

UNCTAD seeks better deal for South

Eight-day Bangkok summit ends with call for creating a fairer world economic system

BANGKOK, Feb 19: The world's poorest nations must have a chance to improve their economies in the globalising era by increasing trade, negotiators to a UN conference on Third World development agreed Saturday, says AP.

Countries rich and poor must work to create a "prosperous, peaceful and secure world based on true partnership," the UN Conference on Trade and Development said after a summit that may have healed some of the wounds left open by commerce talks that collapsed last year in Seattle.

UNCTAD Secretary-General Rubens Ricupero said ministers had been "instrumental in creating an atmosphere of greater mutual understanding on the complexities of the globalisation process."

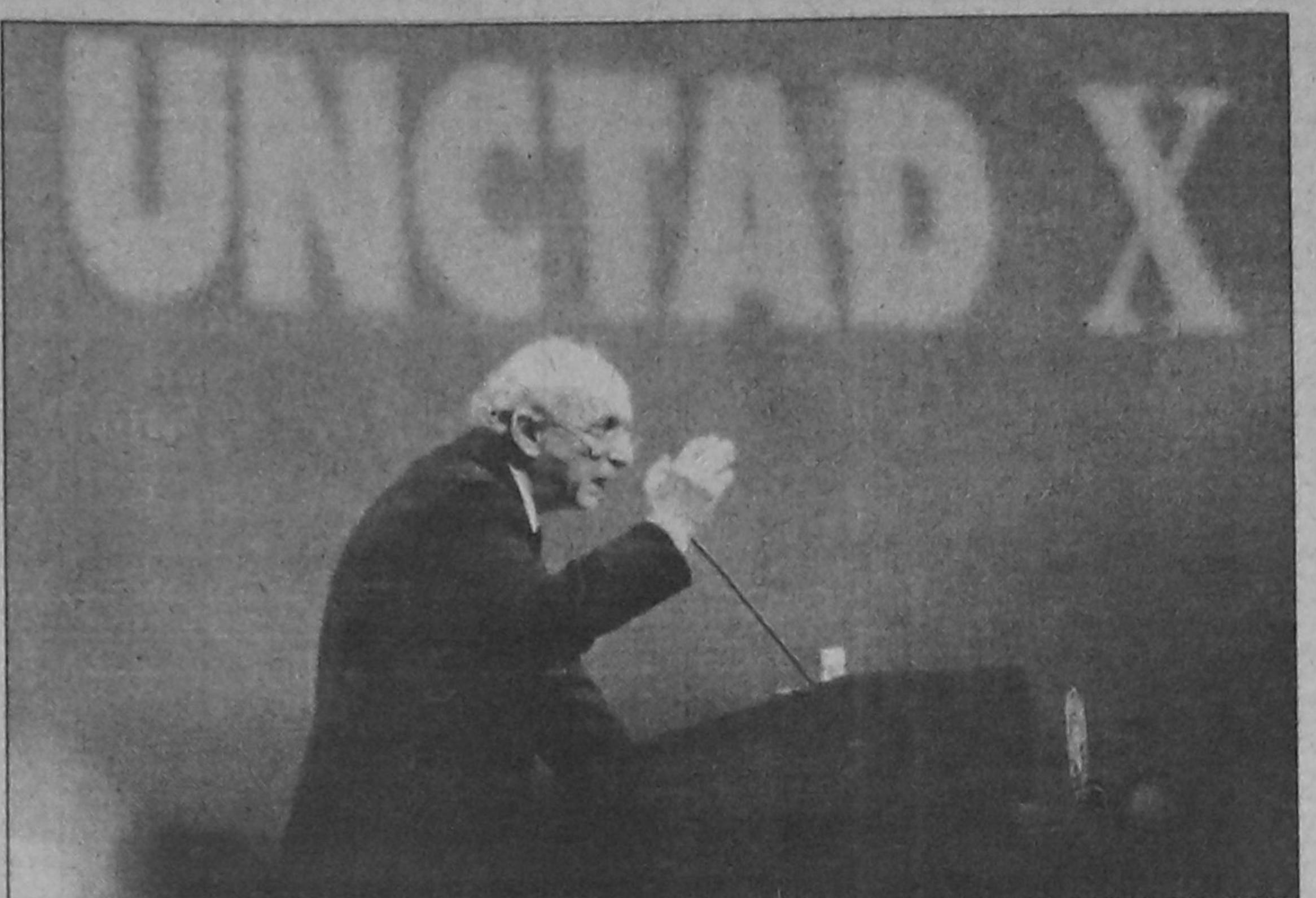
But UNCTAD's message was more watered down than many participants would have liked, with the world's two biggest economies, the United States and the European Union, balking at key proposals.

Many impoverished nations, and their allies in the developed world, want rich economies to open their markets fully to all products from the world's 48 poorest countries — with no tariffs or quotas imposed.

Some members of the 15-nation EU have not agreed to open their markets to all Third World products, saying instead they are willing to open the way for most of the goods. Southern European nations aren't yet ready to let the Third World sell farm products and fruit cheaply in their markets.

The United States has expressed reluctance about dropping all quotas.

UNCTAD wrapped up its



UNCTAD's Secretary General Rubens Ricupero addresses the audience in Bangkok on the last day of the 10th United Nations Conference on Trade And Development. The conference was billed here as a chance to renew dialogue broken off amid the acrimony of last year's WTO summit in Seattle and to make moves towards new trade talks.

— AFP PHOTO

eight-day summit with a "Bangkok Declaration" that sets the agenda for the 190-nation forum for the next four years.

The declaration calls for "improving the protection of our environment" in addition to the previously stated goals of creating a fairer world economic system and fighting poverty.

Delegates focused on the rapid globalisation of the world economy, which critics say has enabled the rich to get even richer while leaving poor coun-

tries lagging far behind as the Internet and e-commerce show explosive growth in the West.

UNCTAD said globalisation presents "opportunities as well as risks and challenges" that must be overcome.

UNCTAD cautioned that some countries have difficulty in coping with the increased competition brought on by globalisation, which can lead to

survival of the fittest.

"For the international community, just as for each and every national society, the ultimate test lies in the way it treats the weaker members of the community," UNCTAD said.

The UNCTAD delegates gathered a little more than two months after the embarrassing collapse of World Trade Organisation talks in Seattle, where the 135 WTO members were unable to agree on launching a new round of commerce talks.

The WTO, based in Geneva, sets rules for world trade. Although UNCTAD plays more of an advisory role, issuing non-binding declarations about how to help the poor do better, the Bangkok meeting had been seen as a place to rebuild confidence that was shattered in Seattle.

But US and EU officials made it clear from the outset they don't want UNCTAD moving into areas now controlled by the WTO.

In Washington on Friday, US Trade Representative Charlene Barshefsky held separate discussions with Japanese Foreign Minister Yutaka Kono and Pascal Lamy, the top EU trade negotiator, to seek ways on restarting the WTO talks.

Barshefsky said afterward she believed the world's largest economies are ready to try to resolve the sticking points that wrecked the Seattle summit.

In Bangkok, poor nations said they supported globalisation but that trade and development cannot be compartmentalised.

They showed support for bringing the WTO, UN agencies, the World Bank and International Monetary Fund together to take a "holistic" look at globalisation so everyone benefits.

Unresolved WTO issues

UNDATED, Feb 19: The UN Conference on Trade and Development does not have the power to change the rules on international trade, which are set by the World Trade Organisation, says AP.

But many of the issues UNCTAD faced in its Bangkok meeting that ran through Saturday were the same ones that led to the failure of the WTO's Seattle conference.

The following are some of the issues still dividing the WTO members, with an explanation of how they have been handled by UNCTAD.

Agriculture: In the WTO, the European Union has defended its farm subsidies, claiming they are needed to protect the environment, rural communities and animal welfare. Other nations claim the subsidies distort international trade by making it impossible for other producers to compete.

In UNCTAD, a passing motion is made to the fact that: "Subsidies can affect the relative competitive positions of countries and have a distorting effect on developing countries."

Poorest nations: WTO and UNCTAD both considered a proposal that developed countries should remove all trade barriers to products from the 48 poorest countries.

UNCTAD is instructed to "build consensus" on the idea, but no commitments are made.

Non-trade issues: At WTO, the issue of labour protection split the conference. Developing nations said rich countries were trying to make goods from poorer countries more expensive by insisting on higher standards for worker rights.

Labour was not on the agenda at UNCTAD, but rich nations instead stressed the importance of "good governance," such as increased democracy and a crackdown on corruption.

In a watered-down final text, UNCTAD was told it "could contribute to ... continuing efforts to promote a stable and transparent national legal and regulatory framework favorable to development."

Mention is also made of the importance of protecting and promoting human rights and fundamental freedoms.

Algeria lashes out over Third World debt burden

BANGKOK, Feb 19: Algeria delivered an impassioned attack Saturday on the burdensome debts that harm Africa's chances to get richer, saying relief has been doled out unevenly, says AP.

"I'm very pleased to see we've written off the debt of Russia," Algerian President Abdelaziz Bouteflika told delegates to a UN conference on Third World trade. "Of course, Russia's not Africa. I get the message. I think we all get the message."

Bouteflika said Algeria, while rich in oil and natural gas, is held back by US \$33 billion in foreign debts — which forces the North African nation to pay out \$5 billion per year in interest alone.

Bouteflika said the International Monetary Fund had written off some Third World debt that seemed unpayable. He welcomed the move, but called it too little, too late.

"This is the macabre specter of someone visiting a dying man and saying, 'Well, died happy. You won't have any debts to pay,'" Bouteflika said.

Bouteflika, who also serves as chairman of the Organisation of African Unity, said African nations have historically been disadvantaged since the days when many Africans were sold into slavery and sent off to help develop countries that are now rich.

Colonisation of much of Africa aggravated the troubles, with European nations eventually pulling out without leaving behind the necessary schools and infrastructure to help the continent get ahead, he said.

ASEAN urged to spend more on social safety nets

MANILA, Feb 19: The 10-member Association of South-East Asian Nations (ASEAN) was today urged to spend more on social safety nets following the severe financial crisis that hit in 1997, reports AFP.

"When the welfare and future of our suffering peoples are at stake, we can not afford to be miserly and frugal," Philippine Agrarian Reform Secretary Racio Morales told delegates at an ASEAN ministers' meeting on rural development here.

Morales, who is chairman of the meeting, asked the ministers to tell their governments to make "spending for safety nets" a permanent fixture of their respective budgets to help the region's millions of rural poor recover.

"As our concern in this meeting is rural development and poverty eradication, this means restructuring our national budgets and moving major allocations in the direction of social development initiatives that are focused in the rural areas," Morales said.

"Whatever form the strategy takes, it is important to act quickly and decisively. Let me reiterate, the poor and disadvantaged cannot and will not wait," he added.

He noted however that any response should be "comprehensive and innovative" and require strong commitments from each country and aid donors.

ASEAN groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

Thai protesters reject Bangkok Declaration

major changes were needed. The declaration still employs the ideas of globalisation and trade liberalisation, which we can prove poverty among southern causes, said Pipop Dhongchai, coordinator for a network of poor people's organisations.

We call for a new concept of development as well as a decreasing the role of three main international organisations — the International Monetary Fund and the World Bank.

As a first step, the groups said, the agricultural sector should be removed from global trading negotiations. Many of the country's poorest people are farmers pushed off their land due to major development projects, like dams.

Agriculture shouldn't be viewed as just a means to bring in money. It is part of our culture," said Pipop.

The groups also claim that the views of pressure groups and society as a whole were not taken into account in the way that UNCTAD promised, said conference secretary Awni Behman said the input from such groups was very important.

This is the first time that UNCTAD has opened up opportunities for poor people to submit proposals to the conference," he said.

US budget surplus mounts in January

WASHINGTON, Feb 19: The US government's budget surplus

more than doubled during the first four months of fiscal 2000, the Treasury Department reported yesterday, says Reuters.

Swelling tax revenues generated by a growing economy boosted the cumulative surplus in the four months to Jan 31 to \$41.53 billion from \$15.97 billion during the comparable months of fiscal 1999, and kept the government firmly on track for a third straight annual surplus.

In January alone the surplus was \$62.15 billion, down from a \$70.51 billion surplus a year earlier in January 1999.

But the year-earlier figure was inflated because some Social Security payments by the Treasury which should have been made in January 1999 were made in December 1998 instead.

This was because January 3 last year fell on a holiday, so that about \$29 billion worth of Social Security payments that normally are made on the third day of the month were brought forward to December, which had the effect of reducing spending in January.

Treasury has been issuing new debt to replace existing securities that mature, effectively paying off debt. It is about to embark on buying back up to \$30 billion of US Treasury securities, offering investors cash to turn them in.

The surplus in fiscal 1998 was the first since 1969.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies					
Currency	Selling TT & OD	Selling BC	Buying T.T. Clean	Buying OD. Sigh Export Bill	Buying OD Transfer
US Dollar	51.2300	51.2700	50.8100	50.6570	50.5850
Pound Stg	82.5879	82.6524	80.8540	80.6105	80.4959
Deutsche Mark	26.2144	26.2349	25.2072	25.1313	25.0955
Swiss Franc	31.6988	31.7245	31.0404	30.9469	30.9029
Japanese Yen	0.4660	0.4663	0.4536	0.4522	0.4516
Dutch Guilder	23.2658	23.2839	22.3718	22.3044	22.2772
Danish Krona	6.8264	6.8317	6.6779	6.6483	6.6483
Australian \$	32.7770	32.8025	31.4412	31.3466	31.3020
Belgian Franc	1.2710	1.2720	1.2221	1.2167	1.2167
Canadian \$	35.6954	35.7232	34.6542	34.5459	34.5008
French Franc	7.1812	7.1822	7.1519	7.1482	7.1482
Hong Kong \$	6.5977	6.6029	6.5178	6.4980	6.4888
Italian Franc	0.0265	0.0265	0.0255	0.0253	0.0253
Norway Krone	6.2251	6.2300	6.1275	6.1091	6.1004
Singapore \$	30.3819	30.4056	29.4176	29.2873	29.2873
Saudi Rial	13.6964	13.7071	13.5111	13.4705	13.4513
UAE Dirham	13.8966	13.9975	13.7954	13.7530	13.7344
Swedish Krona	5.9276	5.9329	5.8519	5.8343	5.8260
Qatari Rial	14.1129	14.1240	13.9167	13.8748	13.8551
Kuwaiti Diner	173.0743	173.2095	160.6894	160.2056	159.9779
Thai Bhat	1.3462	1.3473	1.3324	1.3284	1.3284
Euro	51.2710	51.3110	49.3009	49.1525	49.0826

Bill buying rates					
TT Dec	30 Days	60 Days	90 Days	120 Days	180 Days
50.7112	50.3866	49.9632	49.5398	49.1163	48.2695

US dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months
50.5850	51.2				