

Corporation on a mini-van manufacturing deal when the Germans offered a more generous transfer of technology. India, by contrast, does not impose technological conditions and, as a result, is allowing every auto manufacturer to come in.

### 'We didn't really mean it'

Whatever is really bothering the CII protesters aside, the confederation's outgoing president immediately began backpedalling. Rajive Kaul went from pillar to post to express support for multinational investments in India and made clear to more than one newsweekly that "the CII is not against TNCs [transnational corporations]." He emphasized that the CII "is very much in favor of them establishing long-term partnership on a win-win basis."

Kaul's belated efforts to gloss over the "political overtones" in the statement, however, had few takers. BJP General Secretary, K.N. Govindacharya, who has long expressed reservations about the CII's romancing of multinationals, among others, waved the statement off as "CII's political game." He said that while it may seem that the CII today is against the Congress Party policies on transnationals, tomorrow it may be a different story. Govindacharya also emphasized that the CII is under an illusion if it believes that the BJP favors replacing transnational dominance by "big national business overpowering the small and medium-scale entrepreneurs."

If the CII failed to impress Govindacharya by its "political game," it did well with others. It invited the BJP leader Atal Behari Vajpayee and former BJP president Dr. Murli Manohar Joshi to attend its annual session on April 16.

At the session, Vajpayee, who is considered by many as the prime minister in the wings, said the BJP does not call for total and absolute rejection of foreign investment, but wants prioritization of areas in need of foreign investment. He said the BJP was of the view that foreign capital was required in power and other components of infrastructure and, as such, it would be encouraged. He criticized the Congress Party's economic liberalization policies, not for their content but because of the corruption that they have allegedly spawned. Vajpayee also stated that it is time that Indian industrialists start investing in in-house research and development.

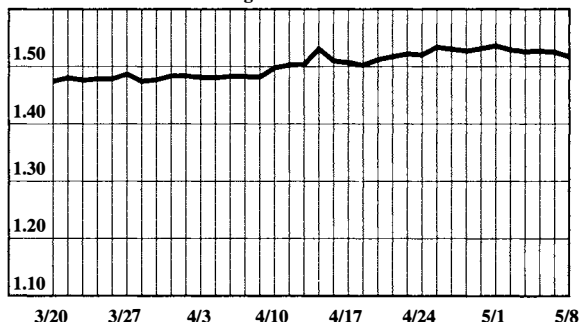
Earlier, in a meeting with Foreign Minister Pranab Mukherjee, a former commerce minister who has long been a friend of Indian industrialists, the CII recorded Mukherjee's official claim that the CII's litany of complaints against the multinationals did not cause any problem with the ruling Congress Party. All of the leftist leaders have endorsed the CII paper on their own accord.

At the bureaucratic level, the CII paper did not cut ice. Senior officials in the secretariat of the high-powered Foreign Investment Promotion Board did not give much credence to the paper either. They pointed out that the increase in foreign direct investment has come about only in the last year and, since the new foreign direct investment guidelines were introduced, a total of 4,000 proposals has been cleared.

## Currency Rates

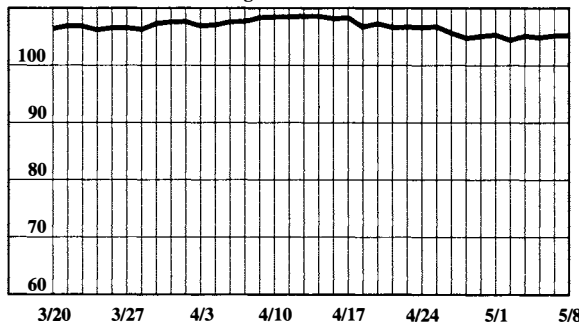
### The dollar in deutschemarks

New York late afternoon fixing



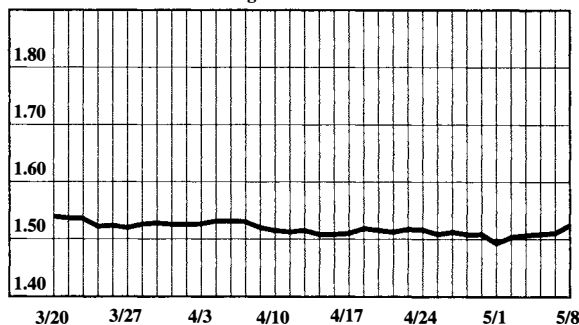
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

