

China pledges to free slave labourers

AFP, Beijing

China has pledged to rescue hundreds of people forced to work as slaves in appalling conditions, launching a national probe to find those responsible, state media said Saturday.

A team of investigators will be dispatched to brick yards and coal mines in central and northern China, where more than 500 people -- many of them children -- have been freed in recent days, the state Xinhua news agency reported.

But officials believe hundreds more could be trapped in the work sites in Shanxi and Henan provinces -- victims of a brutal human trafficking ring that targeted children as young as eight.

"The team will find out the truth

as soon as possible, and we will go all out to rescue the workers who had been forced to work as slaves in the brick kilns," deputy labour minister Sun Baoshu was quoted as saying.

Police have in recent days raided kilns and mines in both provinces, freeing nearly 550 people in a crackdown launched after distraught parents made an online plea for help in finding their children.

Media reports described workers as having been beaten, were emaciated and forced to work long hours in horrible conditions, apparently with the involvement of some local police and officials.

At least one man was beaten to death.

The scandal has caused alarm among the highest ranks of China's

ruling Communist Party, with President Hu Jintao and Premier Wen Jiabao issuing orders on Friday to deal with the situation, the China News Service reported.

The ministry of public security has placed a foreman suspected of enslaving workers in Shanxi on its most-wanted list, offering a reward of 20,000 yuan (2,600 dollars) for information leading to his arrest, Xinhua said.

Heng Tinghan, 42, stands accused of forcing people to work in a brick kiln in Shanxi's Hongtong county since March last year.

Tens of thousands of police have raided about 10,000 work sites this week, arresting 120 people in Henan and 38 others in Shanxi on suspicion of kidnapping and forced labour, provincial officials were

quoted as saying.

Du Yulin, director of the Shanxi provincial public security bureau, said authorities had been given 10 days to check every brick kiln and coal mine in the area, according to Xinhua.

He warned that local officials would face charges of "dereliction of duty" if they failed to save all workers in danger before the deadline expired.

"It is hard to estimate the number of missing people before the investigation finishes, but there are probably more than 1,000," said an official with the Henan provincial public security department, who gave only his surname Dang.

Many of the labourers were abducted off the streets of cities in the region and sold to factories and mines for as little as 500 yuan, the Beijing Youth Daily newspaper reported.

The scandal adds to other embarrassing revelations this week about the plight of Chinese workers, including reports that children were being used to make merchandise for the 2008 Beijing Olympics.

Myanmar dragging its feet on forced labour: ILO

AFP, Geneva

The International Labour Organisation on Friday warned that forced labour was still widespread in Myanmar, where the military junta has so far ignored ILO recommendations to stop the practice.

The ILO's Committee on the Application of Standards said in a statement that it was "profoundly concerned" by the situation and urged Myanmar to comply with the findings of an ILO inquiry.

"It concluded that... the imposition of forced labour continues to be widespread, particularly by the army, to which specific instructions should be issued," it added after a special meeting devoted to Myanmars.

The ILO committee highlighted the situation in Karen state and in Rakhine, saying it was "particularly serious".

cations equipment.

Export of such equipment with potential military applications, which is also known as dual-use technology, requires a US government license.

"The steps we are taking today are good for national security, and for American exporters and jobs," Commerce Secretary Carlos Gutierrez said in a statement.

At the same time, the US government is introducing a so-called "validated end-user" program, under which certain "trusted customers" in China will be able to receive dual-use items without individual export licenses if they establish their bona fides in Washington.

Officials said these companies must have "a track record of responsible civilian use of US-controlled technology."

To prove it, they will be required to submit information about their ownership structure, transactions, items considered for importation and subsequent transfers as well as internal control and record-keeping

US tightens high-tech export controls for China

AFP, Washington

The United States late Friday slapped new restrictions on high-technology exports to China and moved to create a pool of so-called "trusted customers" within the Chinese business community who will be rewarded for compliance with US guidelines.

The measures, announced by the Commerce Department, came amid growing concern in the administration and Congress that China is using its booming high-technology trade with the United States to accelerate a massive military buildup that might undercut US interests in Asia.

The updated export control list that has been under consideration for more than a year covers a total of 20 product categories ranging from avionics to computer software.

It includes aircraft and aircraft engines, inertial navigation systems, lasers, optical fibers, depleted uranium, underwater cameras and propulsion systems, certain composite materials and telecommuni-

procedures.

Candidates for "trusted customers" will also have to agree to US government on-site inspections of their facilities.

The applications will be reviewed by a US government committee, officials said. An initial list of "trusted customers" is expected to be published next month.

"This new rule strikes the right balance in our complex relationship with China," Gutierrez noted in his statement.

"It is a common-sense approach that will make it easier for US companies to sell to pre-screened civilian customers in China, while at the same time denying access to US technology that would contribute to China's military."

The new restrictions on US-China trade are fueled by rising concerns in the US capital about China's accelerated military modernization.

China, US to step up anti-piracy work

AP, Beijing

China has promised to pursue product pirates identified by US authorities in a new effort to stamp out its thriving counterfeit industry, the head of the US customs agency said Friday.

The agreement comes amid mounting concern that Chinese pirates are endangering public safety in the United States and elsewhere by selling fake medicine, auto parts and other goods.

China accounted for about 80 percent of the 14,775 shipments of counterfeit goods seized at US ports last year, said W. Ralph Basham, commissioner of US Customs and Border Protection.

Under a memorandum of cooperation signed this week, US Customs will provide China with information on the source of seized goods, and Beijing will report back within 90 days on the status of efforts to track down the counterfeiters, Basham told reporters.

"We've got to start dealing with the source of the problem. We can't expect to rely upon interdiction to be our tool in order to stop these products," Basham said.

China has long been the world's leading source of illegally copied

goods ranging from designer clothes to movies and music. But concern about possible danger to the public has risen following the discovery of a toxic chemical in Chinese-made toothpaste.

Basham said his talks with Chinese officials did not touch on tainted products, which he said was the responsibility of the US Food and Drug Administration. He said the FDA was in touch with Chinese officials.

Under foreign pressure, China has increased penalties for piracy and launched repeated crackdowns. But business groups including the US Chamber of Commerce and the Motion Picture Association of America say the scale of piracy is growing faster than enforcement.

Basham met with his Chinese counterpart, Mu Xinsheng, and other officials this week.

Basham said American officials offered China help with security for the 2008 Beijing Olympics. He said that might include support from a US program used at several foreign airports to identify travelers who might be barred from the United States.

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Mashir Rahman, managing director of Credit Rating Agency of Bangladesh (CRAB) Ltd, and AJ Bose, regional head and CEO of State Bank of India's (SBI) Bangladesh operations, exchange documents after signing a credit rating agreement recently in Dhaka. Under the deal, CRAB will provide rating services for SBI's Bangladesh chapter for three years.

Indian real-estate firm raises \$2.24b in IPO

AFP, Mumbai

India's top real-estate firm DLF raised 2.24 billion dollars in the country's largest initial public offering, which closed Friday, a banker involved in the sale said.

The company sold 175 million shares at a price of 525 rupees (12.8 dollars) a share on strong fund demand, with the offer oversubscribed 3.47 times.

"The result is the strongest vote-of-confidence in India's continuing domestic economic growth story and the outlook for the rapidly growing real-estate sector," said Patti McLaughlin, of DSP Merrill Lynch, a global co-ordinator to the issue.

DLF received bids for 607.2 million shares, according to data available at the National Stock Exchange.

At least 60 percent of shares

were reserved for funds while another 10 percent were set aside for strategic investors and the remaining shares open to retail investors, the company said in its prospectus.

The funds portion of the issue was oversubscribed 5.12 times, while the non-institutional portion was oversubscribed 1.14 times, the bank said.

Analysts have said retail investors bid less aggressively on concerns about high interest rates in India and a related weakening of real estate prices which could have a negative impact on DLF's growth.

The company aims for a listing at the major stock exchanges by early July.

Demand for housing and office space in India has boomed in the last five years, with annual economic growth at about eight percent.

Rate hike not imminent Says BoJ chief

AP, Tokyo

The Bank of Japan decided Friday to keep a benchmark interest rate unchanged at 0.5 percent and the central bank's governor hinted that a rate hike may come later than July, quashing speculation for an imminent move.

Gov. Toshihiko Fukui's comments helped lift the dollar to a 4 1/2-year high against the yen.

After the bank's two-day policy meeting, Fukui told reporters that the bank's action isn't directly linked to data to be released next month.

"As for the future rate hikes, we must watch more economic data to check whether the economy and prices move as we've expected," he said.

Although the Bank of Japan is in principle independent from the government, some analysts believe the bank may be under political pressure to not increase interest rates until after parliamentary elections scheduled for July. But once the election is over, the bank may take action, they said.

But Fukui's comments dampened that speculation.

The dollar rose to 123.38 yen in Tokyo, the highest since December 2002, and up from 123.12 yen late Thursday in New York.

The bank maintained its upbeat assessment of the economy in a monthly report, saying that production, exports and consumer spending are improving, keeping the economy on track for moderate expansion.

Figures released earlier this week showed that the economy grew at an annual pace of 3.3 percent for the January-March quarter, up from an earlier estimate of 2.4 percent. The nation's unemployment rate has also declined to 3.8 percent in April, the lowest level in nine years.

However, consumer prices have fallen in the last three months, raising concerns that Japan might be slipping back into deflation. The core consumer price index edged down 0.1 percent in April, 0.3 percent in March and 0.1 percent in February which was the first drop in 10 months.

But Fukui's comments dampened that speculation.

PHOTO: PRIME BANK

M Shahjahan Bhuiyan, managing director of Prime Bank Ltd, hands over a token cheque for Tk 1.5 lakh to Hamida Khanum, president of Society for Education of the Intellectually Disabled, Bangladesh, at a function on Thursday. Senior officials of the bank, among others, were present.

PHOTO: PRIME BANK