

India removing decades-old barriers to US products

Clinton, Vajpayee sign 'vision statement'

NEW DELHI, Mar 21: India is removing decades-old barriers against hundreds of US products and slashing import duties on high technology ranging from cell phones to computers, reports AP.

And, as India planned the first visit by an American president in two decades, the US Export-Import bank announced grants of up to \$1 billion in loans as an incentive for small and midsize Indian companies to buy American products.

India is hoping to build on that economic climate during US President Bill Clinton's visit.

Clinton and Indian Prime Minister Atal Bihari Vajpayee on Tuesday signed a "vision statement" calling for closer economic cooperation. The president said they agreed "to bring more jobs and opportunity to our people, to accelerate trade between us."

For most of the past 52 years

since independence, India pursued a socialist economic pattern of state-run enterprises, nationalisation of banks, investment in heavy industry and tariffs that protected local, but less skillfully made, products.

India still has a long way to go in eliminating red tape, corruption, bribery, and suffocating paperwork before it is attractive to Western business.

The world's two largest democracies, India and the United States, had two-way trade of \$10 billion in 1998-99, and US exports to India are growing by 15 per cent.

US-India ties suffered a major setback after the United States and other western countries imposed economic sanctions following India's testing of nuclear devices in 1998. Neighboring Pakistan, which Clinton is visiting briefly, was also placed under sanctions that forbid bank loans and severely limit investment.

The idea of globalisation is finally taking hold.

Two Indian software companies, Infosys and Satyam, have had highly successful listings on the NASDAQ stock exchange. Azim Premji, head of an Indian computer company, Wipro, has been rated among the five richest people in the world.

An Indian company, Tata Tea, this month bought British tea giant Tetley in a \$433.6 million deal. British tea plantations had been a symbol of India's colonisation.

The risks in India are because of the slowness of our system. It is the hassle factor," said Gurcharan Das, an economist. He does not expect rapid change, as experienced by the so-called Asian Tiger economies of Southeast Asia.

"India will not be a tiger. It will be an elephant, hopefully a wise elephant ... The democratic

process slows you down," Das told The Associated Press.

Slowness is practically a byword for doing business in India.

In January, the US power giant Cogentrix, based in Charlotte, North Carolina, abandoned a \$1.3 billion, 1,000-megawatt electricity project in the southern state of Karnataka after seven years of delays in getting government clearances and legal wrangles.

Government ministers go abroad and scout for investment like good salesmen, said Anand Seth, joint director of the federation of Indian Export Organisations. "But when the investors arrive in the country they are confronted with bureaucratic delays and corruption," he said.

Consequently, during the past year India received less than 17 per cent of the \$10 billion in foreign investment the government had counted on.

Kuwait, Venezuela agree to raise output

OPEC Secy Gen sees \$24 a barrel as desired price

DUBAI, Mar 21: The Organisation of Petroleum Exporting Countries should increase production just enough to achieve a desired price of \$ 24 a barrel, OPEC Secretary General Rilwan Lukman said in remarks published Tuesday, reports AP.

The organisation should only raise production enough to achieve the targeted price, which should be around \$24 a barrel," the daily Al Ittihad quoted Lukman as saying in Vienna.

He said OPEC was studying global supply and demand levels on which it will base its output decision at its meeting March 27 in Vienna. Current figures, he said, indicate that demand will drop by 2.8 million barrels a day in the second quarter of this year.

The Venezuelan said OPEC could adopt "price bands" to try to stabilise the oil markets. If prices rose above the upper limit, production would be increased, if they dropped under the lower limit, production would be eased.

"This is an idea in order to guarantee market stabilisation, but it is only an idea — we are discussing all the possibilities," Rodriguez explained.

He arrived in Kuwait overnight after consultations

market through March 31, 2000, to boost oil prices. The move sent oil prices surging from drs 10.2 a barrel on Dec. 10, 1998 to a nine-year high of \$34.20 earlier this month.

AFP says from Kuwait City: Kuwait and Venezuela agreed yesterday in the principle of an increase in oil production but not on the volume as OPEC members prepare for decisive talks next week.

Rodriguez was to pursue his consultations Tuesday in Algeria and then Libya, countries which oppose a boost in production in answer to US calls to calm the roaring markets.

Prices fall

Another report says from London: The price of oil fell yesterday following a series of comments raising expectations that OPEC ministers will increase production at a Vienna meeting next week, reports AFP.

In London, the price of Brent North Sea crude for May fell 53 cents to 26.03 dollars a barrel.

In New York, light sweet crude for April closed at 30.91 dollars a barrel on Friday.

GNI Research said weekend comments underscore consumer demands for higher production and producer acknowledgments of these needs.

Taiwan lawmakers approve bill on direct trade with China

TAIPEI, Mar 21: Taiwan's legislature passed a bill on Tuesday that would pave the way for direct trade and transport links between some of Taiwan's outlying islands and China, says AP.

The largely symbolic bill calls for direct flights between the small islands of Kinmen, Matsu and Penghu to the mainland, but a more comprehensive bill has to be proposed by Taiwan's cabinet before Tuesday's bill can take effect.

The bill reflects a popular desire to overturn a ban on direct transportation and communication links that has been in place since both sides split amid civil war in 1949.

China and Taiwan have been governed separately since Chiang Kai-shek's Nationalists defeated Mao Tse-tung's Communists, and Beijing has repeatedly threatened war if Taipei tries to break away permanently.

On Monday, president-elect Chen Shui-bian repeated his willingness to end the ban on direct links if it did not compromise Taiwan's security.

In Beijing, Sun Yuxi, a foreign ministry spokesman, reiterated China's position Tuesday, saying Beijing would sit down with Chen only if he first recognized Taiwan as being an integral part of China.



Japanese electronics giant Toshiba employee Takashi Tanaka displays the pen shaped IC-memory audio recorder "Voice Bar DMR-850W," which can record eight hours 51 minutes and weighs 33 grams, at the company's head office in Tokyo Tuesday. Toshiba will put it on the domestic market next month with a price of 30,000 yen (285 USD). —AFP photo

PBEC meet opens with talks on corporate responsibility

HONOLULU, Mar 21: A lone protester held a sign outside the Hawaii Convention Centre, the only sign of unrest at the start of the three-day international business meeting of the Pacific Basin Economic Council, says AP.

Event organisers said they learned a lesson from the street clashes that marred the World Trade Organisation's meeting in December in Seattle, so this agenda includes a discussion on corporate responsibility in an increasingly globalised economy.

"The belief among businesses that provided we make profits everything will be all right is really being challenged now," said Helmut Sohmen, chairman of the Honolulu-based council. "We have to be a little more conscious to produce a civil society in which all members are comfortable and happy."

Twenty-five years ago, one Thai resident in six had access to clean drinking water. Now it's four out of five, Moore said.

Thirty years ago, Korea's statistics in just about every category were worse than most African countries. Now it's a rising economic power.

"Today, questions about increased globalisation are being raised with increased urgency, threatening to undermine the broad-based consensus and support of multilateral trade and investment liberalisation which PBEC has worked so hard to support and encourage," he said.

WTO director general Michael Moore tried to address some of the criticisms of his organisation, including charges its appointed members work in secret, favour developed nations over developing nations and have no social conscience.

The WTO presently is working on a plan to help the world's

Malaysia to prosecute bankers for violating codes of secrecy

KUALA LUMPUR, Mar 21: Malaysia's central bank said it

would prosecute bank workers who violate codes of secrecy after the government accused opposition supporters of posting bank information on the Internet, reports AP.

Bank Negara, or the Central Bank, said in a statement issued late Monday that it was "working closely" with the two banks accused of staffing opposition supporters and would have no stones unturned in the pursuit of the offenders.

The move comes amid a crackdown in the state of Malacca, where the local government has blacklisted doctors, lawyers and contractors for allegedly supporting the opposition.

The Malacca government, which is ruled by the party of Prime Minister Mahathir Mohamad, closed million-dollar accounts at two banks last week, saying employees aided the opposition in November's general elections. Some staff were accused of circulating financial transactions of state officials on the Internet.

Bank Negara will not hesitate to prosecute anyone found to have breached a national banking secrecy act, the central

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 Sight Export Bill	Buying OD Transfer
US Dollar	51.2300	51.2700	50.8100	50.6570	50.5660
Pound Stg	80.6207	80.6833	79.4008	79.1617	79.0492
Deutsche Mark	25.8739	25.8941	24.9565	24.7816	24.7464
Swiss Franc	31.1126	31.1369	30.4689	30.3772	30.3340
Japanese yen	0.4833	0.4837	0.4745	0.4730	0.4724
Dutch Guilder	22.9535	22.9615	22.605	21.9941	21.9528
Danish Krone	6.7350	6.7402	6.5914	6.5716	6.5622
Australian \$	31.7267	31.7515	30.4250	30.3334	30.2303
Belgian Franc	1.2545	1.2554	1.2051	1.1998	1.1998
Canadian \$	35.2508	35.2783	34.2316	34.1265	34.0800
French Franc	7.7147	7.7207	7.4113	7.3880	7.3785
Hong Kong \$	6.5933	6.5966	6.5133	6.4937	6.4844
Italian Lira	0.0261	0.0262	0.0251	0.0250	0.0250
Norway Krone	6.1126	6.1173	6.0144	5.9963	5.9877
Singapore \$	30.1743	30.1979	29.2213	29.1333	29.0919
Saudi Hallal	13.6979	13.7086	13.5122	13.4715	13.4524
UAE Dirham	13.9866	13.9977	13.7954	13.7539	13.7344
Swedish Krona	5.9403	5.9460	5.8665	5.8488	5.8406
Qatar Riyal	14.1168	14.1279	13.9186	13.8767	13.8570
Kuwaiti dinar	172.9166	173.0516	160.6031	160.195	159.8919
Thai Baht	13.9505	13.9515	13.3373	13.3114	13.3114
Euro	506050	506445	486150	484866	483997

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
507112	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	9 Months	12 Months
505860	51.2300	USD	6.09625	6.21000	6.41125	6.62000	6.82875
79.0492	80.6207	GBP	6.0516	6.1959	6.4039	6.57344	6.73097
Cash/TC	Euro		3.62826	3.77000	3.96875	4.13000	4.28750

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.562/43570	51.895/5190	37.85/3788	37.995/38005	7460/7480	1116.3/1116.7

Amex notes on Tuesday's market

The interbank USD/BDT market was active. Average USD/BDT rate traded between 51.14 and 51.50. Interbank call money market was active on Tuesday. Liquidity was added to the market as 28-day T-bills matured worth BDT 6.48 billion. As a result, call rates came down