

Rich nations woo poor for new WTO round support

Developing world unimpressed by trade concessions on offer

SEATTLE (Washington), Dec 2: The industrial world wooed poor countries here yesterday in a bid to win their support for a new round of global trade liberalisation, but the developing world was unimpressed by the concessions on offer, reports AFP.

"We must accord priority and urgency to ensuring that the developing world reaps the promised benefits of the previous Uruguay Round of trade talks 'before we embark on any new negotiations,'" Malaysian trade minister secretary general Asmat Kamaludin told a meeting of ministers from the 135-member World Trade Organisation here.

His remarks echoed comments from other developing countries who feel they have been short-changed in previous trade talks, being forced to open their markets but gaining only limited ability to export their

goods to the industrial world.

Developing country delegates also hit back at efforts by the industrial world to add labour standards to the WTO's mandate as US President Bill Clinton proposed trade sanctions against countries using child labour and violating workers' rights.

"Trade sanctioning should not be accepted as a means to promote the adoption of core labour standards," Thai Commerce Minister Supachai Panitchpakdi, who is to take over as WTO director general in 2002, told ministers.

"We need a dialogue on trade and labour... but this dialogue should be a one-off meeting" grouping relevant organisations such as the International Labour Organisation (ILO) and the WTO, but not a WTO-organised event and not designed to draw up binding labour rules, he said.

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Industrial countries have been under pressure to offer some new concessions to the developing world to win them over to the idea of a new global trade round, due to be launched here at the end of the WTO meeting Friday.

Much of the developing world is reluctant to agree until the Uruguay Round has been fully implemented, citing a whole list of areas where promised access has been slow in coming, from textiles to leather goods.

But so far the industrial world has failed to agree on a hoped-for offer to scrap tariffs on all imports from more than 40 of the world's least developed countries, or to offer instant improved access on textiles.

A proposed text for the ministerial declaration to be issued Friday, prepared by the European Union and supported by Japan calls for "positive mea-

sures designed to ensure that developing countries, and especially the least-developed economies," share in the benefits of freer trade.

But while it says "more progress needs to be made towards realising this objective" it does not propose tariff-free access for least developed nations.

Even if such an offer is made, it would exclude key textile and agricultural exports, undermining an initiative which could provide significant benefit to the world's poorest nations, critics say.

The EU proposed agenda also offers an accelerated move to the next phase of previously-agreed market opening.

But international aid agency Oxfam said that if textiles are excluded from the tariff-free offer to the world's poorest countries the most important items would be left out.



US President Bill Clinton addresses a luncheon in honour of the ministers attending the World Trade Organization Ministerial Conference at the Four Seasons Hotel December 1 in Seattle, Washington. In an earlier speech to Washington State farmers, President Clinton defended genetically engineered foods.

—AFP photo



Workers put up an display board in front of a large billboard portrait of the Mona Lisa advertising porcelain tiles in Beijing Thursday. China is planning to import 1.5 trillion dollars worth of goods from 1999 to 2005, in a plan to increase imports of goods and technology that will outstrip the average 140 billion dollars worth China has imported annually over the past few years.

—AFP photo

Cuba calls for poor states to join forces at WTO

SEATTLE, Dec 2: Cuba yesterday urged poorer countries to band together against what it called the dictate of big powers, especially the United States, in the World Trade Organisation (WTO), reports Reuters.

In a speech to a conference of the WTO's 135-member states, the Communist Island's trade minister, Ricardo Cabrisas Ruiz, said that little benefit had come to developing economies from the opening up of global markets.

"What benefit has liberalisation brought for underdeveloped countries?" Ruiz demanded.

"The answer is clear: a decline in income from our exports, more unfair exchanges, a reduction in official development aid, more foreign debts,

more poverty, more sickness, more marginalisation, and more underdevelopment."

The Cuban minister, whose country was a founder member of the WTO's predecessor, the GATT, in 1948 as well as of the newer trade body in 1995, said developing countries were now facing even more problems as fresh demands were being made on them.

"We make up three quarters of the membership of the WTO, and we produce goods and services with comparative advantages that they are trying to take away under the pretext of so-called labour standards," he said.

Joining forces was the only way poorer countries can multiply their negotiating power and capacity of resistance, the

said. "Let us globalise cooperation and solidarity."

Cuba is the only Communist country currently in the WTO although China, Vietnam and Laos are close to being admitted.

President Fidel Castro attended the trade body's last ministerial conference in Geneva in May 1998, but said he stayed home this time because he did not want to give the United States the chance to humiliate him by refusing a visa.

Trade minister Cabrisas made only a passing reference to the US embargo against the island. In force for nearly four decades, saying it was just one of a range of unilateral measures used to put pressure on other countries to bow to Washington's will.

World's tallest hotel opens in UAE

DUBAI, Dec 2: With its 201 duplex suites starting at 4,000 dirhams (\$1,075) and reaching 66,000 dirhams (\$18,000) per night, the world's tallest hotel, which opened here Wednesday, is not for everyone, reports AP.

But the billowing, sail-shaped Burj al-Arab hotel — 321 meters (1,060 feet) — already one-quarter occupied, said manager Philippe Charraudeau, mainly with clients from England, Germany and the neighboring Gulf countries.

What do you get for all that money?

"Fure, sheer luxury," said Charraudeau, referring to the 780 square-meter (2,700 square-foot) Royal Suite, which has its own elevator.

Saudi Defence Minister Prince Sultan was the suite's first guest, staying there last month before the hotel's official opening, Charraudeau said.

As a guest of the Burj al-Arab, or tower of the Arabs, you can arrive from the airport in regal style: take a helicopter to the 28th-floor helipad or relax in one of the hotel's eight Rolls Royce Silver Seraphs, which drops you off on the shore across from the hotel. From there, golf carts take you across a small bridge to the skyscraper, which is built on a man-made island 282 meters (925 feet) offshore and overlooks the Arabian Gulf.

As you enter the hotel lobby, three women dressed in long, pastel Arabic dresses and scarves approach. One offers you rose water, another offers you a face towel and the third asks, "What can I do for you?"

Guests do not have to wait in line to check in; instead you are escorted directly to your room. All the suites boast laptop computers, faxes, and 42-inch (107-centimeter) television screens where you cannot only watch one of 100 satellite channels, but also order food or see who's knocking on your door.

US officials see compromise on anti-dumping laws

SEATTLE, Dec 2: President Bill Clinton yesterday held firm in his opposition to proposals by major trade partners to crack down on US anti-dumping laws, but US officials held out hope for a compromise.

The European Union and Japan have been pushing for World Trade Organisation (WTO) ministers, who are meeting in Seattle, to include anti-dumping in a new round of trade liberalisation talks officials hope to launch this week.

A growing number of WTO member nations have been pressing for the talks to include a review of anti-dumping laws, which allow the US government to impose punitive duties and

tariffs on foreign-made products it deems to be sold at less than production costs.

But in an interview published in the Seattle Post-Intelligencer on Wednesday, Clinton said it would be unfair for the United States to give up its anti-dumping laws as long as other countries maintain barriers.

"For the Europeans to tell us we should stop (enforcing) dumping laws when during the Asian crisis we bought literally 10 times as much foreign steel as they did, is a little ludicrous when they have absolute quotas on the number of foreign cars they will buy."

"We can't give up our dumping laws as long as we have the most open markets in the world

Nissan spells out job cut plan

DETROIT, Dec 2: Nissan Motor Co laid out its plans to reduce about 1,000 jobs, or 10 per cent, of its US work force in a bid to cut costs, says AP.

The company said Tuesday it would eliminate the jobs through consolidating offices, attrition and layoffs, and would cut across all levels of the company, including executive posts.

The job cuts were announced in October as part of Nissan chief Carlos Ghosn's plans to cure the company's financial wounds. The \$1.9 billion plan will cut 21,000 jobs worldwide with the goal of making the second-largest Japanese automaker profitable in 2001.

"We must operate more efficiently in North America to remain globally competitive," said Nobuo Araki, president and CEO of Nissan North America.

Iran ready for talks on WTO entry

TEHRAN, Dec 2: Iran is ready to start negotiations on joining the World Trade Organisation (WTO), press reports today quoted Deputy Trade Minister Mohammad Nahavandian as saying, reports AFP.

"We must obtain a fair share of international trade, which is why we must negotiate with the WTO to ensure our national interests are secured to the utmost," he said.

Nahavandian said Iran had been trying to join the WTO for three years, but its request for membership had been kept off the agenda by the opposition of certain countries. Iran is seeking to boost its trade in order to reduce reliance on revenue.

A five-year plan approved by parliament this week calls for some 112 billion dollars in state revenues, 56 billion of that coming from oil exports, 44 billion from non-oil exports and 12 billion from foreign loans and credits.

Exchange Rates

| Following are yesterday's Standard Chartered Bank rates of major currencies against Taka. | | | | | |
|---|------------|------------|-------------|--------------|--------------|
| Central Bank USD/BDT Rate: Buying 50.855/Selling-BDT 51.15 | | Buying | | Buying | |
| TT/OD | BC | Selling | Currency | TT Clean | OD Sight |
| 512300 | 512700 | USD | | 508220 | 508518 |
| 05151 | 05155 | JPY | | 04817 | 04801 |
| 325518 | 325772 | CHF | | 31674 | 31455 |
| 312626 | 312870 | SGD | | 29567 | 294537 |
| 357277 | 357556 | CAD | | 335468 | 333556 |
| 60270 | 60317 | SEK | | 59196 | 58976 |
| 336479 | 336741 | AUD | | 30823 | 305148 |
| 132628 | 132875 | MYR | | 132327 | 131555 |
| 66438 | 66469 | HKD | | 64868 | 64535 |
| 137771 | 137787 | SAR | | 134469 | 134024 |
| 140637 | 140747 | AED | | 137236 | 136432 |
| 00444 | 00444 | KRW | | 004036 | 004034 |
| 827365 | 828011 | GBP | | 80390 | 802422 |
| 524134 | 524543 | EUR | | 504185 | 502514 |
| | | | | | 501637 |
| TT DOC | | 30 Days | 60 Days | 90 Days | 120 Days |
| 507152 | 504023 | 493946 | 495042 | 495621 | 497126 |
| Exchange rates of some Asian currencies against US dollar | | | | | |
| Indian Rupee | Pak Rupee | Tha Baht | Mal Ringgit | Indo. Rupiah | Sing. Dollar |
| 433543.40 | 51.8751.90 | 38.3738.91 | 3.7995.00 | 7270.310 | 1.67871.6797 |

Market Commentary

On Thursday, trading in the local interbank market was moderate as the market was still adjusting to the new rate of Bangladesh Taka to the US dollar. The call money market was insipid and the call rate fluctuated between 5.5 and 6.0 per cent.

In the international markets, yen was a bit firmer against the dollar and euro but failed to hold on to earlier gains amid wariness of potential Bank of Japan intervention. The yen had risen after the Bank of Japan kept its daily money market surplus of a trillion yen confounding the speculation that it would leave Tuesday's foreign intervention unsterilised. The Bank of Japan decision drove home the message given by Bank of Japan officials on Wednesday when they dismissed talk of not sterilising, saying that the issue was irrelevant. The Bank of Japan officials commented that the current zero interest rate policy was a more effective way of supplying liquidity to the money market than so-called unsterilised intervention.

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