

Japan's trade surplus up

TOKYO, July 22: Japan's trade surplus in June rose 270 per cent from a year earlier to 1,218.2 billion yen (8.7 billion dollars), the finance ministry said today, reports AFP.

Exports in the month increased 5.2 per cent from a year earlier to 4,334.8 billion yen, while imports declined 1.4 per cent to 3,116.7 billion yen, the ministry said.

Japan's trade surplus with the rest of Asia dropped 36.3 per cent from a year earlier to 374.3 billion yen as exports sagged 14.7 per cent to 1,517.0 billion yen with imports falling 4.0 per cent to 1,142.7 billion yen.

The surplus with the United States shot up 48.6 per cent to 555.6 billion yen, rising for the 21st consecutive month.

Exports to the United States increased 18.4 per cent to 1,336.1 billion yen while imports rose 3.5 per cent to 780.6 billion yen, the ministry said.

In trade with the European Union, Japan's surplus jumped 68.6 per cent to 358.3 billion yen. Exports to EU nations climbed 26.3 per cent to 790.0 billion yen as imports went up 4.5 per cent to 431.7 billion yen.

PAL ground crew union goes on strike

MANILA, July 22: The ground crew labour union of financially troubled flag carrier Philippine Airlines Inc. began a long-threatened strike Wednesday over recent mass layoffs, reports AP.

The walkout was confirmed by Avelino Zapanta, senior vice president of the airline, and Alex Barrientos, who heads the ground crew union.

Zapanta said the strike forced Philippine Airlines to suspend all flights Wednesday morning.

A total of 40 domestic flights and one international flight bound for Hong Kong were scheduled Wednesday.

Philippine Airlines ground crew also service other international carriers such as China Airlines, Singapore Airlines and Northwest Airlines, according to radio reports.

In June, PAL was embroiled in a crippling three-week pilots' strike that brought the company close to financial ruin.

At the height of the strike, PAL laid off 5,000 of its more than 13,000 workers to minimize its losses.

The ground personnel union then threatened to go on strike to demand the reinstatement of the terminated workers but the labour department assumed jurisdiction of the union's labour dispute with PAL on July 10 and prohibited any work stoppage.

Labour officials also ordered the airline to suspend any more layoffs.

The union, however, said it would go ahead with the strike plans.

PAL officials have said another strike could force Asia's oldest airline to close after 57 years of operation.

Key US Senate body approves \$18b for IMF

WASHINGTON, July 22: A key Senate committee approved 18 billion dollars in fresh IMF funding Tuesday, setting up a likely battle with House lawmakers who oppose giving more money to an organisation they consider mismanaged, says AP.

Senate Appropriations Committee Chairman Ted Stevens of Alaska said replenishing the International Monetary Fund is necessary to help it save troubled economies across Asia and in Russia, and a refusal to approve the Clinton administration's 18 billion dollar IMF request could damage the US economy.

"If the global economy goes sour, our economy will go sour," Stevens warned. "This is an international commitment the United States must keep."

The 18 billion dollars was attached to a 12.6 billion dollar foreign operations bill the Senate Appropriations Committee sent to the full Senate for approval. The Senate approved a separate IMF measure in March, but that has languished in the House of Representatives.

The House version of the foreign operations bill doesn't contain the full funding. Instead, a House Appropriations subcommittee set aside only 3.4 billion dollars for the IMF. The full committee is expected to take up the measure Wednesday. Differences between House and Senate versions would be resolved by a conference committee.

Some Republican leaders have suggested the full House Appropriations Committee might restore the 18 billion dollars for the IMF, but House Majority Leader Dick Armey of Texas vowed Monday to "defeat it on the floor" if necessary.

"It would come to the floor under the most rigorous terms of contest," Armey said. "IMF critic Rep. Jim Saxton of New Jersey, chairman of the Joint Economic Committee, contended the IMF had 75 billion dollars in reserves, including gold."

But Sen. Pete Domenici, a New Mexico Republican who is on the committee approving the IMF funding, compared the reserves to a bank's equity that shouldn't be touched.

"I don't think we have good reason not to replenish the IMF," Domenici said, urging senators to "stick to our guns" and get IMF funding approved.

US gives IMF green signal to resume talks
Pakistan unveils package to bolster its economy

By Kathy Gannon, AP Writer

ISLAMABAD, July 22: In an attempt to bolster its shattered economy, Pakistan unveiled a package on Tuesday that it hopes will curb imports, increase exports and encourage reluctant depositors to invest dollars in Pakistan, reports AP.

"The easiest thing for us would have been to print more money, but that would only have fueled inflation," Finance Minister Sartaj Aziz said in a televised news conference where he announced the new package.

The Pakistan government is blaming its economic woes on US-led economic sanctions imposed against Pakistan and India to punish the two uneasy neighbours for conducting tit-for-tat nuclear tests in May.

Aziz criticised international lending institutions for withholding loans because of sanctions and attacked previous Pakistani governments for spending foreign exchange to finance its balance of payments deficit.

Pakistan's foreign exchange stands at barely 600 million dollars which covers about four weeks of imports.

As a result Aziz said restrictions on foreign exchange accounts imposed following the nuclear tests will remain.

"In the aftermath of sanctions it is absolutely vital that we have the foreign exchange resources to finance all our essential imports," he said.

One example is edible oil, a staple in Pakistan and a costly 200 million dollar monthly import bill.

Drastic increases in a staple like oil would surely cause widespread unrest in Pakistan, fear government officials.

Last week Pakistan increased gas prices by 25 per cent, causing grumbling on the street.

Aziz said the government wants to try to keep the prices of imports like wheat, edible oil and pulses — all staples in a poor Pakistan's diet — down.

The list of essential imports, that will not be restricted will include wheat, pulses, edible oil, fertilisers, pesticides and pharmaceuticals.

Non-essential imports, he said will be severely restricted until the country's economy turns around.

Foreign currency accounts, which were frozen, will remain that way. New restrictions will be imposed on new foreign currency accounts, despite an earlier government promise not to restrict these accounts.

New account holders will be allowed to withdraw only 50 per cent of their money in dollars, the rest in rupees at the official rate.

Banks can no longer transfer more than 10,000 dollars out of the country without getting prior permission from the State Bank of Pakistan.

Luxury vehicles will be hit with a large registration fee of up to 10,000 dollars.

Aziz said the Pakistan government will aggressively seek out tax defaulters a big job in a country where barely one million people pay taxes. Most of the country's political leaders pay barely 100 to 200 dollar a year in taxes.

The government will increase its tax base, collecting agricultural taxes and retail sales taxes.

Aziz criticised the industrial world for imposing sanctions equally on India and saying it

was India that began the nuclear race when it tested its devices on May 11.

"Pakistan's response was in essence a security compulsion," he said.

Another report says: The United States gave the green light Tuesday to the International Monetary Fund to resume negotiations with Pakistan to help avert financial disaster even though the Americans have imposed economic sanctions on the country to protest its nuclear testing.

Senior State Department and Treasury officials said the United States would abstain or vote against any new IMF loans that emerged from these negotiations as US sanctions laws require.

But the officials, speaking anonymously, said they believed the loans would be approved by other industrialised democracies on the IMF board provided Pakistan agreed to substantial economic reforms.

He said the US decision not to block any new IMF loans was made by high-level officials after consultations with interested members of Congress, who expressed "no significant opposition".

Earlier State Department spokesman James P Rubin said, "We have not softened or somehow waived the sanctions".

He said the intent of the sanctions laws was "never to punish Pakistan or its people or precipitate an economic collapse".

Pakistan's currency reserves have fallen to 600 million dollars, intensifying doubts about its ability to service its 42 billion dollar in external debt.

Rubin said it was critical that the IMF be allowed to re-

sume negotiations on reinstating Pakistan's IMF programme, the minimum necessary to forestall a collapse of confidence in Pakistan's economy but unlikely by itself to prevent default.

To turn things around, Rubin said, Pakistan must commit to serious economic reforms and the United States and its G7 partners will do all that is needed to see these reforms are implemented.

One of the officials who briefed reporters later said an IMF rescue package for Pakistan would be in the interests of India, which would not want to have an economically unstable neighbour. India also is under US sanctions for nuclear testing but does not have an IMF programme.

Kuwait provides \$250m

ISLAMABAD, July 22: Kuwait has provided Pakistan 250 million dollars to tide over its balance of payments problems triggered by international sanctions against its nuclear tests, Finance Minister Sartaj Aziz said yesterday, reports AFP.

Several other oil-rich Islamic states have also promised to help Pakistan, he said, but did not identify them.

Prime Minister Nawaz Sharif visited Kuwait, Qatar, Bahrain, Saudi Arabia and the United Arab Emirates last month and sent his envoys to other Islamic countries.

The Jeddah-based Islamic Development Bank (IDB) has already enhanced Pakistan's financing limit from 150 million dollars to 400 million dollars, the minister told a news conference.

Vietnam's revenue shortfall yields austerity measures

HANOI, July 22: With budget revenues falling well short of expectations, the Finance Ministry has issued a series of regulations aimed at cutting costs, with more on the way, officials said Wednesday, reports AP.

The regulations, which affect all government departments and state-owned enterprises, have been issued in the last three weeks after figures showed revenue for the first half of 1998 was only 43 per cent of the target for the year.

Finance Ministry official Do Van Ninh said the latest edict, issued last week, said each department or enterprise should have no more than two fax machines, and each office should have only one fixed telephone.

No new cellular phones will be allowed, and personal calls will be at the worker's expense, he added.

Ninh said Deputy Prime Minister Nguyen Tan Dung told a Finance Ministry conference Monday that the government soon will issue regulations on the use of cars by senior government officials, the use of office space and finance transparency.

Disclosure of the new rules comes after the National Assembly Standing Committee met last Friday and lowered all major economic targets for the year and raised the inflation goal.

However, it did not revise the budget revenue and spending targets.

Revenue is forecast at 68.77 trillion dong (5.29 billion dollars) and expenditures at 80.77 trillion dong (6.213 billion dollars). The budget deficit is not supposed to exceed 12 trillion dong (930 million dollars), or 4 per cent of gross domestic product.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 22.7.98

Berth No.	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Date of leaving
J/1	Dong Fah	GI	Sing	Seaglor	5/7	28/7
J/2	Zilina	GI	Sing	Seacom	20/6	25/7
J/3	George	Sugar/GI	Sing	Seacom	20/6	27/7
J/4	Banglar Mamata	GI	Male	BSC	6/7	23/7
J/5	Adhiguna Jaya-1	Rice(G)	Kaki	USTC	11/7	24/7
J/6	Lu Shan	Sugar(G)	Hong	Seacom	9/6	24/7
J/7	Yong Jiang	GI	S. had	Bdship	27/6	24/7
J/8	Rong Jiang	Rice(G)	Kaki	OWSL	14/5	2/8
J/9	Eka Lestari	Rice(G)	Kaki	USTC	13/7	26/7
J/	Moanace-98	GI	Thai	Rainbow	13/7	-
J/10	Calatagan	GI/Wheat(P)	Sing	Seaglor	13/7	26/7
J/11	Nuptse	Cont	Sing	RSL	15/7	23/7
J/12	Kota Cahaya	Cont	Sing	Pil(Bd)	17/7	22/7
J/13	Delight Glory	Cement	Bang	PSAL	20/6	26/7
CCT/1	Xpress Resolve	Cont	Sing	BSC	18/7	24/7
CCT/3	Banglar Doot	Cont	Sing	BSC	24/6	22/7
RM/14	Ryomang	Cement	Sing	Delmure	21/5	27/7
CCJ	Elang-VII	C Clink	Lank	Seacom	15/6	25/7
CSJ	Adhiguna Nugraha-1	Cement	Tanj	Jaycee	8/7	31/7
TSP	Sukarawan Naree	R Phos	Hama	Seacom	18/7	30/7
RM/3	Patriot	CDSO	Durb	Rainbow	13/7	22/7
RM/6	Port Albert	Sko/HSD/J/P-1	Sing	MSTPL	16/7	22/7
DD	Banglar Jyoti	Repair	Idel	BSC	R/A	25/7
DDJ/1	Tanary Star	Idel	Para	BSC	-	-
RM/8	Joste	Idel	Kaki	USTC	28/4	25/7
RM/9	Banglar Kallol	Repair	Idel	BSC	3/7	25/7
CURLJ	Jupiter	Urea	Sing	Everett	15/7	23/7
Kalco(U)	Tolgam	Urea	Mad	Everett	20/7	23/7

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Lestarinidah	21/7	Vesa	Olm	Repair	-
Kia Ann	22/7	-	Seacom	C.Clink	-
Fu Kang Shan	24/7	-	Litmodn	Sugar(G)	-
Ryong Nam Sam	25/7	-	USTC	Rice(G)	-
Towing tug Britoil-9	23/7	Indo	AHZ	-	-
Eva	23/7	Indo	AHZ	Scraping	-
Karia Sentosa	25/7	-	USTC	Rice(G)	-
Xpress Nilgiri 20/7	30/7	Sing	RSL	Cont	Sing
Able General	24/7	Sing	MHCSL	Cement	-
Banga Biroj 14/7	24/7	Sing	Bdship	Cont	Sing
Banglar Shikha 9/7	24/7	Sing	BSC	Cont	Sing
Makmur perkasaa	24/7	Sing	USTC	Cement	-
Hai Xiong 15/7	24/7	Sing	Pil(BD)	Cont	Sing
Abuja 3/7	25/7	Sing	Baridhi	Cont	Col
Dawn	25/7	-	Litmodn	Sugar(G)	-
Pan Noble	28/7	-	Oil	GI	-
Jiang Chuan	25/7	S.Hai	Bdship	GI	-
Eastern Mars	25/7	-	Prog	GI	-
Xpress Padma 6/7	26/7	Sing	RSL	Cont	Sing
Roro Sarawak (Roro/24)12/7	26/7	Sing	Pil(BD)	Cont	Sing
Penta Ponggawa	27/7	-	MHCSL	Cement	-
Hermes	27/7	-	USTC	Sugar(G)	-
Qc Pintail 15/7	27/7	Sing	QCSL	Cont	Sing
Kota Berjaya 19/7	27/7	Sing	Pil(BD)	Cont	Sing
Thong Chuan	28/7	-	Bdship	Cont	-
Tien Mu	28/7	-	Seaglor	GI	-
Alligator Miracle	28/7	-	BBA	Scrapign	-
Mild Lin 19/7	28/7	Sing	Nol	Can	Sing
Qc Teal 14/7	29/7	Sing	QCSL	Cont	Sing
Banga Blaraj 6/7	29/7	Sing	Bdship	Cont	Sing
Bonsoon 2	30/2	-	Seacom	R.Phos	-
Helekon	30/7	-	Seacom	C.Clink	-
M.Regina 19/7	29/7	Sing	Pil(BD)	Cont	Sing
Manaslu 23/6	30/7	Col	Baridhi	Cont	Col
Good Faith	30/7	-	Litmodn	Sugar(G)	-
Arktis Carrier	30/7	-	Litmodn	GI(Copra)	-

Tanker due:

Aspielos	22/7	-	BSC	Crude Oil	-
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Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Laut Tide	-	-	B Bay	R/A(3/7)

Vessels at outer anchorage:

Ready on:

Pengun	GI	-	SMSL	5/7
Andhika Adikarya	GI	Sing	Prog	9/7
Able Fusilier	GI	Sing	Prog	9/7
Elang-VII	Cement	Tanj	PSAL	9/7
Arktis Sea	-	-	-	10/7
Arktis Crystal	GI/GI	Papa	B Bay	R/A(18/7)
Golden YI	GI	Kaus	Prog	16/7
Banglar Robi	Cont	Sing	BSC	19/7
Ocean Blue (Roro/24)	Vehi	Col	BBA	19/7
Da Fa	Cont	Col	Baridhi	19/7
Sin Hai	Cont	Sing	QCSL	19/7
Diligence Cont	Cont	Sing	QCSL	20/7
Banglar Gourab	GI	Mom	BSC	20/7
Makassar Express	Cont	Sing	RSL	21/7
Arktis Trader (48) 18/7	GI	Mad	Sunshine	14/7
Song Lin	GI	Tia	Bdship	21/7
Banglar Moni	Cont	Sing	BSC	22/7
Oriental Falcon	CO	Sand	TSL	22/7
Bel Air	Rice(G)	Kaki	ANCL	19/7
Winner	Wehat(P)	-	AASS	7/7

Vessels awaiting instruction:

Banglar Asha	-	-	BSC	R/A(5/6)
Banglar Kiron	-	-	BSC	R/A(19/6)
Banglar Kakoli	-	-	BSC	R/A(28/6)
Tempest	Cement	-	HSL	R/A(26/5)
Tug De Ping	-	Col	-	3/7
Izmail	Repair	Col	ArI	3/7
Delta Star	-	-	RSA	R/A(7/7)
Pride of the South	-	-	RSA	R/A(20/7)

Movement of vessels for 23.7.98

OUTGOING	INCOMING	SHIFTING
J/4 B. Mamata	J/13 B. Moni	J/8 Rong Jiang to Kalco(U)
J/6 Lu shan	J/4 Ocean Blue	CCJ Elang-II to J/A
J/11 Nuptse	DOJ B. Shourab/113	Delight Glory to J/11
RM/4 Ocean Falcon	J/6 Sing Hai	-
CURLJ Jupiter	NE B. Gearab	-
Kalco(U) Tolgam	RM/8 Winner	-
-	CCJ Kian Ann	-

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

ASEAN remains committed to AFTA by 2003

MANILA, July 22: The Association of Southeast Asian Nations (ASEAN) remains committed to liberalising trade by 2003 despite fears the Asian financial crisis could delay the process, a senior official said yesterday, reports AP.

ASEAN Secretary-General Rodolfo Severino said the "myth" that the ASEAN Free Trade Area (AFTA) will be delayed "has been going on for some reason perhaps because it is the expectation of some people that it will happen."

But he said that "it has not happened because ASEAN leaders and ministers have reaffirmed again and again that the commitment to AFTA's schedule remains."

"The only debate is how much to accelerate the comple-

tion of AFTA and in what way, but the basic schedule of AFTA is not going to be changed," he said in a news conference on the sidelines of a two-day meeting of ASEAN senior officials that began here on Tuesday.

He said ASEAN economic officials had in fact been discussing a move to widen products in which trade will be liberalised.

The economic ministers have also "addressed the questions of making trade among ASEAN countries easier" such as harmonising customs laws, tariff nomenclature and computerisation.

Under an agreement reached in 1993, the six more developed members of ASEAN — Brunei, Indonesia, Malaysia, The Philippines, Singapore and

Thailand — agreed to create a free-trade area with tariffs of five per cent or less by 2003.

Vietnam, which joined ASEAN in 1995, has until 2006 while the deadline for newcomers Myanmar and Laos is 2008.

However, ASEAN members Indonesia, Malaysia, the Philippines and Thailand have been among the countries hardest hit by the year-old regional economic turmoil and there has been pressure to slow down trade liberalisation.

A meeting of ASEAN foreign ministers will follow the senior officials gathering on Friday.

The meeting will be expanded to include the foreign ministers of ASEAN's security and trade partners such as the United States, China and Japan on July 27.

Bid to revive buccaneering spirit that caused colonialism

Murali Krishnan writes from London