

DHAKA, WEDNESDAY, NOVEMBER 17, 1999

Canada-China WTO deal soon

OTTAWA, Nov 16: Canadian trade officials said yesterday Canada is only weeks away from matching the breakthrough US-China agreement on Beijing's bid to join the World Trade Organisation, reports Reuters.

Trade department spokesman Andre Lemay said Canada was pleased by the deal reached this weekend between US and Chinese negotiators in Beijing after marathon talks. China must now reach market-opening agreements with other key trade powers in the WTO, including Canada and the 15-nation European Union.

"We think it is a positive development, we think this is good," Lemay said of the US-China deal. "We are also well advanced in our negotiations with China and we're actually confident that we can reach a conclusion before the Seattle ministerial (meeting). So there is a good chance before the end of the month that Canada and China can reach an agreement."

The EU has responded more cautiously to the breakthrough, saying it is unlikely that China could enter the WTO before a new round of global trade talks set to be launched at a WTO conference in Seattle starting on November 30. United Nations Secretary General Kofi Annan on Monday urged the EU and Canada to expedite their negotiations with China.

France, Britain 'very close' to beef deal: EU

BRUSSELS, Nov 16: France and Britain are "very close" to an agreement over British beef exports which continue to be banned in France, a spokeswoman for EU Health and Consumer Protection Commissioner David Byrne said yesterday, reports AFP.

The comment came immediately after a 10-minute face-to-face meeting between farm ministers Jean Glavany of France and Nick Brown of Britain, which itself had followed a meeting of EU, French and British technical experts on the issue.

Relations between the two EU countries have been increasingly strained over past weeks because of Paris' refusal to lift an embargo on British beef over fears that it could still be contaminated with mad cow disease despite EU scientific advice to the contrary.

The EU-wide ban was ordered lifted in August when EU experts judged that Britain had taken adequate measures to reduce the risk of contamination from mad cow disease — or bovine spongiform encephalopathy (BSE).

BSE has been linked to a human variant, Creutzfeld Jakob Disease, a brain-wasting illness that has officially claimed 47 lives in Britain.

SAK's Sourcing Director visits Bangladesh



Wilson Zhu, Director of Sourcing and Production of SAK's Incorporated, has visited Bangladesh recently at the initiative of Associated Merchandising Corporation (AMC), says a press release.

During his stay, he met BMEA leaders and top textile and apparel manufacturers and exporters to review and identify the opportunities for gearing up the garments and apparels export business. He was the first senior management person from SAK's Inc to visit Bangladesh.

SAK's Incorporated is the 4th largest department store in USA, which have 367 stores including SAK's Fifth Avenue, Carson Pirie Scott, McRae's, Proffit's, Herberger's, Parisian and Younkers. Its yearly turnover is US\$ 6 billion.

Zhu opined that Bangladesh has a huge potential to develop business with SAK's.

Bangladesh is a wonderful country and there is no doubt that this is the land of opportunities, it said quoting Zhu.

He suggested that entrepreneurs be more strong in merchandising and marketing to uphold the country's image abroad and get ready to face the challenge of the new millennium.

He emphasised on vendor's creativity to lead the direction of newness and meet world requirements.

It is expected that Zhu's trip will result in furtherance of export orders by opening a new chapter with SAK's Inc.

Fear of losing thousands of jobs, billions of dollars

US labour unions, textile producers blast WTO deal

Despite the acceptance and welcome by business companies and human rights groups, the American labour unions and textile manufacturers have sharply criticised the US-China deal on Beijing's entry into the World Trade Organisation (WTO), according to agencies.

The agreement offers the prospect of billions of dollars in increased overseas sales for American manufacturers, farmers and high-tech industries. But labour unions said they would fight the deal in Congress as a job-killer.

After being criticised by business leaders for walking away from an April trade agreement with China, US president Bill Clinton moved in recent weeks to restart the stalled talks through personal phone calls to Chinese President Jiang Zemin, who gave the go-ahead a week ago for Clinton to

send a high-level bargaining team to Beijing.

This is a good agreement for China, for America and for the world," an elated Clinton told reporters Monday at a news conference in Ankara, Turkey.

In exchange for Beijing's agreement to slash tariffs and other trade barriers that now keep US products away from China's 1.3 billion consumers, the United States will support China's membership in the World Trade Organisation, the 135-member Geneva-based organization that sets the rules for global trade.

For the United States to receive the market-opening benefits of the agreement, Congress must vote to grant China permanent normal trading relations with the United States, ending the annual congressional vote on tariff rates for Chinese imports.

The American negotiating team, led by US Trade Representative Charlene Barshefsky and by Gene Sperling, Clinton's chief economic adviser, insisted they had struck a deal that would result in significant gains for American exporters while retaining protections for threatened US industries such as textiles.

For China, the fear is that the removal of protective trade barriers in manufacturing and agriculture will throw millions out of work, adding to social unrest in the country.

An AFP report says: US textile manufacturers yesterday sharply criticised a US-China accord on Beijing's admission to the WTO, warning it would cost them thousands of jobs and billions of dollars.

For them, an agreement by Washington to eliminate quantitative quotas on Chinese textile

and apparel imports by 2005 — rather than 2010 as the United States had initially wanted — will be devastating.

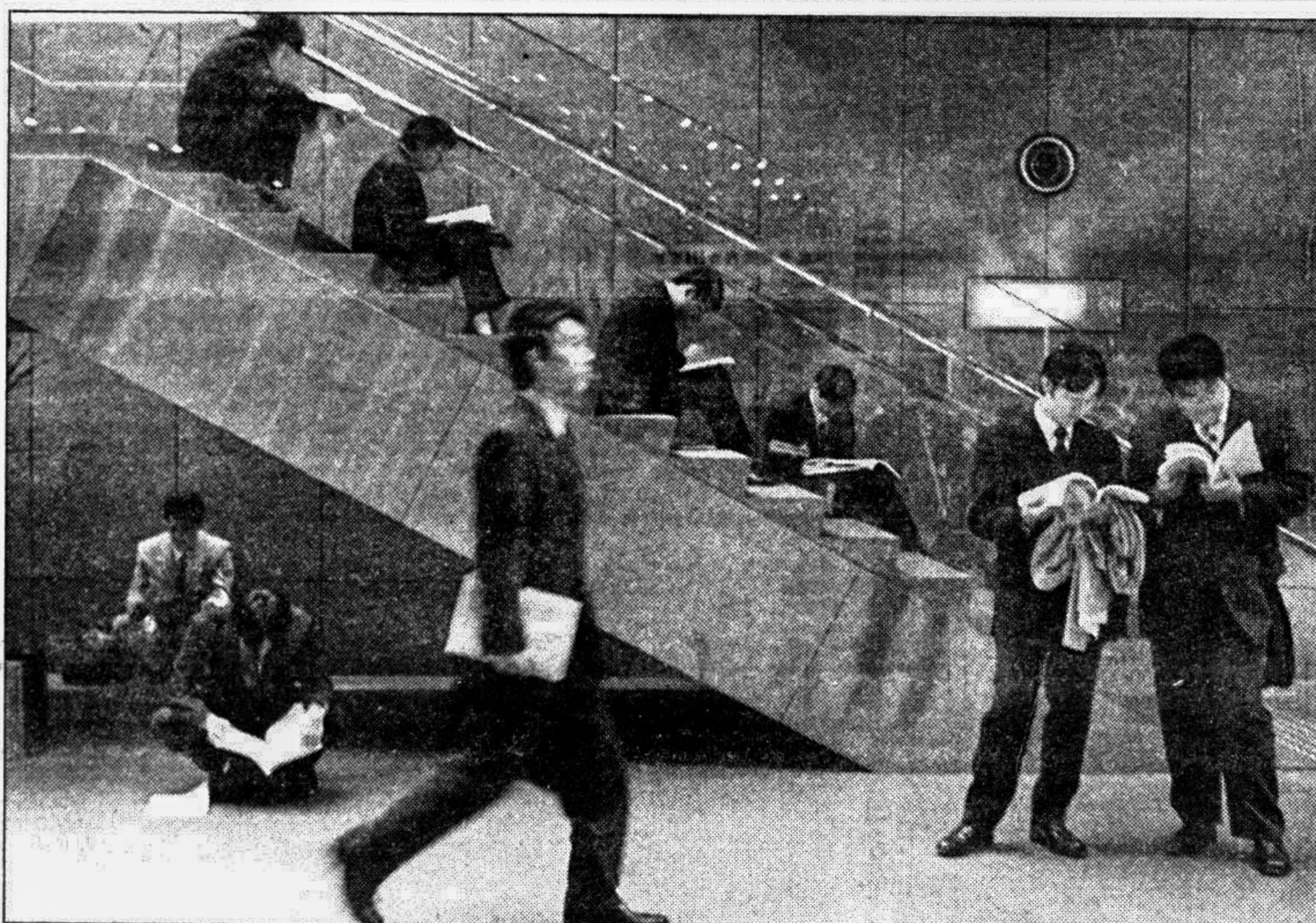
"Agreeing to China's demands for a five-year phase-out will cost the United States some 150,000 fiber, textile and apparel jobs and lost US production in the billions of dollars," said Douglas Ellis, president of the American Textile Manufacturers Institute.

"China is the one country that is least deserving of the preferential quota treatment that the agreement provides," he added, charging that Beijing illegally transships to the US market — via third countries — five billion dollars worth of textiles and clothing every year.

Ellis was also unimpressed with the provision of a special four-year "anti-surge safeguard mechanism".



US negotiator Gene Sperling (L) and Trade Representative Charlene Barshefsky address the media in front of a Hong Kong skyline backdrop with the Bank of China building. Sperling and Barshefsky are on a stopover here from Beijing on their way back to Washington following the new deal on China's entry into the World Trade Organization (WTO). — AFP photo



Final year university students read recruitment guides at a job fair held by the Labour Ministry and the Tokyo metropolitan government Tuesday in Tokyo. More than ten thousand students, graduating from their schools next March, will attend the two-day meeting to look for jobs with some 390 companies, officials said. — AFP photo

Economic Planning Agency report
Japanese economy still on modest recovery path

TOKYO, Nov 16: Private demand remains at a standstill and personal incomes are still falling, but buoyant overseas demand is helping to boost exports and industrial production, Japan's Economic Planning Agency said Tuesday, says AP.

In its monthly report for November, the EPA repeated its overall assessment that the economy continues to recover only "modestly," largely due to the help of government policies.

But the recovery enjoyed by Asian economies is giving additional support by underpinning strong external demand, it said.

Industrial production con-

tinues to recover, rising by a healthy 3.9 per cent in the July-September quarter over the previous period, the agency said. Although it is forecast to fall by 0.9 per cent on the month in October, it is expected to rebound by 3.8 per cent in November, the agency said.

Despite the stronger yen, the agency upgraded its assessment of exports to "rising" from "modestly rising" last month, due to booming demand from Asia thanks to the economic recovery in that region.

Although the yen value of exports fell, in overall volume exports rose by 5.0 per cent and 6.2 per cent in August and September compared to a year

earlier. The agency said imports are also continuing to rise "moderately."

But the agency retained its severe assessment of private consumption and capital spending, both of which it acknowledged are crucial for an autonomous recovery.

The agency's household spending date showed real consumption falling 2.9 per cent in September, while retail sales slipped by 2.0 per cent.

Overall capital investment fell a real 3.0 per cent on year in the April-June period and is expected to fall by a real 9.2 per cent during the July-September period, the report said.

Manila trade surplus swells to \$1.1b

MANILA, Nov 16: The Philippine trade surplus swelled to \$1.1 billion in September from \$332 million a year earlier because of extraordinarily strong export growth and slowing imports, officials said Tuesday, reports AP.

In the first nine months of the year, the country enjoyed a trade surplus of \$2.4 billion following a deficit of \$962 million the previous year.

Philippine central bank Governor Rafael Buena Ventura said the favourable September trade figures should help boost the peso in the coming months.

"It should clearly prove that the peso should be stronger," Buena Ventura said.

Exports surged 32.6 per cent in September from a year earlier to \$3,693 billion, while imports grew only 3.8 per cent to \$2,548 billion, extending a trend of slower import growth.

Tour participants, including Representatives Cynthia McKinney of Georgia, Luis Gutierrez from Illinois and actor Danny Glover, called for an increase in the minimum wage and more federal funding for education, health care and child care.

One of the reasons Georgia was picked was that it has a high poverty rate, with an estimated 9.7 percentage of households having "uncertain access to food," according to Rosset.

According to "America Needs Human Rights," the primary reason for growing poverty rates is declining wages, despite falling unemployment figures.

Official statistics count people as employed if they hold any job whether for 10 hours or 40 hours a week, and whether paying seven or 70 dollars an hour.

"That is misleading," says the book, "because many need full-time jobs but can't find them and many are unable to support themselves and their families on the low wages they earn."

In 1997, the first year of cutbacks in benefits, a survey by the US Conference of Mayors found an additional sixteen per cent increase in the amount of people who could not afford enough food to eat.

In a way, says the book, US

but could not find such jobs, according to the Institute. Nearly ten million more worked full-time year-round for less than seven dollars an hour.

These two groups of workers, all counted as employed, did not earn a sufficient income to house and feed a family of four," the book observes.

Cuts in spending on social welfare spending have also paralleled increases in poverty rates.

In 1996 President Bill Clinton signed the welfare reform bill, which cut \$4 billion dollars and eliminated the Aid to Families with Dependent Children programme that provided monthly cash benefits to 12.8 million people. More than half of the cuts in welfare came from food stamps, which enable people with low-incomes to buy food.

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domestic policy violates international human rights standards.

At the 1996 World Food Summit in Rome, for example, the head of the US delegation, Melinda Kimble, said that the United States could not support language around the right to food in the Summit's Plan of Action because the new welfare reform law would then be in violation of international law.

So, where are the funds that were previously spent on welfare and food stamp programme that could help the United States meet the goals of the summit's Plan of Action, asks "America Needs Human Rights."

The majority of federal discretionary spending over the next decade, that does not go to mandatory programmes like social security or to interest on the debt, will go to the Pentagon, according to the institute.

While decreasing welfare benefits, the 1999 federal budget proposed by the Clinton administration included a \$12 billion increase for the military over a six year period.

A three-day training programme on Basic Business Management, Marketing and Bank Loan Application Procedures' organised by Enterprise Development Initiative (EDI), a privately-owned small and micro-enterprise development and promotion organisation, ended on Saturday.

The programme was sponsored by Job Opportunities and Business Support (JOBS), a project of USAID.

The objective of organising the training programme is to increase competence of small and medium enterprise owners so that they can sustain and develop their business ventures.

The training was attended by officials from different small, medium and micro enterprises of food, interior decoration, electrical and electronic equipment, computer accessories, tour operator, pharmaceuticals, etc.

Anthony Daigle, JOBS Programme Manager, distributed certificates among the participants and briefed the participants about future JOBS plans.

Clinton seeks to sell deal to Americans

A workshop on liability insurance will be held at the Bangladesh Insurance Academy in Dhaka on November 20, says a press release.

Organise by the academy, the workshop is expected to be inaugurated by Commerce Secretary and Chairman of the Board of Governors of the Insurance Academy Syed Alamgir F Chowdhury.

K M Mortuza Ali, ACII, Director of Bangladesh Insurance Academy, Faridul Islam, Managing Director of Nitol Insurance Co Ltd, and Mahabubuzaman, ACII, Asst. Vice President of National Bank Ltd, will present articles in the workshop.

Hashem Ali, FCII, Managing Director of Prime Insurance Co Ltd and Dr Mizanur Rahman, Chairman of the Dept of Law of Dhaka University, will talk on the papers.

The deal includes provisions to protect against import surges and dumping of Chinese products on the US market. China's trade surplus with the United States has been running at about \$60 billion a year.

"In opening the economy of China, the agreement will create unprecedented opportunities for American farmers, workers and companies to compete successfully in China's market, while bringing increased prosperity to the people of China," Clinton said.

Clinton heard during a visit to Turkey that his trade team, at last-ditch talks in Beijing, and finally reached an elusive deal paving the way for China's entry into the WTO, which sets world trade rules.

Clinton, who had almost reached a deal with China last April only to see it stalled by NATO's bombing of the Chinese embassy in Belgrade on May 7, called the accord "a profoundly important step in the relationship between the United States and China."

"I think that all of us benefit when the most populous nation in the world is now going to be part of a rule-based system that will bring shared prosperity," he told a news conference.

Berger said Congress will not vote on the WTO deal unless it requires changes in US law. He said Congress would have the chance to express itself on the subject when Clinton early next year submits legislation that would grant China permanent normal trade status.

Many conservative Republicans are sceptical of China due to its tensions with Taiwan and suppression of dissent. Conservatives also have fears of a new arms race with Beijing.

"I believe that when Congress has an opportunity to study the terms of this, recognise the tremendous benefits to American industry and American workers around the country and the protections that we obtained for import-sensitive industries in this agreement, that there will be broad support for it," Berger said.

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