

Chinese PM to meet Obama next week

AFP, Beijing

China said yesterday that Premier Wen Jiabao would meet with US President Barack Obama on the sidelines of a UN meeting in New York, as ties between the two countries improve after months of tensions.

"During the meetings, Premier Wen will meet with President Obama but we are still working on the specific timing of the meeting," assistant foreign minister Liu Zhenmin told reporters.

Wen will be in New York next week to attend both the annual UN General Assembly meeting and a special summit on the UN's Millennium Development Goals (MDGs).

Liu said Wen would attend more than 20 bilateral and multilateral meetings in his two days in New York, but did not elaborate on what other leaders he would meet.

Relations between China and the United States soured earlier this year over US arms sales to Taiwan and a meeting in February between Obama and the exiled Tibetan spiritual leader, the Dalai Lama.

The value of China's currency has also been a source of conflict, with critics in the United

States and Europe claiming Beijing undervalues the yuan, giving Chinese exporters an unfair trade advantage.

China pledged in June to let the yuan trade more freely against the dollar, but US Treasury Secretary Timothy Geithner has reiterated that he is still not satisfied with Beijing's moves to loosen its grip on the currency.

So far, it has appreciated about one percent against the greenback.

Geithner is scheduled to appear before US lawmakers this week to address the yuan issue.

Members of the US Congress have been pressing for legislation that would require the US Commerce Department to apply punitive sanctions against China and other countries with allegedly undervalued currencies.

Sino-US ties have nevertheless improved in the past few months following several high-level meetings between the two sides, including a visit to Beijing in May by Geithner and US Secretary of State Hillary Clinton.

Obama has invited Chinese President Hu Jintao to visit Washington in the near future, with a Pentagon official saying last week that the visit could come "early next year".

Death of civilians 'a mistake'

Says Israeli general

AFP, Jerusalem

The Israeli army's killing of three Palestinian civilians at the weekend, among them an elderly Gaza and his grandson, was a mistake, a senior commander admitted yesterday.

The incident, which took place late on Sunday, saw three civilians in the northern Gaza town of Beit Hanun killed by a burst of Israeli tank fire -- a 91-year-old man, his 17-year-old grandson and another man, 20.

At the time, the army said troops had fired towards a group of suspects who were attempting to fire a rocket-propelled grenade at them.

But Brigadier General Ayal Eisenberg, head of the army's Gaza division, yesterday admitted the soldiers had made a mistake.

"The civilians killed by our soldiers' fire ... were not involved in any terrorist operation," Eisenberg told army radio.

He said troops had seen one of the three picking up an RPG that had been left on the ground and had mistakenly assumed they were a group of militants.

"Our soldiers identified a civilian who was picking up an RPG and, thinking he was going to fire at them, opened fire" in his direction, he added.

Eisenberg said it was only after the incident that they realised the three were not involved in any militant activity.

The incident occurred shortly after several rockets and mortar rounds had been fired across the border into southern Israel in an attack claimed by the Popular Resistance Committees.

Gazans often venture close to the border despite the danger in search of scrap metal and chunks of concrete that they can resell, a consequence of years of border closures that have devastated the local economy.



US Secretary of State Hillary Rodham Clinton looks on as Palestinian President Mahmud Abbas (R) and Israeli Prime Minister Benjamin Netanyahu shake hands in Sharm El-Sheikh yesterday, during the second round of Middle East peace talks.

Global hunger declining in 2010: UN

REUTERS, Rome

The number of people in the world suffering chronic hunger has declined for the first time in 15 years, due to improving economic conditions and lower food prices, the United Nations' food agency said yesterday.

About 925 million people are undernourished in 2010, down from a record 1.02 billion last year, which was the highest number in four decades, the Food and Agriculture Organization (FAO) said in a report.

Despite the decline in chronic malnourishment reported by the FAO, food riots in Mozambique earlier this month, protests in Egypt and rising grain prices due to a drought in Russia have pushed the issue of hunger and food security up the global agenda.

The FAO said most of the world's hungry people live in developing countries, where they account for 16 percent of the population in 2010.

While that marks an improvement from a level of 18 percent in 2009, the FAO warned it was lagging a U.N. target to halve the proportion of undernourished people in developing countries from 20 percent in 1990-92 to 10 percent in 2015.

"The fact that nearly a billion people remain hungry even after the recent food and financial crises have largely passed indicates a deeper structural problem," the FAO said.

"Governments should encourage increased investment in agriculture, expand safety nets and social assistance programs, and enhance income-generating activities for the rural and urban poor."

World leaders are expected to declare at a United Nations summit next week that the set of goals aimed at drastically reducing poverty and hunger worldwide by 2015 are achievable, according to a draft document.

The number of hungry people in the world had been rising for more than a decade, reaching a record in 2009 triggered by the economic crisis and high domestic food prices in several developing countries.

The improvement in food security in 2010 was mainly a result of better access to food due to improving economic conditions, as well as lower food prices after two years of bumper cereal harvests, the FAO said.

It said while cereal production in 2010 was forecast to be lower, the overall supply situation was adequate.

US tries to break deadlock in Middle East talks

REUTERS, Egypt

Israeli and Palestinian leaders still believe they can reach a peace deal in a year, Washington's Middle East envoy said yesterday after talks in Egypt, despite a dispute over Jewish settlements.

No news emerged of any compromise on the settlement issue at the negotiations attended by U.S. Secretary of State Hillary Clinton, Israeli Prime Minister Benjamin Netanyahu and Palestinian President Mahmoud Abbas.

But with a 10-month Israeli moratorium on housing starts in settlements in the occupied West Bank due to end on September 30, U.S. envoy George Mitchell seemed optimistic in the face of Palestinian threats to quit the new talks if building resumes.

"President Abbas and Prime Minister Netanyahu continue to agree that these negotiations, whose goal is to resolve all core issues, can be completed in one year," Mitchell told reporters in Egypt's Red Sea resort of Sharm el-Sheikh.

He said negotiations would continue on Wednesday in Jerusalem with Clinton's participation and Israeli and Palestinian teams would meet again "in the coming days" ahead of further talks at the leadership level.

"Today the parties have begun a serious discussion on core issues," Mitchell said. "President Abbas and Prime Minister Netanyahu also reiterated their intent to approach these negotiations in good faith and with a seriousness of purpose."

Neither leader made any immediate public comments at the summit, hosted by Egyptian President Hosni Mubarak. It was their first meeting since direct peace talks were relaunched in Washington on September 2 after a 20-month hiatus, with a declared goal of achieving a framework accord in a year.

NO EXTENSION Netanyahu, whose coalition government is dominated by pro-settler parties, said on Sunday he would not extend the construction moratorium but could limit the scope of further building in some settlements.

Echoing U.S. President Barack Obama's position, Mitchell said: "We think it makes sense to extend the moratorium especially given that the talks are moving in a constructive direction."

Mitchell said Washington was aware "this is a politically sensitive issue in Israel" and the United States also had called on Abbas to "take steps that help, encourage and facilitate this (peace)

process."

Palestinians fear the settlements, built on land they want for a state, could deny them a viable and contiguous country.

"We are all striving to bring the message to Netanyahu that the settlements issue is important to negotiations and for us there cannot be any talks on ending occupation while occupation is deepening," Palestinian negotiator Nabil Shaath said.

Mark Regev, a Netanyahu spokesman, countered: "If expectations are that only Israel should make concessions then that is not a recipe for a successful conclusion to the talks."

Clinton, who held a trilateral meeting with Netanyahu and Palestinian President Mahmoud Abbas, said both Israel and the Palestinians needed to take actions to resolve the settlement disagreement.

"For me, this is a simple choice: no negotiations, no security, no state," Clinton told reporters as she travelled to Sharm el-Sheikh.

Obama has staked considerable political capital in the talks, launching them before November congressional elections, where fellow Democrats face possible big losses to Republicans.



Thai Muslim schoolgirls (L) along with Buddhist monks attend an interfaith meeting organised by local authorities to promote unity in Thailand's restive southern province of Narathiwat yesterday. Human Rights Watch (HRW) urged the government to ensure the safety of schools after two teachers were killed in Narathiwat province last week. Since the ethnic Malay rebels began an insurgency in January 2004, more than 4,300 people have been killed in the southern Muslim-majority region -- both Buddhists and Muslims.

Plane crash in Venezuela kills 15

BBC ONLINE

A plane crash in Venezuela has killed 15 people - but 36 passengers have survived the impact, officials say.

The ATR-42 turboprop, belonging to the state airline Conviasa, came down shortly after leaving Manuel Carlos Piar airport, outside Ciudad Guayana.

Bolivian State Governor Francisco Rangel Gomez said the aircraft had 47 passengers and four crew on board.

The pilots of the aircraft, having left the island of Margarita, reported technical problems before it crashed.

"We still don't know the exact cause," Mr Gomez told state television.

Transport Minister Francisco Garcas said the short-haul airliner crashed after about 1000 local time (1430 GMT), some 10km (six miles) from Puerto Ordaz, a suburb of Ciudad Guayana where the airport is located.

Japan PM wins party vote but faces more challenges

REUTERS, Tokyo

Japanese Prime Minister Naoto Kan will keep his job after an unexpectedly decisive victory in a ruling party leadership vote yesterday, but must now unify his party and forge deals with the opposition in a divided parliament.

Kan, 63, who has pledged to curb spending and borrowing, is struggling with a strong yen, a fragile recovery and public debt that is twice the size of Japan's \$5 trillion economy.

Markets had been braced for a shift toward aggressive spending if Kan lost the party leadership contest to Ichiro Ozawa, a scandal-tainted powerbroker who had said he would consider issuing more debt if the economy worsened.

Kan was favoured by most ordinary voters but Ozawa's strong support among lawmakers made the outcome of the vote far from certain.

The Democratic Party of Japan (DPJ) has flourished since sweeping to power a year ago. Its coalition with a tiny partner lost their upper house majority in a July election a month after Kan took over and floated a possible rise in the 5

percent sales tax to fix tattered state finances.

Kan has also disappointed many with his lack of a convincing message for how to engineer growth, despite hopes that the former grass-roots activist was a pragmatist who could get things done.

"Kan won by quite a big margin. But he still needs to come up with ways to pass legislation through parliament, such as by teaming up with an opposition party," said Koichi Haji, chief economist at NLI Research Institute.

"The outlook doesn't look good for Kan." The yen briefly rose to a fresh 15-year high of 83.09 per dollar after Kan won, but then traded back to about 83.30. Kan's government has repeatedly expressed concern about the yen's rise and its impact on the export-dependent economy, but so far has refrained from intervening in the market.

Ten-year Japanese government bond futures rose and Nikkei stock futures fell after Kan's victory made a shift to aggressive spending unlikely.

Petraeus issues guidelines to limit corruption

AFP, Kabul

The commander of international forces in Afghanistan, US General David Petraeus, has ordered troops to limit corruption as they dole out billions of dollars in a drive to end a nine-year war.

Spending vast amounts of money in a bid to develop roads, schools and health centres is critical to the US-led strategy aimed at wooing Afghans to support the Western-backed government and reversing a Taliban insurgency.

But Petraeus told commanders in the International Security Assistance Force (ISAF) they must be careful to spend their money wisely to avoid feeding corruption, crime and insurgent networks.

"The scale of our contracting efforts in Afghanistan represents both an opportunity and a danger," said Petraeus, according to an emailed statement.

"With proper oversight, contracting can spur economic development and support the Afghan government's and ISAF's campaign objectives."

"If... we spend large quantities of international contracting funds quickly and with insufficient oversight, it is likely that some of those funds will unintentionally fuel corruption, finance insurgent organisations, strengthen criminal patronage networks and undermine our efforts in Afghanistan."

Since taking office in early July, the commander of 150,000 foreign soldiers deployed in Afghanistan has issued a series of directives aimed at improving discipline among troops as the insurgency appears to gain ground and intensity.

The contracting guidelines urge commanders to consult local leaders, use intelligence reports, and to understand the importance of "greater inclusion, transparency and adequate oversight at all levels".

EU may take legal action against France over Roma

BBC ONLINE

EU Justice Commissioner Viviane Reding has urged the European Commission to take legal action against France over its deportations of Roma (Gypsies).

Ms Reding called French actions a "disgrace". She deplored the fact that a leaked official memo contradicted assurances given to her by France.

France voiced "astonishment" in response to her statement yesterday.

France's deportations of more than 1,000 Roma, to Bulgaria and Romania, have been widely condemned.

The deportations began in early August, after French President Nicolas Sarkozy linked illegal Roma camps with crimes such as prostitution and child exploitation.

The BBC's Oana Lungescu in Brussels says Ms Reding's rebuke amounted to incredibly strong language from a European commissioner about a big member state.

EU disciplinary action against France could lead to substantial fines.

France denies that the expulsions target an ethnic group, saying they are done on a case-by-case basis. France argues that the illegal Roma camps are hotbeds of crime.

Last week Euro MPs accused the Commission of failing to protect the Roma deported from France.

Speaking at a news conference yesterday, Ms Reding said she would propose legal proceedings by the Commission over France's treatment of the Roma and that a Commission decision would be taken within two weeks.

The case would then go before the European Court of Justice in Luxembourg, she said.

France is accused of violating EU law, which bans discrimination against any ethnically group or nationality.

"I am personally convinced that the Commission will have no choice but to initiate infringement proceedings against France," Ms Reding said.

"The role of the Commission as guardian of the treaties is made extremely difficult if we can no longer have confidence in the assurances given by two ministers in a formal meeting," she said.

"This is not a minor offence in a situation of this importance. After 11 years of experience in the Commission, I even go further: this is a disgrace," she said.

Cuba to axe one million state jobs

AFP, Havana

Cuba has announced plans to slash one million state jobs and encourage the growth of small businesses in a gamble it hopes can keep its communist system and floundering economy afloat.

Workers laid off from government jobs will no longer be sent home with partial pay, but will instead have to find other means to make a living, the Cuban Worker's Central, or CTC by its Spanish acronym, warned Monday.

It said more than 500,000 public sector jobs will be eliminated, in a first major cut, by March 2011.

"Our state neither can nor should continue maintaining companies... with inflated payrolls, and losses that are a drag on the economy, are counterproductive, generate bad habits and deform workers' performance," the CTC said.

President Raul Castro said in 2009 the government wanted to relocate more than a million state employees, sending shockwaves through a society grown accustomed to stable levels of employment over the last 50 years.

Cuba has a workforce of 4.9 million people in a country with 11.2 million population. The state controls 95 percent of the economy.

For years, the government has given laid off workers up to 60 percent of their salary while they wait to be placed in a new job.

But the CTC said it would "no longer be possible to indefinitely protect or subsidize workers' incomes."

The government is to now hand out 250,000 permits in some 120 different types of small business and is encouraging mechanics, hairdressers, gardeners and translators among others to apply, say documents circulating in workplaces.

Workers typically will pay a license fee, and sometimes rent. The government is hoping the emerging private sector can absorb workers but many analysts have their doubts.