites they considered pornographic. After three months of censorship and criticism, Compuserve restored access to the sites but offered software allowing users to block materials they find offensive.

A compuserve competitor, America online, also had to backpedal after banning certain words from its network. One offender was "Breast." But protests by an angry discussion group of breast-cancer patients forced the service to rescind the policy.

The internet can also be used to circumvent political censorship, as French citizens recently demonstrated. When a court banned publication of a controversial book on the late President Francois Mitterrand, an activist posted the entire text on his internet site. Ten thousand copies were downloaded all over the world within a week.

Following French Bishop Jacques Gaillot's high-profile support of homeless patients, Pope John Paul last year reasigned the Bishop to the Algerian diocese of parthena, an unpopulated sea in the Sahara Desert. Gaillot and his supporters turned the exile into a media event by setting up the first diocese on the world wide web, the internet sector that offers graphics, sound and video.

Self-selected parishioners anywhere can see the Bishop's photo, read about him, and correspond with him electronically. (Consession and communion are not yet possible.) The New Yorker magazine recently quoted a letter to the Bishop that quipped, "Better a real Bishop in a virtual diocese than what we've got: a virtual Bishop in a real diocese."

For serious political players from Nicaragua to Norway, an E-mail address and a home page on the world wide web are fast becoming essential.

Two years ago, the Zapatista rebels of Southern Mexico established a web site. Many branches of the Mexican Government are also online. And just clicks away from Bishop Gaillot's home page, the Vatican's web site dispenses benedictions. The US central intelligence Agency (CIA), too, offers the online world its fact book of basic information on every country.

Serious financial players are going online as well. The International Monetary Fund (IMF) recently urged all nations to publish their economic data on the internet to help prevent financial crises.

**Foreign investment up in Indonesia**

JAKARTA, July 5: Indonesia approved 20.9 billion dollar worth of foreign investments in the first half of this year, a rise of eight per cent compared to the same period in 1995, reports AP.

The largest investment was in the chemical industry, accounting for 5.2 billion dollars investment Minister Sanyoto Sastrowardoyo told reporters.

He said that 64 chemical industry projects were cleared in a total of 571 approved projects. Other major areas were power generation, paper manufacturing and nonmetal goods manufacturing industries.

Japan was the top investor pouring in 4.9 billion dollars, up from 3.5 billion dollars in the same period last year.

The figures have put to rest fears that Japan would be discouraged from investing in Indonesia after a dispute over the national car policy, Sanyoto said.

Japanese, American and European companies have criticised Indonesia's car policy that gives an exclusive three-year exemption from import duty and luxury sales tax to a company owned by President Suharto's youngest son.

The taxes add up to 60 per cent to the price of other cars.