

EU urges Russia to stick to policy of economic reform

VIENNA, Aug 23: The European Union urged Russia yesterday to stick to its policy of economic reform and implement fully a package of measures agreed with the International Monetary Fund, reports Reuters.

The Foreign Ministry of Austria, which holds the EU's rotating presidency, said this would be the best way to restore confidence in the Russian economy and to bring the present turbulence on currency markets under control.

Measures announced by the Moscow government on August 17, which in effect amounted to the devaluation of the rouble, underlined the need for a continuation of the reform process, the ministry said in a statement on behalf of the 15-nation block.

It called on the Russian government and parliament to agree legislation as quickly as possible to put the budget on a solid foundation and stimulate investment.

The EU was prepared to consider new ideas for intensifying economic cooperation with Russia, especially in encouraging new private-sector initiatives.

US West, employees asked to return to bargaining table

DENVER, Aug 23: A federal mediator ordered US West and its employees union to return to the bargaining table Sunday as the strike affecting the phone company's service in 13 states enters a second week, says AP.

Just prior to federal mediator Jim Mahon's order Saturday, US West accused the Communications Workers of America of stalling and bargaining for just 65 minutes since talks resumed Thursday. Talks broke up before noon Saturday.

"We think the bargaining teams should be working around the clock.... That's not what's happening," said US West spokesman Jerry Brown.

The CWA declined comment. The strike began last Sunday morning, affecting more than 34,000 workers. Major sticking points are forced overtime, health benefits and a plan to tie pay to job performance.

The United States' sixth-largest telephone company, US West has about 25 million customers in Arizona, Colorado, Idaho, Iowa, Montana, Minnesota, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

Workers in Montana belong to another union and have continued to work until a new contract is signed.

Taiwan-China trade rises by 10 pc

BEIJING, Aug 23: Trade between Taiwan and the Chinese mainland topped 24.5 billion dollars in 1997, a rise of more than 10 per cent on the previous year, the official Xinhua news agency reported.

The agency said the figures were released by Jing Shuping, Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), at a semi-annual on the Taiwan straits relationship.

Jing said that last year Taiwanese investors invested more than 1.6 billion dollars into 728 projects on the mainland, 90 per cent higher than the previous year.

He added that nearly two million Taiwan residents visited the mainland in 1997, a record high, while more than 8,400 mainland residents visited Taiwan, 30 per cent more than the previous year.

Jing said exchanges in areas such as culture and sport were also on the rise.

Taiwan and China split at the end of a civil war in 1949 when the defeated nationalists fled to the island after their loss to the Communists. They have been ruled separately ever since.

Car production in Thailand drops

BANGKOK, Aug 23: Car production in Thailand in the first six months of this year dipped by 190, 462 units, or 75.13 per cent to 63,038 units, from the previous year, according to figures compiled by the Federation of Thai Industries available, reports Xinhua.

Motorcycles production also dropped by 323,807 units to 325,507 units.

The shipment of automotive products comprising completely built-up (CBU) car engines and other parts, motorcycles and parts jumped by 8.39 billion baht (209 million US dollars) to 18.29 billion baht (459 million dollars).

The federation said 13,788 passenger cars were produced in the first six months of this year, or 21.87 per cent of total vehicle production, down by 67,531 units from the same period last year.

Car production for the period totaled 48,202 units, a fall of 12,245 units.

The federation said CBU cars shipped for the period reached 25,461 units, a rise of 10,958 units over the same period last year while the export value of CBU cars totaled 11.35 billion baht (283 million dollars), a rise of 6.7 billion baht (167 million dollars).

Tofail pleads for undertaking productivity as a movement

Commerce and Industries Minister Tofail Ahmed yesterday strongly pleaded for undertaking the productivity as a movement in all sectors to achieve competitive edge in local and foreign markets, reports UNB.

"Everybody should seriously undertake the productivity as a movement to properly contribute to the national economy," he told the annual meeting of the National Productivity Council (NPC).

The meeting was held at the conference room of the Industries Ministry with Tofail Ahmed in the chair.

He asked the members of the "Productivity Act" formulation committee to prepare an effective

and time-befitting act so that it can guide the entrepreneurs and workers in boosting productivity of their respective organisations.

"Experience of different countries can be helpful in preparing a dynamic act," Tofail said the government is sincere to revitalise the National Productivity Organisation (NPO), a directorate of the Ministry of Industries.

He asked the committee to suggest an organogram of NPO so that it can perform the countrywide responsibility in a meaningful way.

The Commerce Minister stressed the regular interaction and exchange of ideas between

the government and the leaders of chambers and workers.

He urged the private sector to take the lead to increase productivity and hence produce cost-effective products and services to ensure a positive impact in the country's export earnings.

The meeting decided to convene executive committee meeting of NPO at least twice in a year for ensuring smooth implementation of the productivity related issues.

A forum has been formed at the meeting comprising 18 members from the public and private sectors, including employers and labour association leaders, to oversee the produc-

tivity development activities.

NPC members Agricultural University Vice Chancellor Mohammad Hossain, MCCCI President Laila Rahman Kabir, BCI President Sharif M Afzal Hossain, DCCI President Rashed Maksud Khan, BJMA President Ali Behrouz Ispahani, Secretaries of the Ministries of Commerce, Industries, Textiles and Labour and Manpower attended the meeting.

Presidents of Jatiya Sramik League, Trade Union Kendro, National Association of Small and Cottage Industries and Narayananj Chamber, General Secretary of Jatiyatabadi Sramik Dal and NPO Director were also present.

Move to allow pvt German cos to carry N-wastes

BONN, Aug 23: Germany's nuclear power industry has proposed that private companies be allowed to transport nuclear waste to France and Britain following a scandal earlier this year over radiation leaks from waste convoys, reports AFP.

The Environment Ministry in Bonn confirmed Saturday that nuclear plant operators had proposed the scheme.

A ministry spokesman said it had been considering turning to private industry to carry out the task.

Operators were told by the ministry they could no longer oversee transportation after revelations in May that dozens of empty containers returning from reprocessing centres in France and Britain since the beginning of the 1980s had abnormally high radiation levels.

The lower Saxony Environment Ministry said the contamination had reached up to 100 becquerels/cm2 while the norm for empty containers was 0.04 to 0.4 bq/cm2.

New Nigerian govt facing tough economic task

ABUJA, Aug 23: The most important challenge facing the new Nigerian government is turning round the devastating slide in its economy which has seen Nigeria become the world's 13th poorest country in recent years, the country's military ruler said yesterday, says AFP.

"The urgent challenge the administration faces is political.... (But) of greater importance in the long-run, is the economic challenge," General Abdul Salam Abubakar told the new 31-strong cabinet sworn into office on Saturday.

Nigeria 20-years ago was ranked in the world's top 30 nations, blessed with abundant oil and mineral resources, a growing agricultural sector, a booming internal market, and a standard of living on a par with that in Taiwan.

But in the past 20 years, living standards have slid, oil prices crashed and corruption and mismanagement under successive regimes eaten into output. The value of the national currency, the naira, has crashed from its previous parity to the dollar to near 85 to one at present.

"Our industries and manufacturing establishments are in a disturbingly depressed state," said Abubakar on Saturday.

The take-home earnings of our citizens are being dwindled at a fast rate by inflationary pressure, unemployment and under-employment are both on the rise and every human welfare and development index measuring the well-being of our people is on the decline.

Currently we are the world's 13th poorest nation, given our resource endowments, both human and material, this sorry state is a serious indictment on our national will and resources management competence.

Turning round the economy was an 'essential task' for the new government, he said.

IMF agrees to Thai budget deficit

BANGKOK, Aug 23: The International Monetary Fund has agreed to allow Thailand's government and state enterprises to run limited budget deficits in the next fiscal year as a means to stimulate economic recovery, a government spokesman said, reports AP.

The Thai government announced this week it intends to run a budget deficit equal to 3.5 per cent of gross domestic product. IMF targets had called for a one per cent surplus, but that was before the depth of the country's economic crisis became apparent.

The IMF and Thailand are working on ways to ease an economic contraction in a quarterly review of the 17.2 billion dollars economic rescue program the IMF is supervising for the country, said Akhapol Sorasuchart, the government spokesman.

Various analysts have predicted the economy will shrink by between 6 and 8 per cent this year.

Thailand is expected to submit its fifth quarterly letter of intent to the IMF later this month. Government officials have said it will focus on plans to ease unemployment which has been forecast to exceed two million this year.

A team of IMF officials led by Anoop Singh, deputy director for the Asia and Pacific Department, paid a courtesy call Wednesday on Prime Minister Chuan Leekpai. The IMF officials are expected to spend the next two weeks working with the Thai government on the letter of intent.



A couple test perfume inside the Sephora perfumery new store on the Champs-Élysées in Paris on Tuesday. The idea of Sephora, who had 54 boutiques all over France, was to help the customers see the olfactory world and to know exactly what perfume is.

— AP/UNB photo

Spurt in tax revenues, industrial growth

Indian economic outlook isn't all gloom and doom: Sinha

JAIPUR, India, Aug 23: Indian Finance Minister Yashwant Sinha said yesterday that the economic outlook was not gloomy and positive signals were emerging after a slow-down.

"It is not all gloom and doom.... there are certain positive signals and we should look at those positive signals," Sinha told Reuters in an interview in the northwestern city of Jaipur.

Sinha said there was a spurt in revenues from taxes, and industrial growth in the key capital goods sector had improved. Credit disbursements to industry was also up, he said.

The government expects gross domestic product to grow between 6.5-7.0 per cent in 1998/99 (April-March) compared with 5.1 per cent in the previous year. It was 7.5 per cent in 1996/97.

"While the East Asian crisis has refused to go away, and in fact has even deepened in a certain way, we are able to stand up and this is a challenge and an

opportunity for India," he said. Sinha was in Jaipur to attend a national executive meeting of the Bharatiya Janata Party (BJP).

The bureaucrat-turned-politician said the "tremendous" success of the resurgent India bonds offered this month to expatriate Indians by the State Bank of India reflected investor confidence in India.

By August 17, the bonds had collected 2.2 billion dollars the issue is due to close on August 24.

"Once the rains (in the current monsoon season) are over and the construction season begins, then the public sector expenditure will be put on stream, projects will be taken in hand—they will generate demand for steel, cement—and impart a certain momentum to the economy," Sinha said.

Sinha in his 1998/99 budget raised expenditure on housing and infrastructure to kick-start demand and boost growth. The minister said he backed

moves taken by the Reserve Bank of India (RBI) last week to support the rupee, which plunged to an all-time low of 43.7 rupees against the US dollar on Thursday. RBI's steps pushed it back up to 42.55 on Friday.

The RBI among other measures, raised the cash reserve ratio of banks' by one percentage point to 11 per cent to help the rupee hit by Asian concerns and dismal export data.

"My own feeling is the steps taken to cool the market have generally been welcomed. Therefore it will not have any great impact on the interest rate," Sinha said, addressing fears that the action on banks might squeeze credit for industry.

Sinha said foreign investors were very upbeat on India.

"There commitment to India is total, they are not fly-by-night operators and all of them have promised to continue their involvement in India...." he said.

Critics had raised questions over the investment climate after India conducted a series of nuclear tests in May which triggered economic sanctions from the United States and Japan.

There have also been doubts of protectionism after the BJP said it favoured "swadeshi"—or economic self-reliance.

"They (foreign investors) are far more positive about India than some of our own people," Sinha said.

"Therefore, it gives me hope that foreign investment will continue to flow and the initial negative feelings which was created about this government has warmed away now."

Sinha said the fiscal deficit target for the current fiscal year was realistic and he was determined to keep it at 5.6 per cent of gross domestic product (GDP), aided by expenditure control and improved government revenue.

India's fiscal deficit shot up to 6.1 per cent of GDP in 1997/98 against a target of 4.5 per cent.

London stock market rockets only to crash back massively

LONDON, Aug 23: The London stock market went through turmoil this week, rocketing up 3.31 per cent on Tuesday, only to crash back massively Friday on international political and financial worries, reports AFP.

The Footsie 100 index of leading shares rose a mere 2.22 points over the week to 5,477 points, the smallness of the gain being due mainly to a stunning 190.4 points drop on Friday.

This almost reversed the effects of Tuesday's boom, when the Footsie rose 181 points to 5,648.2 points thanks to a strong wall street performance and a good reaction to the latest UK inflation figures that showed a fall of 0.2 per cent for July.

Even though the Bank of England has recently displayed caution in pointing to a temporary rise in inflation, the new figures make a rate tightening less likely.

The market also welcomed the public sector surplus of 5.36 billion pounds in July, well above expectations.

Traders were also relieved by US President Bill Clinton's testimony about his relationship with Monica Lewinsky, saying that it put off fears of political destabilization in the United States.

But by the end of the week, there was mounting concern over the effects of Russia's political and economic crisis.

The parliament called for President Boris Yeltsin's resign-

nation on Friday, as the government and central bank floundered.

The rouble underwent a de facto devaluation, even after Yeltsin vowed this would not happen, and the government defaulted on its domestic debt. The Russian banking system is now on the brink of outright collapse.

Another element of turmoil was caused by Washington's decision to attack alleged terrorist bases in Afghanistan and Sudan with missiles on Thursday.

Andy Hartwell, equity strategist at Societe Generale Strauss Turnbull in London, said "there isn't one big reason" for the London stocks fall.

Instead, it was a result of the Asian and Russian problems, the US air strikes and fears of deflation, he said.

Companies hit in London included leading banks caught in the Russian gloom, with a Russian central bank official warning that "a large number of commercial banks, but not all, will be unable to meet their foreign obligations."

P and O shipping stock fell by 70 pence to 765 pence, after disappointing second figures for its container joint venture.

The banking sector suffered amid the international volatility. Lloyds TSB banking stock fell by 20 pence to 735 pence and Barclays stock fell by three pence to 1,519 pence.

And standard chartered bank stock fell by 15.5 pence to

567 pence.

But other leading shares most heavily exposed to Asia brushed off the international weakness.

Shares in cable and wireless telecoms group rose by 2.5 pence to 733 pence and shares in HSBC bank, which owns Hong Kong Bank, rose by 56 pence to 1,291 pence.

Antique jewellery workshop uncovered in Ukraine

KIEV, Aug 23: The construction site for a future McDonald's restaurant in northern Ukraine has yielded an important archaeological find—an antique jewellery workshop, a newspaper said, reports AP.

Numerous brass and bronze bracelets, rings and crosses were found in the workshop, which apparently was looted and burned by invading nomads in the 11th or 12th century, the daily Fakty said.

The find, in the city of Chernihiv, was located just 200 meters (yards) away from another jewellery workshop, which was discovered recently.

Last month, Chernihiv archaeologists found more than 100 coins from the Middle Ages, preserved in a velvet purse next to the coffin of a noble woman. The site was an ancient cemetery on the grounds of the present-day Technological Institute.



A floor trader smiles while talking on the phone at the Hong Kong Stock Exchange during the morning trading session on August 19, 1998. Asian markets opened sharply higher on the day, triggered by a rise in the yen and overnight gains on Wall Street. Besides, the good news from Tokyo and New York, the third straight day of suspected government intervention in Hong Kong stock market sent the Hang Seng Index soaring.

— AP/UNB photo

Industrial growth in Noakhali hits snag

NOAKHALI, Aug 23: Industrial growth in the district is very slow despite immense potentiality for setting up large and medium scale units, reports UNB.

Agricultural commodities, raw materials, skilled labourers are available in the district, but the entrepreneurs are not coming forward to invest here.

The agricultural products of the district include timber, bamboo, jute, rice, banana, mustard, cotton, guava and other fruits.

A number of industrialists and businessmen of the district are running businesses at national and international levels. But they are not keen to invest here, observed the local people.

Large-scale industries in the district include only a jute mill at Choumuhuni, set up in 1964, and a biscuit factory at Majdee.

Besides, there is a number of cold storages which are inadequate to meet the need. Growers face serious problems in storing their produce due to lack of space in these storages.

There were over 50 oil mills at Choumuhuni, but the number has now come down to one or two.

Choumuhuni was also famous for the publication industry, but this reputation too has faded away.

Local people have urged the authorities concerned to take steps for attracting entrepreneurs to set up mills and factories in the district.

Taiwan set to become largest notebook computer producer

TAIPEI, Aug 23: Taiwan is set to overtake Japan to become the world's largest notebook computer producer by the end of this year, an official said today, reports AFP.

It is expected to produce 5.8 million this year, a 32.1 per cent rise over 1997, according to the Market Intelligence Centre of the quasi-official institute for information industry.

"Taiwan could soon become the world's number one producer of notebook computers... if the forecast is met," the Centre's Director Lin Chen-Pang said.

He said the total value of 1998 computer products would grow an estimated 10.7 per cent to 33.6 billion US dollars. The figure for the first six months was 15.4 billion US dollars, up 13.3 per cent from a year earlier.

Shipping Intelligence

Chittagong Port									
Berth position and performance of vessels as on 23-8-98.									
Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving			
J/1	Trono	G	Yang	Everett	3/8	26/8			
J/2	Ma Cho	G	Sing	Litmond	19/7	26/8			
J/3	Jiang Chuan	G	S Hai	BDSHP	24/7	24/8			
J/4	Fu Kang Shan	Sugar (G)	Cape	Litmond	24/7	28/8			
J/5	Ryong Nam Sam	Rice (G)	Kaki	USTC	24/7	28/8			
J/6	Rong Jiang	Rice (G)	Kaki	OWSL	11/5	27/8			
J/7	Tien Mu	Wheat (P)	Wald	Seaglor	29/7	30/8			
J/8	Asean Premier	G	Sing	Prog	1/8	24/8			
J/9	Banglar Doot	Cont	Sing	BSC	19/8	25/8			
J/10	Dawan (Prt)	Sugar (G)	Durb	Litmond	2/8	29/8			
J/11	Al Shams	Rice (G)	Kaki	USTC	1/8	28/8			
J/12	Jurong Balsam	Cont	Sing	NOL	18/8	23/8			
CCT/1	Manaslu	Cont	Mong	Baridhi	18/8	25/8			
CCT/2	Banga Birol	Cont	Sing	BDSHP	18/8	24/8			
CCT/3	Xpress Nilgiri	Cont	Sing	NOL	18/8	26/8			
RM/14	Able General	Cement	Sing	MHCSL	24/7	27/8			
CGJ	Helikon	C Clink	Sing	Seacom	2/8	26/8			
GSJ	Undok-1	Cement	Tanj	USTC	19/8	29/8			
TSP	Bonsoon-2	Phos	Nam	Seacom	31/7	24/8			
RM/4	Lestari Utama-II	Cement	Tanj	PSAL	1/8	24/8			
RM/6	Banglar Asha	Repair	-	BSC	R/A	24/8			
DD	Lestari Indah	Repair	Vesa	OLM	17/7	25/8			
DD/1	Tanary Star	Idle	Para	PSAL	-	-			
RM/8	Banga Biraj (Cont)	Repair	-	BDSHP	R/A	25/8			
RM/9	Banglar Kakoli	Repair	-	BSC	R/A	30/8			

Vessels due at outer anchorage					
Name of Vessels	Date of Arrival	L Port Call	Local Agent	Cargo	Loading Port
BJ Energy	23/8	-	USTC	Cement	-
Wanfa	23/8	Mong	Everett	Urea	-
Good Will	23/8	-	AASS	Rice	-
Xpress Resolve 13/8	23/8	Sing	RSL	Cont	Sing
Kallang	24/8	-	Litmond	Sugar	-
Marine Bright	24/8	-	RML	Gl/GL	Koahs
Mbanglar Robi 12/8	24/8	Sing	BSC	Cont	Sing
Vishava Pankaj (48) 12/8	25/8	-	SSLL	-	Ant Dundee
Tierra Azul	24/8	-	Everett	Gl	Cal Sing
Rio Venture	24/8	-	PSAL	Cement	-
Jutha Parichart	25/8	-	Rainbow	R Seed	-
Diligence Cont 16/8	25/8	Sing	QCSL	Cont	Sing
Da Fa 18/8	26/8	Sing	RSL	Cont	Sing
Makassar Express 17/8	26/8	Col	Baridhi	Cont	Col
Kota Cahaya	26/8	-	-	-	-
Eka Lestari	27/8	-	MHCSL	Rice (G)	-
Richmond 17/8	27/8	Sing	QCSL	Cont	Sing
Bunga Mas Enam 18/8	28/8	-	EOSL	Cont	P Kel
Banglar Shikha	28/8	Sing	BSC	Cont	Sing
Abuja 19/8	28/8	-	BSC	Cont	Sing
Banglar Moni	30/8	Sing	BSC	Cont	Sing