



LKN Global Keeping You Informed

June 2010 Issue

June 30

“Facebook for farmers” in rural China. *CNN.com*

Fu and her husband turned to Wokai, a U.S. microfinance firm whose name in Chinese means "I start." Wokai provides microloans to more than 350 impoverished farmers in China, with the funds coming from donors around the world. Nicknamed "Facebook for Farmers," a contributor to Wokai.org can choose exactly where the funds go. Farmers' profiles and photos are posted online and donors choose to whom and how much they give.

[Full article](#)

EAC declares common market. *Business Week*

The five-nation East African Community will declare a common market tomorrow, leading to the creation of a free trade zone over the next few years and ultimately enabling them to forge a political federation. The common market protocol, signed on Nov. 20 by all EAC heads of state, will expand the bloc's five-year-old customs union to enable the free movement of people, capital and services and abolish import duties. The EAC encompasses 126.6 million people with a combined gross domestic product of \$73 billion and aims to adopt a shared currency by 2012.

[Full article](#)

BMW to invest in Mexican auto parts. *Business Week*

Bayerische Motoren Werke AG, the world's largest maker of luxury cars, said it plans to spend about 2 billion euros (\$2.4 billion) on auto parts from Mexico beginning in 2012. BMW is purchasing more supplies outside Germany as part of a goal to lower costs by more than 4 billion euros by 2012 and reduce the effect of foreign currency swings on earnings. For Mexico, the BMW initiative would help President Felipe Calderon's plan to increase foreign investment at a time when the country's share of North American auto production may rise at a quicker pace as

U.S. automakers seek lower labor costs.

[Full article](#)

Comac: competitor to Airbus and Boeing. *Business Week*

China is fast learning the ABCs of aircraft manufacturing: A as in Airbus, B as in Boeing, and C as in the Commercial Aircraft Corp. of China, or Comac. Approved in February 2007 by the State Council, China's cabinet, Comac's mission is to produce homegrown jumbo jets and by 2020 to become the third major player in the worldwide commercial aircraft industry.

[Full article](#)

EU: countries who flout economic rules will be fined. *AP*

The European Commission proposed new economic rules that would include fines and loss of EU funding for countries that keep running up deficits and debts. Olli Rehn, the European commissioner for economic and monetary affairs, said the recession and the near-bankruptcy of Greece exposed the interdependence of national economies and the vulnerability of individual governments.

[Full article](#)

June 29

Dollar replaced as international currency. *CNN.com*

The use of the dollar for international trade came under increasing scrutiny when the U.S. economy fell into recession. "The dollar has proved not to be a stable store of value, which is a requisite for a stable reserve currency," the United Nations Department of Economic and Social Affairs report said. Many countries, in Asia in particular, have been building up massive dollar reserves. As a result, those countries' currencies have become undervalued, decreasing their ability to import goods from abroad.

[Full article](#)

Google and the E-book market. *New York Times*

Google plans to introduce its long-awaited push into electronic books, called Google Editions. It is on the verge of completing a deal with the American Booksellers Association, the trade group for independent bookstores, to make Google Editions the primary source of e-books on the Web sites of hundreds of independent booksellers around the country, according to representatives of Google and the association. The Google deal could give them a foothold in this fast-growing market and help them keep devoted customers from migrating elsewhere.

[Full article](#)

Google makes changes to China access. *Forbes.com*

Google Inc. will stop automatically routing users in China to its Hong Kong site after Beijing threatened the company with the loss of its Internet license in their latest skirmish over censorship. Under the new measure, instead of being automatically switched to Hong Kong, visitors to Google.cn see a tab that says, "We have moved to google.com.hk." Clicking on that takes users to the Chinese-language site in Hong Kong, which is Chinese territory but has Western-style civil liberties with no

Internet filtering.

[Full article](#)

China, Taiwan sign historic trade deal. *CNN.com*

Mainland China and Taiwan signed a historic free-trade agreement that is expected to strengthen ties and reduce the potential for cross-strait tensions. Under the Economic Co-operation Framework Agreement, or ECFA, China will cut tariffs on 539 items from Taiwan valued at \$13.8 billion, or about 16% of the island's 2009 exports to the mainland.

[Full article](#)

Corporate tax rate declines again in Europe. *Business Week*

European governments cut corporate taxes in 2010, continuing years of decline in taxation on capital and a shift towards taxes on consumption, and, to a lesser extent, labor. Across the board, EU states charged an average of 37.5% in income tax last year, up slightly from the 37.1% they charged in 2009, according to the annual survey of tax rates by Eurostat, the EU's statistical office.

[Full article](#)

Merkel: Germany an economic model for the world. *Business Week*

Germany's chancellor said Tuesday that the basic principles of the country's social market economy should be followed around the world. The lack of regulation that led to the financial crisis with its disastrous consequences has shown the need for strong guiding principles, Angela Merkel said.

[Full article](#)

June 28

Africa: a thriving economy. *Business Week*

Almost unnoticed, signs of economic life have begun to stir in that most unlikely of places, Africa. Despite its riches in natural resources and geographic proximity to Europe, Africa has been a perennial laggard on the global economic scene. Mention the phrase "emerging economies," and most people rightly think of Asia and Latin America. Few look to Africa as an economy of the future.

[Full article](#)

G-20 agrees to cut debt, but divided on how. *Wall Street Journal*

The wealthiest of the Group of 20 countries said they would halve their government deficits by the year 2013 and "stabilize" their debt loads by 2016, a signal to international markets and domestic political audiences they are taking seriously the need to wean themselves from stimulus spending. The meeting's concluding statement, a compromise between two competing visions of the international economy, masked divisions between the U.S. and Europe evident in the run-up to the summit. The U.S. has warned that moving too fast to cut deficits and reduce stimulus spending could risk another global recession. European nations, especially Germany, have cautioned that moving too slowly could produce unsustainable debt loads, higher interest rates and even defaults.

[Full article](#)

Saudi GDP expected to grow 4% in 2010. *iMarketnews.com*

The recovery in Saudi Arabia's economic activity is gathering pace, with renewed strength in corporate finance flows. Inflation is expected to remain manageable, and the fiscal and balance of payments' outlooks are comfortable, the Samba Financial Group said. In a separate report, the National Bank of Kuwait, its largest financial institution, warns that weaknesses in finance, property and construction sectors of the United Arab Emirates will persist, causing economic growth to be "sub-par" for the next two years.

[Full article](#)

Kenya to record economic boom this year. *The East African*

Kenya is on the verge of registering a new economic boom, after major shocks caused by the post-poll violence and the global financial crisis in 2008 and 2009 respectively. Now economists say the country could lead the continent following the resurgence of its economy late last year, as a result of mild recovery in trade catalyzed by a sharp fall in oil prices.

[Full article](#)

UK to cut number of skilled workers from outside EU. *BBC News*

The number of skilled workers allowed into the UK from outside the EU is to be cut by 1,300, Home Secretary Theresa May has said. Immigration had been a "key issue" during the election campaign and it was important to "deliver on promises made," she added.

[Full article](#)

EU delays action on Carbon Tax. *Business Week*

European commissioners are in a holding pattern over whether to introduce a tax on carbon across the EU, a proposal that if backed by the EU executive could prove to be one of the most controversial and bitterly fought over pieces of legislation Brussels has mooted in years. Under initial proposals by taxation commissioner Algirdas Semeta, from 2013, sources of greenhouse gases that are not currently covered by the EU's flagship environmental endeavour, the Emissions Trading Scheme (ETS), sectors such as agriculture, as well as transport and households, would see a flat, minimum fee of between €4 and €30 per ton.

[Full article](#)

June 27

Spain, Portugal battle over Brazilian joint venture. *New York Times*

Telefónica of Spain and Portugal Telecom are battling for control of their Brazilian wireless joint venture in a tussle that could determine which of the flagship companies realizes its global ambitions. The result will have particularly important consequences for Portugal Telecom, whose push overseas has hinged on Brazil, a booming emerging market and a former Portuguese colony.

[Full article](#)

Guinea holds first free election since 1958. *CNN.com*

Voters in Guinea cast ballots Sunday in the first free election since the west African

nation gained independence in 1958. With successful elections, a democracy will be born, and all Guineans together will have together taken a giant step forward," the U.S. ambassador to the country, Patricia Newton Moller said. The country has been ruled by a series of authoritarian and military dictators since it gained independence from France, its former colonial master.

[Full article](#)

PM Gillard speaks of slow Australian population growth. *Business Week*
ulia Gillard, who last week replaced Kevin Rudd as Australian prime minister, may move to slow Australia's population growth amid concerns about failing infrastructure and the nation's environment. "Any reduction to our nation's rate of population growth puts at risk the very things that have made Australia what it is today," Taskforce Chief Executive Officer Aaron Gadiel said in e-mailed comments today. "As our population ages, without a strong immigration program we can expect significant labor shortages in key parts of our economy, including major capital cities."

[Full article](#)

Israel's MA Industries buys U.S. herbicide company, Albaugh Inc. *New York Times*

Makhteshim Agan Industries, an agrochemical company based in Israel, will buy Albaugh Inc., a maker of herbicide based in Iowa, for about \$1 billion. "This is a transformational acquisition," Erez Vigodman, president and chief executive of MA, said in a statement. "It extends our industry leadership to North and South America, giving us the opportunity to participate in fast-growing markets and significantly improving the global balance and diversity of our revenue sources."

[Full article](#)

BP's Hayward meets Putin Deputy in Moscow. *Business Week*

BP Plc Chief Executive Officer Tony Hayward will meet with Russian Deputy Prime Minister Igor Sechin to discuss the British company's operations in the country as it struggles to contain the largest oil spill in U.S. history. "BP has a fabulous portfolio here," Renaissance Capital Chief Executive Officer Stephen Jennings said. "They have paid their dues and built up credibility and experience," Jennings said. The commitment to Russia "will hold them in good stead at a time when they have challenges in the U.S."

[Full article](#)

Hong Kong reforms election process. *The China Post*

Yesterday marked a historic day in Hong Kong politics and one that will have substantial impact on China's difficult relationship with democracy. Lawmakers of Hong Kong's Legislative Council Thursday and yesterday passed two parts of the government's controversial plan to reform the 2012 elections of the chief executive and lawmakers. It provides two possible ways of choosing the chief: by election, or through consultations held locally and appointed by the Beijing government.

Currently the chief executives are selected by the latter.

[Full article](#)

June 26

Burundi's high stakes election. *Time.com*

When Burundi goes to the polls on June 28, it will be the first of four countries in the East African Community (EAC) to hold presidential elections over the next eight months. Neighboring leaders and international observers were hoping the war-torn country would set a positive precedent for the others in the EAC, an intergovernmental organization intended to create political and economic link between countries that include Rwanda, Uganda, Kenya, and Tanzania, and complete its transition to democracy in the process.

[Full article](#)

EU agrees on illegal timber prohibition. *TTJ*

Informal negotiations between the European Parliament and European Council have secured the prohibition of illegal timber in the European market within draft regulations, a European Parliament spokesperson has confirmed. Until now the Council had not supported prohibition – the criminalising of illegal timber imports into the EU. "This is fantastic news and represents a first in that the government, NGO community and trade in the UK have all lobbied for the same position for the inclusion of a prohibition," said Rachel Butler, Timber Trade Federation head of sustainability

[Full article](#)

June 25

Russia, U.S. pledge stronger economic ties. *CNN.com*

President Barack Obama and visiting Russian President Dmitry Medvedev pledged cooperation on stronger economic ties Thursday, announcing a deal for Russia to again accept U.S. poultry exports and touting U.S. support for Russia's bid to join the World Trade Organization. Faced with the continuing struggle to recover from the global economic recession, nuclear ambitions of Iran and North Korea, terrorism threats and other major issues, Obama and Medvedev said the world needed a strong U.S.-Russian relationship in the 21st century.

[Full article](#)

Argentina's economy expands rapidly. *Reuters.com*

Latin America's No. 3 economy has rebounded from a sharp slowdown last year, driven by increased consumer spending and demand for Argentine-made cars in neighboring Brazil. "Argentina's economic activity has returned to levels before the outbreak of the economic crisis," the consultancy group Economia y Regiones said in a report.

[Full article](#)

China lets currency hit a high against Dollar. *New York Times*

As global leaders assembled for a meeting in Canada over the weekend, China allowed its currency to close Friday at the strongest level against the dollar since currency policies were overhauled in 2005. Small as that may seem, the rate changes have been highly significant. Beijing has faced mounting pressure from

abroad to let the renminbi strengthen against the dollar, and its decision to begin at least a small rise could take some of the sting out of the contentious currency issue as leaders of the Group of 20 meet in Toronto.

[Full article](#)

The future: Natural Gas. *Forbes.com*

Natural gas is probably the more important to the future economy of United States and maybe the world. There is plenty of it in the U.S., it's cleaner than the two biggest energy sources, coal (for electricity) and oil (for transportation), and it has the potential to at least partially displace both of them. Its importance is parsed in great detail in a report released today by MIT called "The Future of Natural Gas." The report's findings won't be a surprise to the likes of ExxonMobil, which agreed to buy the natural gas company XTO Energy, becoming the world's largest natural gas player.

[Full article](#)

Banks likely to offset impact of new laws. *New York Times*

Banks are expected to find ways to offset the impact of the new financial regulations on their earnings, though they face a potentially complex process of adapting to the new requirements. "The terms of this regulation appear to be extremely onerous on the large banks," said William Fitzpatrick, an equities analyst. "It is indeed a tough bill and you are going to see several measures that are going to weigh on the profitability of the large banks."

[Full article](#)

June 24

Bluefin Tuna: another possible BP casualty. *Business Week*

Bluefin is a mainstay of any sushi restaurant in Tokyo, and the giant fish, sometimes weighing more than 500 pounds, is the king of Tsukiji. BP's spill is billowing near one of two spawning grounds for the Atlantic variety of bluefin (the other is in the Mediterranean). For now, fishmongers in Tsukiji say they're not worried about the effect the BP disaster will have on the bluefin population.

[Full article](#)

Toyota replaces Europe and North America managers. *Business Week*

Toyota Motor Corp. is moving aside Japanese managers in Europe and North America in favor of local managers. "The aim is to put in place management structures capable of more rapidly and accurately grasping local conditions and identifying local needs," a statement released Thursday said. "Taking both a medium- and long-term view, (Toyota) has long fostered local personnel in overseas markets."

[Full article](#)

EFTA signs in Ukraine as member. *Kyiv Post*

Ukraine's Foreign Minister Kostiantyn Hryshenko has signed an agreement on free trade with the European Free Trade Association (EFTA), which unites Iceland, Liechtenstein, Norway and Switzerland. "We believe that this agreement is one of

the greatest achievements of Ukraine's membership in the WTO. The signing of this document is particularly important, given the Euro-Atlantic aspirations of our country. I am convinced that the efficient implementation of the agreement will promote Ukraine's integration into the European economic and political space," Hryshenko said.

[Full article](#)

Somaliland prepares for second presidential election. *VOAnews.com*

Over one million eligible voters go to the polls on Saturday in the break-away enclave of Somalia, Somaliland. It's the second presidential election since the area unilaterally declared its independence nearly 20 years ago. All of the parties are committed to boosting trade and private enterprise, though Walls says the government is limited in what it can do.

[Full article](#)

Vancouver's real estate market bubble. *Business Week*

The Olympics are over, and the Village is for sale. The complex in Vancouver, British Columbia, that housed the athletes during the 2010 Winter Olympics has been converted into 1,100 luxury condos. "Real estate is like a sport here," says Tracie McTavish, president of Rennie Marketing Systems, which is overseeing the sale of Millenium Water. In the last 12 months alone, the average home price has risen 14%, to around C\$1 million.

[Full article](#)

June 23

Clash of the World Cup corporate logos. *Business Week*

The 2010 World Cup is as much a clash of logos, as it is the world's best soccer players. Adidas and Nike are in a battle for consumer attention, and money. Nike's approach has always been to use celebrity to sell. It has a corporate history of sponsoring the biggest names in sports, however the World Cup is different. Rival Adidas is already the official sponsor, so how will Nike capitalize?

[Full article](#)

New Zealand economic growth fastest in 2 years. *Business Week*

New Zealand's economy has chalked up four successive quarters of growth, taking the annual rate to 1.9%, it's fastest in two years, official figures show. Gross domestic product grew by 0.6% through March, with primary sector industries growing 1.7% and manufacturing activity up 1.6% in the latest quarter.

[Full article](#)

Export duty halts signing of agreement with EU. *Kuwait Times*

Export duty is one pending issue that needs to be resolved before an EU-GCC free trade agreement is signed, disclosed Tomas Dupla del Moral, Middle East and south Mediterranean External Commissioner with the European Commission. According to Dupla del Moral, the comprehensive Free Trade Agreement will benefit both the Gulf region and the EU as it aims to create a preferential relationship between the EU

and the GCC in line with WTO principles and disciplines.

[Full article](#)

June 22

California global warming law placed on ballot. *AP*

An initiative that seeks to suspend California's landmark global warming law until unemployment drops qualified Tuesday for the November election ballot. Oil companies funded the drive to put the initiative on the ballot. It is backed by some business groups who say the law could cost jobs and lead to higher energy prices, though other businesses oppose the initiative.

[Full article](#)

Afghan parliamentary list announced. *News.xinhuanet.com*

Fazal Ahmad Manawi, the Chief of Afghan Independent Election Commission (IEC), announced the finalized list of Afghanistan's second parliamentary election since the fall of Taliban regime in late 2001. "Based on the law electoral timeline for upcoming legislative election, today I officially announce the finalized list of Wolesi Jirga or Lower House of parliament contesters which include 2,577 candidates with 405 of them women," Manawi said.

[Full article](#)

June 21

Peru, U.S. trade could grow 250% by 2015. *Peruvian Times*

Bilateral trade between Peru and the United States could grow by 250% by 2015 thanks to a free trade agreement between the countries, according to the U.S. Undersecretary of Commerce for International Trade, Francisco Sánchez. "It is still early to measure the achievements from the trade agreement but with all of the FTA's the United States has signed, the commercial exchange has grown considerably between both countries," reported Sánchez as saying.

[Full article](#)

Russia cuts gas deliveries to Belarus. *New York Times*

Russia cut deliveries of natural gas deliveries to Belarus over \$200 million in unpaid debts on Monday, warning that supplies would be reduced by as much as 85% over the coming days, but taking pains to assure Europe that its customers would not be affected. "We will pay, not today perhaps, but possibly within two weeks," said the first deputy prime minister, Vladimir Semashko, at a news conference in the capital, Minsk. "We will find a way. Maybe we will have to borrow, but we will pay."

[Full article](#)

India sees double digit growth by 2013. *AFP*

The Indian economy, Asia's largest after Japan and China, is accelerating and could reach double-digit growth by 2013, Indian Trade Minister Anand Sharma said during a visit to Spain. "We need to do that because we are a country of paradoxes. We have the largest middle class perhaps in the world, equal to the population of all of Europe put together, and at the same time we are also home to a large number

of poor people."

[Full article](#)

Israel eases restrictions for supplies on Gaza Strip. *Business Week*

Israel agreed to ease its three- year-old blockade of the Gaza Strip and allow all food items and a wider range of building supplies into the Hamas-ruled territory while banning materials that have military use. The decision to ease restrictions follows international criticism of the blockade after Israel's May 31 commando raid on a flotilla of ships trying to breach the embargo in which nine pro-Palestinian activists from Turkey were shot dead.

[Full article](#)

June 19

Poland prepares for presidential election. *The Straits Times*

Poland prepared Saturday for a snap election forced by the air-crash death of president Lech Kaczynski, with his identical twin bidding to replace him but trailing the ruling liberals' candidate. Ex-prime minister Jaroslaw Kaczynski, eurosceptic leader of the twins' Law and Justice party, is scrambling to maintain a conservative presidency and keep the brakes on the policies of the governing, pro-EU Civic Platform party.

[Full article](#)

Russia, France vow to promote role of G20. *Business Week*

French President Nicolas Sarkozy says he will work with Russia to give developing nations a larger role in the debate over how to regulate the global economy. Russian President Dmitry Medvedev says he agrees with Sarkozy and that the G20, a grouping of 20 prominent wealthy and developing nations, is the most promising and effective institution created in the 21st century.

[Full article](#)

China allows its currency to float. *CNN.com*

President Barack Obama welcomed Saturday's news that China's central bank will allow its national currency to float ahead of the G-20 summit in Toronto, Canada, next week. "China's decision to increase the flexibility ... is a constructive step that can help safeguard the recovery and contribute to a more balanced global economy," the president said in the statement.

[Full article](#)

June 18

Danone merges Russian Dairy Business with Unimilk. *Business Week*

Groupe Danone SA, the world's largest yogurt maker, will combine its Russian dairy-product unit with OAO Unimilk to become the biggest dairy company in that market. Russia will become Danone's second-biggest market after the deal, Chief Financial Officer Pierre-Andre Terisse said on a conference call. Food companies are expanding in Russia to tap demand as an economic rebound leads consumers to switch to higher-end branded products. Nestle SA, the world's largest food

company, said this week it will build a factory in Russia for Maggi-brand items.

[Full article](#)

Russia to scrap profit tax for foreign investors. *Forbes.com*

Russia will scrap the capital gains tax on long-term foreign investment next year in order to create a much-needed "investment boom," President Dmitry Medvedev told a gathering of foreign businesses. Medvedev also vowed to loosen the state's stranglehold on the economy by introducing more competition and - in a sharp reversal to the policies of his predecessor Prime Minister Vladimir Putin - reducing the number of state-controlled enterprises fivefold.

[Full article](#)

South Africa's booming art market. *CNN.com*

In recent years, African artists have seen their work increase in value as they attract global investors. Prices for major South African art are estimated to have increased by over 500 percent in the past five to 10 years, according to the auction house.

[Full article](#)

Russia to help spur economic news. *Business Week*

Russia will help lead efforts to recast the global economic hierarchy as the world emerges from the financial crisis, President Dmitry Medvedev said. Russia will use tax incentives and other free-market economic policies to turn the country into a destination for innovators from around the world. Medvedev is promoting modernization to transform Russia from an oil-and-gas economy into a magnet for high technology.

[Full article](#)

IMF says Spain taking right steps toward stability. *BBCnews.com*

Dominique Strauss-Kahn said he was "confident" Spain's economy would recover and called on all Spaniards to back the government's austerity work. "I am really confident in the medium and long-term prospects for the Spanish economy, providing the efforts that have to be made will be made," he added.

[Full article](#)

Panama relaxes environmental, labor laws. *Reuters.com*

Some major Panamanian construction projects could begin without knowledge on how they might harm the environment and employers would gain an advantage in the event of a strike under legislation enacted this week. President Ricardo Martinelli's political allies in Congress passed the reforms in a move that could spur public works and please employers but increase opposition to the government's infrastructure plans.

[Full article](#)

Codelco may sell debt to finance investment. *Business Week*

Codelco, the world's biggest copper producer, said it will probably tap bond markets this year to finance investments after Chile's government opted not to reinvest the state-owned company's profit. The company, which supplies about 10% of the

world's mined copper, needs to fund a \$15 billion investment program over the next five years. The Chilean government is seeking to raise \$8.4 billion to help pay for the reconstruction of infrastructure damaged in February's 8.8-magnitude earthquake.

[Full article](#)

Iceland to join EU. *Business Week*

European leaders have finally given the green light for Iceland to begin EU accession negotiations, but the Dutch Prime Minister has indicated it will be hard for the country to join if it does not pay for losses incurred in the Icelandic banking collapse. The European Council "notes that Iceland meets the political criteria set by the Copenhagen European Council in 1993 and decides that accession negotiations should be opened," says the text.

[Full article](#)

June 17

Estonia joined the EU. *New York Times*

Estonia joined the Euro zone regardless of the debt crisis that appears to be spreading from Greece to Spain. "Joining the euro is a status issue for countries seeking to cement their position at Europe's top table," said Simon Tilford, the chief economist for the Center for European Reform, a research organization based in London. "But you also could call it sheer bloody-mindedness of Estonia to join now with the outlook for the currency so uncertain."

[Full article](#)

Vietnam ready for investors. *Business Week*

Explosive wage growth and labor strife in China and India, favored destinations for foreign investment in Asia, have multinationals taking a serious look at Vietnam as a low-cost alternative for new factories and call centers. Vietnam's \$96 billion economy is far less centrally controlled than last decade, and the country, which boasts one of the youngest workforces in the world, managed to gain membership in the World Trade Organization in 2007.

[Full article](#)

Brazil suspends retaliation in U.S. cotton. *Reuters.com*

Brazil on Thursday suspended retaliatory measures against U.S. goods over a cotton subsidy dispute, freezing until 2012 a long-running row that has demonstrated the South American nation's trade clout. The government said a deal agreed between the two countries in April to head off up to \$829 million in World Trade Organization-sanctioned retaliation against U.S. goods would stay in place until a new U.S. farm bill is passed. Under the deal, the United States pledged to make some short-term tweaks to its export credit guarantees and give Brazil about \$147 million a year in damages for a "technical assistance" fund for cotton growers.

[Full article](#)

AOL sells social media website, Bebo. *New York Times*

AOL sold Bebo, the struggling social networking site, to Criterion Capital Partners, a

private equity fund based in Los Angeles, for a fraction of what AOL paid for the site two years ago. AOL once had high hopes that Bebo would help it to regain momentum, especially with younger audiences and advertisers, and to catch other fast-growing Internet franchises. At the time, it was popular in Britain.

[Full article](#)

U.S. pushes for transparency in China trade practices. *Detnews.com*

Sen. Debbie Stabenow, D-Lansing, is expected to announce her China Fair Trade Act this afternoon. The legislation would halt U.S. government spending on Chinese goods and services until the Asian nation meets certain criteria laid out in the act. A document outlining the bill's objectives obtained by The Detroit News shows the legislation seeks to curb China's access to the \$1.7 trillion spent each year on procurement by the U.S. government. Specifically, the bill would ban taxpayer dollars from being spent on Chinese goods and services until China signs on to the World Trade Organization's Agreement on Government Procurement.

[Full article](#)

New Arbitration laws for Australia. *Newlawyer*

Attorney-General, Robert McClelland, has welcomed the passage of Amendments to the International Arbitration Act, which he said will help make Australia "a significant player in the booming international commercial dispute resolution market". By creating a more uniform framework for regulating commercial arbitration, the reforms to the International Arbitration Act and the domestic Commercial Arbitration Acts will be an important driver in establishing Australia as key centre for international arbitration, the A-G said.

[Full article](#)

ProMexico hires lawyer to get advice on business between China, Mexico.

EarthTimes

ProMexico, the government institution responsible for strengthening Mexico's participation in the global economy, recently entered into an exclusive agreement with Diaz, Reus & Targ, LLP to serve as legal advisors to the Mexican delegation during the World Expo in Shanghai, China. The firm will offer advice to Mexican investors looking to do business in China, and vice versa.

[Full article](#)

Poland preparing for early election this year. *Voanews.com*

Poland is preparing to elect a new president, with a center-right and far-right candidates in the lead. The election is being held earlier than originally scheduled, following the death of Polish President Lech Kaczynski in a plane crash. To win the election, one of the candidates must secure at least 50% of the vote.

[Full article](#)

June 16

BP to pay \$20 billion to the U.S. for damages. *Business Week*

BP Plc tentatively agreed to put about \$20 billion over time into a fund to pay damages resulting from the Gulf of Mexico oil spill, with claims administered by the

lawyer who oversaw executive compensation under the government's financial bailout. In a nationally televised address last night, President Obama vowed he would make BP set aside however much is needed to "compensate the workers and business owners who have been harmed as a result of his company's recklessness."

[Full article](#)

Nokia, competition, and its profit. *New York Times*

The cellphone maker Nokia warned that its earnings this year would be hit by tough competition from rivals in the smartphone market. While it is still a global leader in smartphones, it is struggling to compete in the expensive segment with rivals like Apple, maker of the iPhone, and Research in Motion, which makes BlackBerry handsets.

[Full article](#)

Australia's proposals on taxpayer elections. *Tax-news.com*

With a view to simplifying the income tax law and cutting red tape, Australia's Assistant Treasurer, Nick Sherry, has released a wide-ranging consultation paper in relation to individuals and businesses making 'elections' in their tax affairs. In the 2009-10 budget, the government announced its intention to simplify the law by reviewing the design of election provisions with a view to increasing consistency and reducing uncertainty in relation to these provisions for both individuals and the business community.

[Full article](#)

Biofuels add \$2 billion to Canadian economy annually. *Biodiesel Magazine*

The Canadian Renewable Fuels Association released in May the first-ever comprehensive third-party economic impact assessment of renewable fuels investments in Canada. The assessment conducted by econometric firm Doyletech Corp. concluded that, "The grand total of the annual positive economic impact of renewable fuels is \$2.013 billion." The economic impact of the construction phase of renewable fuels plant was assessed to include the creation of 14,177 direct and indirect jobs, while the economic impact of operating the 28 Canadian renewable fuels plants was assessed to include the creation of a net 1,038 direct and indirect jobs annually.

[Full article](#)

Bahrain, U.S. agreement to boost bilateral ties. *Zawya*

Bahrain has signed deals in Atlanta, Oklahoma City and Houston that will boost already strong commercial and economic ties between the Kingdom and United States. Shaikh Mohammed said: "These strategic agreements represent an opportunity to build on Bahrain's longstanding and close diplomatic relationship with the US and our strong economic and trade connections, including the success of our Free Trade Agreement.

[Full article](#)

Asia imposes curbs to slow expanding property bubbles. *Business Week*

From Shanghai to Singapore, policy makers are struggling in their efforts to curb property bubbles that threaten to derail the world's fastest-growing region.

"Governments allow the property bubble to get so big and then try to use administrative measures to keep out speculators," said Andy Xie, former Morgan Stanley chief economist for Asia-Pacific and now a private economist based in Shanghai. "It creates the risk of a very hard landing. The right thing to do is raise interest rates."

[Full article](#)

Spain and France take action to decrease budget. *New York Times*

Under pressure from anxious lenders, the French government took steps to help reassure markets about its creditworthiness, announcing that it would raise the retirement age and increase income taxes on the rich to help rein in its budget deficit. The Spanish government, also facing concerned investors, proposed loosening labor rules on Wednesday in a bid to restart its stalled economy.

[Full article](#)

Indonesia to manage capital, curb rupiah swings. *Business Week*

Indonesia's central bank will reorganize its bill sales to encourage investors to keep their money in Southeast Asia's largest economy for longer, joining regional policy makers in seeking to reduce currency volatility. The rupiah has risen 12% against the dollar in the past year, the biggest gainer in Asia, as investors poured money into an economy where the benchmark interest rate is 6.5%, compared with Japan's 0.1%.

[Full article](#)

June 15

China property bubble to burst quickly. *Business Week*

The "bubble" in China's property market is going to burst very quickly, with prices set to fall as much as 20% in the next 12 to 18 months, according to Nomura Holdings Inc. "If you look at housing prices to disposable income in Beijing and Shanghai, they are 13, 14 times," said Sun, whose team was ranked third in Institutional Investor's 2010 Asian poll for China research. "There's no way you can say there's no bubble."

[Full article](#)

Marfrig buys Keystone to expand and diversify. *Business Week*

Marfrig Alimentos SA, Latin America's second-largest beef producer, agreed to buy meat processor Keystone Foods LLC for \$1.26 billion to become a supplier to restaurant chains such as McDonald's Corp. "The acquisition is part of a broader protein and geographical diversification project being implemented by Marfrig," Fabio Monteiro and Thiago Duarte, two Banco BTG Pactual SA based in Sao Paulo said.

[Full article](#)

Taiwan expects ECFA to restructure cross strait economy. *CRIEnglish.com*

Taiwan experts and local officials expect a cross-Strait economic pact likely to be reached soon to redistribute resources and restructure the economy across the Taiwan Strait. The Economic Cooperation Framework Agreement, or ECFA, will send

the signal that economic relations across the Strait will steadily develop. The ECFA is intended to normalize mainland-Taiwan economic ties and bring the two economies closer.

[Full article](#)

Chile may increase rates to improve economy. *Business Week*

Chile's central bank will probably raise its benchmark interest rate from a record low as the economy's fastest expansion in more than a decade pushes inflation back up toward policy makers' target. "Monetary policy is extremely expansive at 0.5 percent and we need to correct that," Manuel Agosin, dean of the economics and business department at the University of Chile in Santiago, said. "The probability of there being an increase in the rate is almost 100 percent."

[Full article](#)

Brazil economy to expand 7.7% in 2010. *Business Week*

RBC Capital Markets increased Brazil's economic growth outlook for 2010 to 7.7% from 6% after a "solid start" this year. Brazil's statistic agency said that Latin America's largest economy grew 9% in the first quarter from a year earlier, the fastest annual rate since 1995.

[Full article](#)

Polish presidential election after death in April. *BBC News*

Polish citizens will cast their ballots this Sunday in a particularly emotional presidential election. The election was called after the death of president Lech Kaczynski in a plane crash in Russia on 10 April. Among the candidates to replace him is his twin brother Jaroslaw Kaczynski, from the Law and Justice party.

[Full article](#)

Nestle take IP legal action against Sara Lee. *Business Week*

Nestle SA, the world's biggest foodmaker, began legal action against Sara Lee Corp. in France for alleged patent violations on its Nespresso coffee-making system. Sara Lee started selling L'OR Espresso capsules that are compatible with Nespresso single-serving coffee machines in French stores in April. Nestle "will always take appropriate steps to defend our intellectual property rights when these have been infringed," the Vevey, Switzerland-based company said.

[Full article](#)

Canada, Panama Free Trade Agreement. *Blakes.com*

Canada and Panama signed the Canada-Panama Free Trade Agreement (CPFTA), which is intended to significantly increase access for Canadian businesses to bids on Panamanian government procurement relating to infrastructure. In particular, the CPFTA is intended to provide increased market access to a number of contracts awarded by Panama's central government, such as access to contracts of goods, services and construction services, including contracts awarded by the Panama Canal Authority (ACP) relating to the US\$5.4-billion Panama Canal expansion project that is currently underway.

[Full article](#)

News Corp bids for BSkyB, plans to charge for news content. *New York Times*

News Corp., which Mr. Murdoch heads as chief executive, offered £7.8 billion, or \$11.5 billion, to buy the 61% of BSkyB that it did not already own. The offer was rejected, but BSkyB said it would be willing to accept a slightly higher bid, and analysts said they expected the two companies to reach an agreement. Rupert Murdoch underlined his commitment to the idea that consumers should pay for news and entertainment, as his media empire moved to take full control of the pay-television company British Sky Broadcasting.

[Full article](#)

June 14

To increase business, Starbucks offers free Wi-Fi. *New York Times*

The company said on Monday that as of July 1, its stores in the United States would offer free Wi-Fi, via AT&T, that anyone can reach with a single click. Starbucks has been squeezed lately by competition from both independent specialty coffee shops, which have long offered free Wi-Fi, and big chains like McDonald's, which added it this year.

[Full article](#)

ACTA restricts developing countries, India tells WTO. *Out-Law.com*

The Anti-Counterfeiting Trade Agreement (ACTA) is a secret IP treaty being negotiated by the US, Japan, the European Commission and others outside of the normal international trade bodies the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO). A secret trade agreement designed to harmonize some countries' intellectual property laws could destabilize existing international agreements and harm the economic prospects of developing countries, India has said. In a document submitted to the WTO last week, though, India argued that in going further than TRIPS, ACTA undermined not only the WTO and its agreements, but the very basis of some elements in developing nations' economies.

[Full article](#)

Iran to begin work on enrichment plant in 2011. *Global Security Newswire*

Iran plans to start work by next March on a second uranium enrichment facility. The Middle Eastern state has maintained that its nuclear program is strictly peaceful, but the United States and other Western powers have expressed concern that Tehran could tap its enrichment capability to produce highly enriched uranium for nuclear weapons. The nation's leaders have endorsed plans for 10 enrichment facilities in addition to its existing site at Natanz.

[Full article](#)

Spirit strike continues to cancel flights. *NPR*

The discount carrier said on its website Sunday that all Spirit Airlines flights have been cancelled through June 15. Spirit pilots walked off the job Saturday amid an ongoing contract dispute with the airline that has lasted for more than three years. Spirit pilots have said their pay lags behind competitors such as AirTran Airways

and JetBlue.

[Full article](#)

June 13

U.S. identifies history changing mineral deposits in Afghanistan. *New York Times*

United States has discovered nearly \$1 trillion in untapped mineral deposits in Afghanistan, far beyond any previously known reserves and enough to fundamentally alter the Afghan economy and perhaps the Afghan war itself. The previously unknown deposits, including huge veins of iron, copper, cobalt, gold and critical industrial metals like lithium, are so big and include so many minerals that are essential to modern industry that Afghanistan could eventually be transformed into one of the most important mining centers in the world, the United States officials believe.

[Full article](#)

BP offers to appease Americans for oil spill. *The London Times*

BP is considering putting several billion dollars into a ring-fenced clean-up fund to appease American concerns over the soaring cost of the Gulf of Mexico oil spill. BP's directors are discussing a reduction in dividend payments as part of a peace offering to Obama, who has made stinging attacks on the group and its management. Company sources said directors were not likely to axe the payout completely and were trying to find a middle way. "They know it can't be business as usual."

[Full article](#)

Trans Pacific Partnership talks reinitiated. *SFGate*

The importance of Asian trade will be brought home to San Francisco in the coming week as the Obama administration reopens talks here with seven nations - Australia, Brunei, Chile, New Zealand, Peru, Singapore and Vietnam - to continue negotiations on what Bush officials had called the Trans Pacific Partnership. Deputy U.S. Trade Representative Demetrios Marantis noted that the Asia-Pacific region was "home to over 40 percent of the world's population ... accounts for more than half of global economic output and almost half of world trade."

[Full article](#)

With hiring occurring, China's Honda strike ends. *New York Times*

A strike at a Honda auto parts factory here in southeastern China collapsed on Monday morning, as Honda's hiring of hundreds of replacement workers on Sunday prompted most of the strikers to return to work. Replacement workers and returning employees here are receiving 11% higher pay and a 33% rise in allowance for food and housing. The combined increase in wages and benefits was less than the near doubling of wages alone that the strikers had sought.

[Full article](#)

Right-center opposition ahead in Slovakia Parliament elections. *Taiwan News*

The center-right opposition came out ahead in parliamentary elections in Slovakia, dealing a blow to a ruling party that had promised to maintain the country's welfare state as other European countries hack their budgets. The country's debt, at 41% of gross domestic product, is still well below the EU's prescribed 60% and analysts have warned that a new government may not be able to meet the 2010 budget deficit target of 5.5% of GDP.

[Full article](#)

China, Taiwan hold trade talks, improve historic relations. *Business Week*

China and Taiwan held a third round of talks to strengthen economic and trade ties, reaching a basic agreement on goods, services and industries chosen for initial tariff cuts. "Signing the ECFA is a route that Taiwan must take and it is a milestone," Liu Bih-rong, a professor of political science at Soochow University in Taipei, said by phone. "It signifies how the relationship between the two sides has recovered and more importantly, it will pave the way for more free-trade agreements and benefits."

[Full article](#)

Socialist, Flemish lead in Belgium elections. *Business Week*

The Socialist Party was leading in the French-speaking Belgian region of Wallonia in today's national elections while a party that foresees the end of the country was leading in the Dutch-speaking northern region of Flanders, exit polls and projections said. The results may make Wallonian Socialist leader Elio Di Rupo the candidate for the post of prime minister after what are expected to be weeks or months of negotiations.

[Full article](#)

South Korea tightens currency derivative rules, cuts risk. *Business Week*

South Korea aims to prevent a financial crisis by tightening rules on currency derivatives to reduce volatility in capital flows and trading of the won. South Korea joins developing nations including Taiwan, Brazil, Colombia and Russia that are tightening rules on capital flows to limit swings in their currencies. The new rules are to reduce systemic risks, which should serve as a safety net to avert a crisis, the government and central bank said.

[Full article](#)

June 12

Nigeria, USA sign renewable energy agreement. *ThisDay Online*

Nigeria and the United States signed an agreement on renewable energy as parts of US commitment to assist Nigeria in tackling the problem of power supply. As part of the agreement signed at the Department of State, Washington DC at the end of high-level talks on Energy and Investment between the two countries, US Trade and Development Agency is providing a grant to the Nigerian Electricity Regulatory Commission to fund technical assistance on a proposed Renewable Energy Independent Power Producer Framework.

[Full article](#)

China, Kazakhstan agree to deepen partnership, cooperation.

news.xinhuanet.com

China and Kazakhstan pledged concerted efforts to further deepen strategic partnership, expand comprehensive cooperation and strengthen coordination on regional and international affairs. Establishing a strategic China-Kazakhstan partnership based on equality and mutual trust was a long-sighted decision of historic significance, which would remarkably contribute to deepening comprehensive cooperation, enhancing friendship between the two peoples and safeguarding regional security, the two leaders said.

[Full article](#)

Belgium votes for leader to heal regional rift, improve economy. *Business Week*

Belgians vote in national elections today, seeking a compromise leader to heal a regional rift and chip away at a government debt threatening economic recovery. Pulling together a coalition may take months as Belgium, home to the European Union headquarters, has no national parties and is divided along linguistic lines.

[Full article](#)

Yahoo looking to buy FourSquare. *Telegraph.co.uk*

Yahoo!, one of the undisputed kings of acquisitions, including the photo-sharing site Flickr, is exploring partnerships, rather than shelling out the staggering \$360m The Huffington Post could sell for, based on its current \$125m valuation. Carol Bartz, Yahoo!'s chief executive and a Silicon Valley veteran, still has the old-school mindset that a company can sometimes buy its way back to relevancy (as she told me in an interview last month) and is believed to be looking at buying FourSquare, the location-based social network, for around £53m.

[Full article](#)

Kiviniemi: Finland's 2nd female PM voted in. *Business Week*

Kiviniemi, who will become Finland's second female prime minister, garnered 57% of the vote by Center Party representatives at the annual meeting in Lahti, Finland today. "The focus must be on the economy," PM Vanhanen said in an interview in Lahti today before his successor was elected. "The new leader must seek sources of new growth and ways to improve productivity."

[Full article](#)

June 11

Reliance Industries to buy Infotel Broadband Services. *New York Times*

Mukesh Ambani's company, Reliance Industries, said that it would pay 48 billion rupees (\$1.02 billion) to buy Infotel Broadband Services, a privately held Indian broadband and wireless company. The move was an abrupt shift for Reliance, which has petroleum-related and retail businesses, and represented a significant investment in the intensely competitive world of Indian telecommunications.

[Full article](#)

Controversy caused by revenue oil bill. *New York Times*

Brazil's Senate has approved a bill that would divide billions of dollars in oil royalties equally among the country's states, threatening the country's largest oil producing state, Rio de Janeiro, with the loss of up to \$4 billion in revenue. A version of the bill, which passed Brazil's lower house in March, would have divided the revenues designated for producer states equally among all states. The revised Senate bill requires Brazil's central government to make up the shortfall to producer states, but officials in those states said they feared a host of bureaucratic headaches.

[Full article](#)

Japan's new PM warns debt could bring Greek like crisis. *New York Times*

Japan's newly installed prime minister startled the nation by warning that it could face a financial crisis of Greek proportions if it does not tackle its colossal debt. "It is difficult to sustain a policy that relies too heavily on issuing debt," Mr. Kan told the Japanese Parliament in his first policy speech. "As we have seen with the financial confusion in the European Community stemming from Greece, our finances could collapse if trust in national bonds is lost and growing national debt is left alone."

[Full article](#)

China inflation increases to a 19 month high. *New York Times*

New data from China cemented the view that the country's giant economy powered ahead in May though a marked rise in inflation also raised the pressure on Beijing to slow the booming pace of growth. Consumer prices rose at their fastest rate in 19 months, at a pace of 3.1% from a year earlier. Also inflation could accelerate if more Chinese workers are successful in their efforts to get higher wages.

[Full article](#)

FTC reviews Apple's business practices. *CNNMoney.com*

The Federal Trade Commission is preparing to review allegations that Apple has shut other companies out of the important new computing platform. The report cited ongoing tensions between Apple and software maker Adobe Systems, which stem from Apple's decision to ban Adobe's Flash video technology from its mobile devices. Apple has also been criticized recently by Google rules that could block the search engine from selling ads on popular devices such as the iPhone and iPad.

[Full article](#)

Santander expects similar profit in 2010. *Business Week*

Banco Santander SA Chairman Emilio Botin told shareholders he expects 2010 profit to be "similar" to last year in a rejoinder to investors that ditched Spanish bank stocks on concern the country may fail to fix its finances. "During this period of crisis, Banco Santander has been the international financial group with the best quality and consistency of profits," said Botin. "I am very optimistic about the outlook for the group."

[Full article](#)

EU and USA sign bank data transfer deal. *Business Week*

The European Commission is close to finalizing a new bank data transfer deal with the US for anti-terrorism purposes, taking on board account "most" of the European Parliament's privacy concerns raised when it struck down the initial agreement. The deal would allow data on EU bank transfers to be sent to US investigators looking for leads on terrorism financing.

[Full article](#)

June 10

Australia pulls out of 2018 World Cup bid. *CNN.com*

Australia has pulled out of the race to stage the World Cup in 2018 and will instead focus their attention on securing the 2022 tournament, FIFA have confirmed. The game's governing body said Football Federation Australia (FFA) had taken the decision after they realized there was "growing movement" to hold the 2018 competition in Europe.

[Full article](#)

Chinese exports climb but may be short term only. *The London Times*

Chinese exports soared by almost 50% last month, as consumers in Europe, the United States and the world's largest emerging economies rediscovered their appetite for cheap clothes and steel. The surge comes amid fractious disputes between Chinese workers and factory owners in what some observers believe could be a reshaping of the country's role as "workshop of the world".

[Full article](#)

New Zealand dollar gained, Australian employment rose. *Business Week*

New Zealand's dollar rose the most in two weeks after the central bank increased interest rates from a record low. Australia's currency gained on better-than-forecast employment data. The kiwi climbed for the first time in four days against the Australian dollar on speculation Reserve Bank of New Zealand Governor Alan Bollard will boost borrowing costs at a faster pace than Australian policy makers. The South Pacific currencies also advanced as reports showed China's trade surged, boosting demand for higher-yielding assets.

[Full article](#)

June 9

Dutch PM resigns after poll project loss. *CNN.com*

Dutch Prime Minister Jan Peter Balkenende resigned Wednesday as leader of the Christian Democratic Alliance after exit polls from the country's national elections projected that his party would lose 20 of its 41 parliamentary seats. Opinion polls earlier had predicted the Liberal Party, led by Mark Rutte, would come out on top. Rutte had promised to lower taxes and dramatically slash government spending to bring the country's budget quickly back to surplus.

[Full article](#)

Tesco's new face of international focus. *The London Times*

Tesco, Britain's biggest retailer, which yesterday announced the departure of Sir Terry Leahy as chief executive, will completely revamp its executive structure to give more prominence to its international businesses. The supermarket group created several divisional chief executive roles as analysts said that Tesco would have a fight on its hands to retain executives who had been passed over.

[Full article](#)

Euro crisis could affect Asia, IMF warns. *The London Times*

Asian stock markets fell today and the euro and sterling hovered near the lows they reached yesterday as concerns persisted over Europe's debt worries. Naoyuki Shinohara, the IMF deputy managing director, warned that although Asia's bright growth prospects were currently attracting capital, "further increases in global risk aversion could see capital flows change direction quickly."

[Full article](#)

British government honors a £20 million grant to Nissan. *The London Times*

The Treasury is to honor a £20 million grant to Nissan paid out by Lord Mandelson this year to persuade the carmaker to make the world's first mass-produced electric car in Britain. Nissan has been awarded the grant as part of a deal that will see its Leaf hatchback car manufactured at Nissan's plant in Sunderland. The Leaf is expected to go on sale in Britain at the end of this year.

[Full article](#)

Santander buys Bank of America's Mexican arm. *The New York Times*

Banco Santander, the largest Spanish lender, said Wednesday that it would buy Bank of America's 24.9% stake in Santander's Mexican arm for \$2.5 billion, giving it almost total ownership of the unit. Business abroad has been one of the strengths of Santander's balance sheet, and the bank said that the acquisition would boost Mexico's part of group profit by two percentage points, to 7%. "This acquisition reinforces Santander's commitment to Mexico, a country with a very positive outlook for growth, and furthers the geographic diversification of our group," Emilio Botín, Santander's chairman said.

[Full article](#)

Peru to be fuel exporter for Repsol YPF SA. *Business Week*

Peru, a net fuel importer for the past four decades, is set to become an exporter as Repsol YPF SA and Petroleo Brasileiro SA lead \$9 billion of investments in oil and natural gas projects. "This project makes Peru an important player in the regional energy industry," Ferreyros, who's also the general manager of Lima-based Maple Energy Plc., said in a June 7 telephone interview. "Peru is seeing increased investment in oil and gas fields, pipelines and refineries."

[Full article](#)

East Africa, EU trade agreements stalled. *Business Daily*

East Africa's long running negotiations with Europe over the signing of a new trading agreement appeared headed for the rocks after the parties returned to Dar es Salaam with the old arguments that have stalled the talks for nearly two years.

East Africa is currently trading with Europe on preferential terms but without legal backing after the World Trade Organization rejected the non-reciprocal trade terms that Europe had offered its former colonies in Africa and the Caribbean since the early 1960s.

[Full article](#)

Greek economy shrinks even more. *Business Week*

Greek manufacturing contracted for the 24th month in April and economic growth declined more than originally forecast in the first quarter as the government cut spending and raised taxes to trim the European Union's second- biggest budget gap. Greece faces a second year of recession as the government attempts to tame a budget shortfall of 13.6% of GDP, the highest in the 27-nation EU after Ireland.

[Full article](#)

Ways to increase world trade. *The OTC Investor*

Over the years, countries across the globe have looked to one and other in search of valuable resources. World trade is becoming more prevalent, providing businesses with overseas opportunities. Investors might find positive returns on future global expansion. Global trade can provide nations with higher standards of living, enabling increased GDP measurements. CYBRA can offer a product that will provide suppliers with the ability to monitor shipments. BHP can offer resources to trading countries, and DRYS can assist in the shipment of those resources. Therefore, necessary factors are readily available, enabling world nations to reach a higher GDP.

[Full article](#)

June 8

Japan's new Prime Minister retains most of cabinet. *CNN.com*

Japan's new Prime Minister Naoto Kan announced his cabinet Tuesday, retaining 11 of 17 ministers in his predecessor's administration. Key ministers that Kan retained from Hatomayo's administration include Foreign Minister Katsuya Okada and Defense Minister Toshimi Kitazawa. With promises of a cleaner government, Hatoyama worked to shift the political dynamics in Japan by taking away power from the bureaucrats and granting more power to politicians and local governments.

[Full article](#)

Increasing sheep trade in Argentina. *Meat Trade News Daily*

There are two major differences between Argentine sheep production and the rest of the world. Firstly sheep numbers are not declining and secondly they value the importance of wool in their enterprises. "During this time Argentine wool growers have benefited from improvement in world wool prices and from a massive devaluation of its currency at the end of 2001, which gave a considerable boost to its export industries, including wool," Mr Villagara said.

[Full article](#)

Asia expected to drive economic growth. *SFGate*

The global economy will increasingly be driven by Asian nations, especially China, which must deliver more goods and services to its own middle classes, a trend with inflationary implications for the rest of the world, financial leaders suggested at a conference in San Francisco. Shanmugaratnam said that while the Chinese and other Asian economies are now export focused, the global slowdown will force Asian nations to look inward, as Western consumers curb spending and boost savings in response to the great recession. At present, Roach said Chinese consumers account for just 35 percent of the nation's gross domestic product, whereas in the United States, consumers buy roughly 70 percent of all goods and services.

[Full article](#)

Why beer can shortage forces Brazil to increase rate. *Business Week*

Brazil is running out of beer cans and farmers are leaving crops in the field as surging demand and Chinese-like growth leads to shortages in Latin America's biggest economy. The shortages are one result of economic growth forecast to quicken to 6.6% this year, the fastest pace in two decades. That expansion, in excess of the economy's potential of 4.5%, is forcing central bank President Henrique Meirelles to raise interest rates to control inflation above the government's target since January, said Elson Teles, chief economist at Maxima Asset Management SA in Rio de Janeiro. The economy grew 9% in the first quarter from a year earlier, the fastest annual rate since 1995.

[Full article](#)

Vietnam needs effective monetary tools. *Business Week*

Vietnam should focus on finding more effective monetary policy tools rather than change its benchmark interest rate, Standard Chartered Plc said. "In terms of interest rates, we don't expect them to make any significant moves," Nicholas Kwan, the Hong Kong-based regional head of research at Standard Chartered, said at a World Economic Forum conference in Ho Chi Minh City. "The more immediate task for the central bank is to find true monetary tools, rather than to move the rate level."

[Full article](#)

Burundi's presidential election has one candidate. *AFP*

Burundi's President Pierre Nkurunziza will be the only candidate in a June 28 election, after his rivals pulled out, the independent electoral commission announced. Six opposition candidates who had been set to challenge Nkurunziza at the polls quit the race after local government elections at the end of May, which were largely won by the ruling party amid cries of foul play.

[Full article](#)

June 7

What's driving Africa's economic growth? *Forbes.com*

Many of Africa's 50-plus individual economies face serious challenges, including poverty, disease and high infant mortality. Yet Africa's collective GDP, at \$1.6 trillion in 2008, is now roughly equal to Brazil's or Russia's, and the continent is

among the world's most rapidly growing economic regions. This acceleration is a sign of hard-earned progress and promise.

[Full article](#)

Vietnam: nearly a fully open economy. *Bernama.com*

Vietnam is continuing to open up its economy. According to VNA Lamy said that in 2009, Vietnam responded to the global financial crisis and economic downturn much better than other countries in the region as it maintained a better than average growth rate. Vietnam and Asean members want the Doha round of trade talks in East Asia currently happening to conclude soon with a balanced and practical outcome that takes into consideration under-developed and developing countries.

[Full article](#)

Peru's rapidly growing economy. *Business Week*

Peru's "scorching" economic recovery has "more room to run in the coming months," Morgan Stanley said. Peru will grow 7% this year instead of 4.9%, as South America's sixth largest economy. Prices for copper and commodities, which account for two- third of Peru's exports, remain "consistent with strong growth."

[Full article](#)

As member of ILO, India must recognize unions. *Business Standard*

The wildcat strike by the Air India Employees last month, ostensibly over a gag order imposed by the management, followed by derecognition of the two staff unions, was reminiscent of the '70s and '80s, when militant trade unions wiped out industries from Bengal and Maharashtra. Massive legal battles were waged between unions and management, but in recent years, these have lost media prominence to matters like IPL wars. From the legal perspective, on being faced with queries on legality of recognition of trade unions, I delved into the Trade Unions Act, 1926 to find no statutory provisions to that effect. Fortunately, having more than a nodding acquaintance with certain state laws proved to be productive, and recent cases provided interesting insights on the different positions taken by the Courts.

[Full article](#)

N. Korea has a new premier. *CNN.com*

North Korea named Choe Yong Rim as its new premier Monday, replacing Kim Yong Il at a session of the Supreme People's Assembly. A North Korean premier oversees economic policy and appoints ministers who are then confirmed by parliament.

[Full article](#)

The Next Silicon Valley: New York? *CNN.com*

For years, California's Bay Area has been home to tech powerhouses such as Apple and Google and the most successful internet startups: YouTube, Wikipedia, Facebook, and Twitter. However now, New York is turning up the heat on its West Coast competition with some successful startups of its own: think Tumblr, the blogging platform; Foursquare, the mobile social-networking game; and Gilt Groupe, an online store for discounted designer clothes.

[Full article](#)

Increasing cost of doing business in China. *The New York Times*

The cost of doing business in China is going up. Coastal factories are increasing hourly payments to workers. Local governments are raising minimum wage standards. And if China allows its currency, the renminbi, to appreciate against the United States dollar later this year, as many economists are predicting, the relative cost of manufacturing in China will almost certainly rise.

[Full article](#)

The World's busiest ports. *Forbes.com*

The global shipping industry is beginning to show signs of returning to profitability after suffering through one of its worst years ever in 2009. Since container shipping accounts for 52% of the total value of the world's seaborne trade, according to Lloyd's Maritime Intelligence Unit, Forbes used it to rank the world's busiest ports. Asia's exporting prowess is so dominant that Dubai and Rotterdam are the only two ports from outside the region to even make the list of busy ports.

[Full article](#)

Grifols buys Talecris for expansion. *New York Times*

Grifols, the Spanish health care group that produces treatments based on blood plasma agreed to acquire Talecris, a U.S. company, for \$4 billion including debt. Victor Grifols, chief executive of the Barcelona company, praised Talecris's "strong clinical research capability and new research into recombinant therapies," adding that the deal would expand Grifols's product line, geographic reach and manufacturing scale.

[Full article](#)

June 6

Dubai International Capital may face closure. *The London Times*

Dubai's ambitious attempts to build an overseas investment empire to rival Europe's biggest private equity firms could soon come to an end. Dubai International Capital was set up in 2005 to compete for deals with Europe's biggest buyout houses. It snapped up a string of companies in its attempt to build a portfolio that would rival established private equity firms. DIC is unlikely to be bailed out by the Dubai government, which is facing its own debt crisis.

[Full article](#)

China rethinks Asia's role in enhanced economy. *news.xinhuanet.com*

Vice Chairwoman of the National Committee of the Chinese People's Political Consultative Conference Wang Zhizhen called on Asian countries to rethink its enhanced role in the world economy. Wang told the World Economic Forum on East Asia, opened under the theme "Rethinking Asia's Leadership Agenda," that Asia is one of world's most dynamic region and a driving force in world economic revival. "The international financial crisis has brought big changes to the world political and economic landscape," said Wang. It is of positive influence to explore new development strategy in the post- crisis period and rethink Asia's role, she added.

[Full article](#)

Gulf Arab shares decline on oil. *Business Week*

Gulf shares dropped, led by declines in Dubai and Abu Dhabi, as crude oil tumbled and lower-than-estimated U.S. jobs growth and a spreading debt crisis in Europe fueled concern the global economic recovery will slow. "The global selloff, and the drop in the euro and oil prices are not helping investor sentiment," said Saud Masud, a Dubai-based analyst at UBS AG.

[Full article](#)

Afghan officials resign over peace conference attack. *CNN.com*

Afghanistan's interior minister and director of national security have resigned in the wake of an attack on a high-level peace conference last week. President Karzai demanded an explanation of the security breach from Interior Minister Hanif Atmar and NDS chief Amrullah Saleh, and when they could not provide one, he accepted their resignations.

[Full article](#)

BP faces ban on future American operations. *The London Times*

American legislators are examining plans to "debar" BP from government contracts and oil exploration deals as punishment for the Gulf of Mexico oil spill. The administration is understood to be weighing the legality of a process called debarment. It would stop BP from being awarded new fuel supply contracts by government clients and ban it from being granted new oil drilling leases.

[Full article](#)

Russian sister cities grow with economic improvement. *Bellingham Herald*

Bellingham continues to build an economic relationship with one of its oldest sister cities, Nakhodka. They share many similarities and it's a great opportunity to continue to exchange ideas. The city was impacted by the economic challenges of other nearby Asian countries like Japan in the 1990s. It is a port city of about 150,000 at the terminus of the Trans Siberian railroad. Sands, a business management instructor at Western Washington University, is planning to have his students in upcoming business management classes interact with the students of Nakhodka's entrepreneurship center. As more small businesses get established, Woods, a counselor for the Bellingham chapter of SCORE, plans to assist them by providing details on growing a company.

[Full article](#)

June 5

Push for Colombia trade agreement is made. *Thehill.com*

A bipartisan group of House members is urging President Barack Obama to support approval of the U.S.-Colombia free trade agreement. In a letter to the president this week, the group of 39 representatives said the pact would open a new market for American goods and help the administration accomplish its goal of doubling U.S. exports over the next five years. The letter pushed for the agreement, which was signed more than three years ago, to be approved before August, when Colombian President Alvaro Uribe leaves office.

[Full article](#)

Asia Pacific administers free trade talks in Japan. *ChannelNewsAsia.com*

Asia Pacific ministers kicked off a two-day meeting in northern Japan to discuss speeding up trade liberalization in a region that generates half of the world's economic output. At their last summit in Singapore, APEC leaders including the US and Chinese presidents instructed their officials to start exploratory work on a giant free-trade area covering the entire Asia-Pacific region of 2.6 billion people.

[Full article](#)

EU, Pakistan to improve trade together. *AFP*

The new plan, agreed by EU president Herman Van Rompuy and Pakistani Prime Minister Yousuf Raza Gilani still lacks detail but is aimed at boosting cooperation in the areas of regional security, trade, development and the fight against terrorism. The EU is already Pakistan's largest trading partner and a major aid donor but Lahore argues that Europe should further open its markets, particularly to its key textile sector.

[Full article](#)

Euro to worsen after Hungary voices its economic state. *The London Times*

The euro slumped to a four-year low against the dollar yesterday amid concerns that Europe's debt crisis will worsen still further after Hungary said that its economy was in a "very grave situation". The new Hungarian centre-right Government, sworn in less than a week ago, said that it would soon reveal plans to tackle the economy's problems. It has said it wants to boost growth through tax cuts and economic stimulus measures.

[Full article](#)

Florida tourism affected by BP oil spill. *Business Week*

Florida officials and tourism industry executives are juggling two missions, working to protect the shore from oil spreading from the April 20 spill in the Gulf of Mexico while assuring tourists that the state's 825 miles (1,327 kilometers) of beaches remained safe so far. Hotels relaxed cancellation policies for wary guests while updating photos on websites to show beaches that remained pristine. Florida draws about 80 million visitors a year, bringing in \$60 billion and making tourism the state's No. 1 industry, according to Kathy Torian, spokeswoman for Florida's tourism office in Tallahassee. Tourism accounts for almost one-quarter of the state's sales-tax revenue.

[Full article](#)

June 4

Zuma, India PM agree on improved trade ties. *AFP*

South African President Jacob Zuma, on his first state visit to Asia, said it was time to take trade ties with India to a "higher level" after talks Friday with Prime Minister Manmohan Singh. As well as boosting trade, the talks covered reform of the UN Security Council, closer cooperation on climate change and the global economy. Together with Brazil, India and South Africa have formed an informal grouping of emerging market nations, pushing for a stronger voice in international institutions

such as the IMF and the United Nations.

[Full article](#)

Taiwan seeks trade agreements through WTO. *Focus Taiwan*

A United States diplomat supported Taiwan's right to sign trade agreements with other WTO members, but said that an existing trade and investment framework agreement would be a better vehicle through which to improve U.S.-Taiwan ties. Taiwan is trying to sign an economic cooperation framework agreement (ECFA) with China, in part to pave the way for signing free trade agreements (FTAs) with other countries, including the U.S.

[Full article](#)

Graphite invests in development to boost economy. *The London Times*

Graphite Capital, the private equity house, has invested £100 million in a new residential developer that will take on major homebuilders in London with plans to build 600 new homes a year in the capital. Mike Innes, a partner in Graphite, told *The Times*: "This is a cyclical opportunity. We have been looking at a number of possible moves into property for the last 18 months. In the past recession, some of our partners did very well out of investing in the sector. We decided that the best option was to start with a clean sheet and with a new management team."

[Full article](#)

G20 tackles economy in S. Korea. *The London Times*

When the finance ministers and central bankers of the G20 arrive in the South Korean port town of Busan today, they may get ideas: this is the Asian capital of cosmetic surgery tourism, a place that specializes in the surface quick-fix. The recovery is fragile, the global economy still needs invasive surgery and the group gathering today should at least be prepared to make a first incision, say economists. Asian members of the G20 may be keen to settle questions surrounding the euro. The US, Britain and the larger emerging markets may be eager to challenge China on the yuan.

[Full article](#)

How the World Cup will affect UK retail. *Business Week*

The retail sector could certainly do with a lift, with consumer spending at its lowest ebb since the depths of the recession. Over the next few weeks, England football fans will splash out with wild abandon, buying everything from replica shirts to World Cup-themed pizzas and cases of beer as they follow their team's progress in South Africa. The tournament is traditionally seen as providing a massive boost to UK Plc.

[Full article](#)

GM forms technology venture firm. *New York Times*

The subsidiary, known as General Motors Ventures, plans to invest in start-up companies working in a variety of fields, including renewable fuels, information and entertainment systems and advanced materials. "We are constantly looking for ways to deliver the best technology for our customers," Stephen J. Girskey, a G.M. vice chairman said. "Our goal is to nurture these innovative technologies to help

bring them to market, and to ensure our customers have access to the best technology available.”

[Full article](#)

Estonia: the fastest recovering Baltic nation. *Business Week*

It sometimes makes sense to lump together Estonia, Latvia, and Lithuania into a grouping called the Baltic states, when talking about their common 20th century experience of foreign domination, for instance, or, more recently, entry into NATO and the EU. However, in the most fundamental ways, such as histories, languages, and, now, economies, they are different. "Estonia is recovering first because the economy was stronger in the beginning," said Heikki Maki, vice president of Elcoteq.

[Full article](#)

June 3

Colombia bonds to extend advance. *Business Week*

Colombia's peso bonds will extend a three-month rally as higher oil prices and tax revenues ease the need to increase debt issuance after the government postponed its sale of Isagen SA, according to ING Pensiones y Cesantias. "There's no reason for TES yields not to fall much more, even to levels that would surprise us," Felipe Gaviria, chief investment officer at ING Pensiones, the country's fifth-biggest pension fund.

[Full article](#)

Online advertising surges in Middle East. *Business Week*

Spending on online advertising in the Arab world may surge to about \$400 million within four years from about \$90 million in 2009, said Samih Toukan, chief executive of Jabbar Internet Group, which owns online businesses such as e-commerce website Souq.com. A growing number of Arab businesses are "looking at the return on their [ad] investment and the best way to track that is online," said Husni Khuffash, Google's regional manager for the United Arab Emirates, Lower Gulf, and Levant.

[Full article](#)

Carrefour strategizes to strengthen home market. *New York Times*

The chief executive of Carrefour is staking the future of the giant French retailer on a simple strategy: strengthen at home, then either dominate or withdraw abroad. "Carrefour had lost track of being client and consumer focused and lost a certain track of price competitiveness," Mr. Olofsson said.

[Full article](#)

China, Taiwan to sign Economic Cooperation Framework Agreement.

Asiaone Business

China and Taiwan are expected to sign a trade agreement, which the latter believes will make it competitive in the globalized world, as well as pave the way for similar agreements to be signed with other countries. This year, the Taiwanese government hopes to welcome up to one million tourists from China even as it

negotiates a trade pact, known as the Economic Cooperation Framework Agreement (Ecfa), with China.

[Full article](#)

Japan's new PM: Kan. *Wall Street Journal*

The ruling Democratic Party of Japan picked Naoto Kan as its new leader Friday, making it all but certain that the lawmaker, who has underscored the importance of the U.S.-Japan relationship and increased fiscal discipline, will become the nation's prime minister by the end of the day. Kan succeeds Yukio Hatoyama, who resigned as prime minister on Wednesday after a turbulent eight-month reign. Mr. Kan is set to become Japan's fifth prime minister in less than four years.

[Full article](#)

Phillip Morris, R.J. Reynolds sue NYC for First Amendment rights. *Business Week*

U.S. cigarette makers Philip Morris USA and R.J. Reynolds Tobacco Co. sued New York City, alleging its mandated anti-smoking advertisements violate their First Amendment rights and are preempted by federally mandated warnings. The cigarette makers and Lorillard Tobacco Co. allege in a complaint filed today in U.S. District Court in Manhattan that the city's graphic health-warning signs force them to carry messages they wouldn't carry at the point of sale

[Full article](#)

GGP emerges from bankruptcy, turns over properties. *Business Week*

General Growth Properties Inc., the second-largest mall owner in the U.S., said it's identified 13 "underperforming" retail properties that may be turned over to lenders after the company emerges from bankruptcy. General Growth filed the biggest U.S. real estate bankruptcy in April 2009 after amassing \$27 billion in debt by making acquisitions.

[Full article](#)

Copper market seems at risk from China. *Business Week*

Freeport-McMoran Copper & Gold Inc. and Codelco, the world's two largest copper producers, said China's plans to curb its economy threaten to reduce demand for the metal after prices slumped 15 percent in two months. "China is the biggest user, so any concerns about demand there will continue to be a drag on copper," Donald Selkin, the chief market strategist at National Securities Corp. in New York said.

[Full article](#)

Brazil, N. Korea become trading partners. *Asia Times*

Recent indications are that Pyongyang has sought willing trade partners outside of Asia and its new closest commercial ally appears to be Brazil. Relations between the two countries have warmed considerably since leftist Luiz Inacio Lula da Silva became president in January 2003. Since Brazil is not on any international sanctions list, it is easier for it to obtain dual-use materials. It remains to be proven, however, that Brazil has served as a conduit for such goods ultimately

destined for North Korea.

[Full article](#)

June 2

World Bank urges Africa to improve trade. *AllAfrica.com*

World Bank chief economist for Africa, Devarajan, is in SA to consult with policy makers and civil society movements on a new World Bank strategy for Africa. Africa must invest up to 93bn a year to build a world-class infrastructure that would stimulate internal growth and trade with other countries and more measures should be put in place through policy reforms to improve productivity levels in Africa's economies.

[Full article](#)

Hawaii governor takes 4th trade, tourism trip to China, Japan.

CanadianBusiness

Gov. Linda Lingle will work on opening Chinese markets to Hawaii-produced goods and promote Hawaii tourism to Japanese travelers during a two-week trip to Asia scheduled to begin Friday. While in China, two state agricultural officials will finalize a memorandum of understanding that will ease the way for Hawaii-produced agricultural products to be exported to China, she said.

[Full article](#)

Greece to sell assets to pay down deficit. *New York Times*

Greece announced its plans for a big sale of state-owned assets, as the struggling government moved to shrink its huge budget deficit and fulfill the terms of an international rescue package. The government will sell 49% of the state railroad, list ports and airports on the stock market, and privatize the country's casinos.

[Full article](#)

Japan's Hatoyama resigns as PM. *Business Week*

Yukio Hatoyama quit as Japan's prime minister less than nine months after ending a rival party's 50-year lock on power as money scandals and a broken promise to move U.S. troops cost him the support of four in five voters. The end of the Hatoyama administration highlights the difficulties of achieving political change in Japan, which has suffered four recessions and persistent deflation since 1990.

[Full article](#)

Boeing, Petrochina sign biofuels "green" agreement. *Dailytech.com*

Aerospace and defense giant Boeing and Chinese oil company PetroChina along with the global aviation industry and representatives of the Chinese energy sector have signed an agreement to assess the idea of establishing a sustainable aviation biofuels industry in China. The assessment will look at socioeconomic and environmental benefits of developing alternative fuels as opposed to fossil-based fuels.

[Full article](#)

Taiwan protests China's bid to block trade pacts. *Sifynews*

Taiwan President Ma Ying-jeou objected to China's bid to block the island from signing free-trade pacts with other countries, saying it is Taipei's right to do so. Beijing opposes such trade deals because it regards Taiwan as a Chinese territory rather than a sovereign nation since the two sides split at the end of a civil war in 1949.

[Full article](#)

Nissan bids for Ssangyong. *Cars Singapore*

It was revealed recently that Nissan has placed a bid to acquire Korean auto maker Ssangyong which entered bankruptcy protection in February 2009. Nissan is leading Renault, the company that holds the biggest share in the Japanese brand into the potential acquisition. Apparently up to seven parties have expressed interest in Ssangyong and one would need to fork out 700 billion won or US\$572 million to purchase a controlling stake in the company.

[Full article](#)

June 1

Eurotunnel buys GBfr. *Forbes.com*

Channel tunnel operator Eurotunnel has bought Britain's third-largest rail freight company in a 31 million pounds (\$45 million) deal. The British company, GB Railfreight Ltd., would be integrated with Eurotunnel's French subsidiary, Europorte France.

[Full article](#)

7-Eleven acquires Mobil service stations. *International Business Times*

7-Eleven Australia has agreed to acquire the retail fuels business of Mobil Oil Australia, comprising 295 company-owned or leased service stations. The addition of the outlets will substantially strengthen 7-Eleven's presence, particularly in metropolitan areas of eastern Australia, bringing the total number of outlets to more than 650 and increasing customer transactions to an estimated 160 million per year and projected sales of over \$2.84 billion.

[Full article](#)

Chinese Honda strike reflects economic changes. *New York Times*

The strike by Chinese workers to protest pay and working conditions has cost Honda, Japan's second-largest carmaker after Toyota, thousands of units in lost production in the world's biggest auto market. In Tokyo, the strike has driven home a salient point: as Chinese incomes and expectations rise in line with the country's rapid growth, while Japan's own economy falters, the two countries face a realignment that could permanently alter the way their economies interact.

[Full article](#)

Canada raises key interest rates with eye on global economy. *New York Times*

In a tentative and qualified move, the Bank of Canada increased its benchmark lending rate on Tuesday for the first time since July 2007. The increase reflected

growing concerns about inflation related to Canada's booming real estate market and strong economic growth. The evolution of Europe's economy will determine whether the Bank of Canada follows up with further rate increases, Senior Economist Guatieri added.

[Full article](#)

U.S. President Obama investigates BP oil spill. *Business Week*

President Barack Obama called the BP Plc oil spill in the Gulf of Mexico "the greatest environmental disaster of its kind in our history" and vowed to pursue a criminal investigation if any laws were broken. BP's latest effort to plug the damaged oil well, resulting in the largest oil spill in U.S. history, was deemed a failure over the weekend.

[Full article](#)

China Central Bank to promote Yuan settlement in Xinjiang trade.

Xinhuanet.com

China's central bank will push forward Yuan settlement in cross-border trade and investment in the western Xinjiang Uygur Autonomous Region, Zhou Xiaochuan, governor of the People's Bank of China (PBOC) said. Zhou said it was one of PBOC's important moves amid the central government's efforts to achieve leapfrog development and lasting stability in Xinjiang.

[Full article](#)

Russia approves legal aid agreement with Vietnam. *VOVNews*

The agreement was signed by both countries in Moscow in 1998 to complete legal mechanisms for ongoing Russia-Vietnam relations. It stipulates the criteria for Russia and Vietnam when they assist each other legally and settle issues related to laws as well providing legal aid for both countries' citizens, including individual stipulations, labor rights, and immunities.

[Full article](#)

Spain's labor reform. *Reuters*

Talks between the Spanish government, unions and businesses aimed at reaching agreement on wide-ranging labor reforms are in the final stages, Labor Minister Celestino Corbacho said. Spanish unemployment has more than doubled since the beginning of the economic crisis as struggling construction and service industries hemorrhaged jobs and economists say reform is vital to avoid job market stagnation.

[Full article](#)

