

## Move to keep Soviet republics in an economic union

MOSCOW, Aug 31: Economic ministers from all 15 Soviet Republics, including the Baltic, met on Friday to discuss ways to prevent the political breakup of the Soviet Union from demolishing their economies as well, reports Reuters.

The meeting resurrected hopes that the Republics, nine of which have declared independence, would be able to salvage at least an economic union to save their industries from disaster.

Tass news agency said the ministers were discussing a common approach to an economic agreement, coordinating reforms and creating a joint economic space.

Until now, the six republics that had been pushing hardest for independence before the failure of last week's coup had not taken part in efforts to forge economic links on a union-wide basis.

The independence of three — Lithuania, Latvia and Estonia — has been recognised by some 30 western nations. The other three are Georgia, Armenia and Moldova.

The nine other republics agreed in April under the Chairmanship of Soviet President Mikhail Gorbachev to draft a new union treaty devolving power from the centre

to the republics. The economic future of republics that refused to sign the new treaty was left uncertain.

The first signatures should have gone on the treaty last week, but the headline coup attempt in Moscow prevented it.

If the treaty survives, it is likely to give signatory republics much more power than originally envisaged.

Of the nine republics that originally promised to sign a union treaty, the Ukraine, Byelorussia and Azerbaijan have declared independence since the coup and Uzbekistan has announced preparations to do so.

The Ukraine and Kazakhstan, next in order of influence after Russia, have also expressed fears of Russian domination.

These were aroused not only by Russia's suggestions that it could make territorial claims but also because Russian ministers have been appointed to run the economy temporarily.

Russian Prime Minister Ivan Silayev, who heads the Interim Committee, attended Friday's meeting together with radical economist Grigory Yavlinsky, who has been given special responsibility for for-

mulating economic policy.

In an interview in the Daily Rossiyskaya Gazeta Silayev said he was open to various approaches to an economic treaty. "It can be an economic federation or a confederation uniting several republics," he said.

His committee has not yet unveiled specific plans to tackle the country's monumental economic crisis. But a further reminder of the need to act fast came in comments from a Deputy Energy Minister in an interview with Tass.

He said a shortage of coal as a result of a miners' strike this spring would almost certainly mean the closure of some power stations and reduced supplies to industry and households this winter.

But he said he did not think the nationwide power network would collapse as a result of the secession of republics, because the regions were too interdependent.

"It's interesting that not one republic has mentioned leaving the Soviet Energy System," he said.

"Judge for yourself. The Omsk region, for example, gets its electricity from Kazakhstan, which in turn gets power from the Urals. The Urals get it from the Volga."



Shooting of 'Padma Nadir Majhi', an Indo-Bangladesh joint venture feature film in progress at the river Padma near Aricha. The film is being produced by Habib Khan of Bangladesh and the West Bengal Government. — Star photo

## Oil prices rise

LONDON, Aug 31: Crude oil prices rose on Friday after the Soviet Union forecast a sharp fall in its oil production this year and traders became concerned that Iranian supplies to Europe in the next two months might be reduced, reports Reuters.

The new Soviet Oil and Gas Industry Minister, Vagit Alekperov, told the Soviet news agency Tass that Soviet oil output would fall to about 10.1 million barrels per day (BPD) in 1991 from 11.6 million BPD last year.

The Soviet Union is the world's largest oil producer and concern about its political stability has helped to support higher oil prices in the last two weeks.

Traders said that Iranian crude supplies to the European spot market in September and October were thinner than expected. This boosted the demand for other mid-east Gulf and for North Sea grades.

The national Iranian oil company denied rumours that there were problems with loading Iranian oil at the Egyptian Port of Sidi Kerir. But the rumour nonetheless boosted prices in Europe.

At 1730 GMT, London Brent crude oil futures for October had risen by 23 cents to 20.55 Dollars a barrel. In New York, light US crude oil futures for October delivery were up 25 cents to 22.22 Dollars.

## Counter-ultimatum of Madagascar civil servants

ANTANANARIVO (Madagascar), Aug 31: Striking civil servants faced with dismissal urged the Prime Minister to side with them Friday against President Didier Ratsiraka, whom they hope to drive from office, reports AP.

"You must choose between Ratsiraka and the people," the civil servants declared in an open letter to Prime Minister Guy Razanamasy.

The letter published in the Madagascar Tribune newspaper did not say what action the strikers would take. Razanamasy makes good on his threat to fire them if they don't return to work by Wednesday.

About 20,000 cheering civil servants and their supporters packed a college stadium Thursday to voice their defiance of the order.

The civil servants have been striking since early June but have still been paid. They have lined up before government ministries since Wednesday to collect what may be their last paychecks.

They have rallied tens of thousands supporters daily in Antananarivo, and mustered 300,000 marchers Tuesday to protest demonstration.

None of the mainstream opposition leaders are in it. They walked out of talks with Razanamasy last weekend after it became clear that Ratsiraka intended to name the defense and foreign affairs ministers himself.

The opposition claims that elections in which Ratsiraka won a third seven-year term in 1989 were rigged. They demand that he leave office, that the constitution be rewritten and democratic elections be held within 18 months.

Ratsiraka has taken refuge in his bunker-like palace since Aug 10, when his presidential guard fired on 400,000 protesters marching on the residence. At least 31 people were killed.

The world's fourth-largest island, Madagascar is located 400 kilometers (250 miles) off the coast of East Africa. Its 10 million people are of mostly mixed Asian and African origin.

Ratsiraka has privatized agriculture and other sectors of the economy in recent years, but the country remains one of the world's poorest, with per capita income of about 225 Dollars.

## Colombia to retain coffee exports to bolster prices

BOGOTA, Aug 31: Colombia will refrain from exporting one million sacks of coffee as part of an international producers' agreement to bolster prices, the head of the Colombian Coffee Federation said in statements published Friday, reports AP.

Jorge Cardenas told reporters that Colombia had agreed to hold back exports after the world's main coffee producers agreed to keep seven million sacks off the market during the next 12 months.

Colombia is the world's second largest coffee producer after Brazil. Coffee accounts for about a third of Colombia's annual 6 billion Dollars of export earnings.

President Cesar Gaviria will travel to Brazil on Sunday to discuss regulating supply

## Four Japanese allegedly export missile parts

TOKYO, Aug 31: Four executives of a major Japanese aviation manufacturer were charged Friday with violating foreign trade and customs law by allegedly exporting US-made missile parts illegally to Iran, reports AP.

The men were taken to the Tokyo District Prosecutors Office for further investigation before prosecutors decide whether to bring IBM to court, according to an official in the Tokyo Police Department.

The official, who spoke on condition of anonymity, said the Japan Aviation Electronics Industry allegedly shipped 1,357 flywheels to Singapore without obtaining permission from the government.

The official said the alleged illegal shipments were made on 13 occasions and were worth about 35 million Yen (255,000 Dollars) over a one-year period starting from May 1988.

A local news report has said the company might have shipped as many as 3,000 stabilizers, but the statute of limitations for the export law had passed for about half of them.

The four executives of Tokyo-based company included the company's ex-president, Yukio Kaito, 63, and senior executives Keiichi Fukuzumi, 63, Yoshiharu Fukunaga, 58, and Hironori Takahashi, 52.

If indicted, the four face a maximum penalty of five years in prison and fines of up to 2 million Yen (14,500 Dollars).

## \$168m USAID grant for research on AIDS prevention

NEW YORK, Aug 31: The US Agency for International Development (USAID) has awarded a grant of 168 million Dollars to Family Health International (FHI) to help countries in Africa, Asia, Latin America and the Caribbean expand prevention and control of the AIDS virus, reports Reuters.

Dr Theodore King, President of FHI, a North Carolina-based non-profit organisation doing research in contraceptive development and reproductive health, told a news conference on Thursday that the five-year grant was the largest provided by any government for international work to slow the spread of the killer disease, which destroys the body's immune system.

King said the funds would be used for long-term control of the disease by helping the developing world to launch AIDS prevention programmes encouraging changes in sexual behaviour.

Dr Peter Lamprey, who will direct the project, said that by the end of the decade 80 per cent of all HIV AIDS virus infections worldwide are expected to result from heterosexual transmission through sex.

He said the project would concentrate on reducing numbers of sexual partners, increasing the demand for and access to condoms, and training health personnel in diagnosis and treatment for sexually transmitted diseases.

According to estimates by the World Health Organisation (WHO) eight to 10 million people are infected with the AIDS virus by the end of the decade 30 to 40 million people may be infected at least 75 per cent of these are expected to be in the developing world.

## France to return Baltic gold to its owners

PARIS, Aug 31: France is ready to return some three tons of gold deposited here by Latvia and Lithuania more than 50 years ago to its rightful owners, Foreign Minister Roland Dumas said here yesterday, reports AFP.

"If France agreed to hold, protect and guard the Baltic countries gold since 1940 it was clearly with the intention of returning it to these countries," Dumas said after a Senate Foreign Affairs and Defence Committee hearing.

"Today the Baltic states are recovering their full sovereignty," and sovereignty implied control over monetary assets and the right to dispose of gold reserves.

"We will make the necessary arrangements to have these gold stocks sent back to

their rightful owners," he added.

French officials said Monday that Paris would return the gold to the authorities of Latvia and Lithuania if they requested it, once France had recognised the two Baltic states and certain legal conditions were fulfilled.

Central bank officials in Latvia and Lithuania, which were annexed by the Soviet Union in 1940 along with Estonia, shipped the gold to France between 1929 and 1932. 2.2 tons from Lithuania and a tonne from Latvia.

Estonia, Latvia and Lithuania also deposited 14 tons of gold with the bank of England ahead of World War II, but it was sold by Britain in 1967 and the money used to compensate Britons

## Steps to stop food smuggling in Nepal

KATHMANDU, Aug 31: The Nepal government is taking steps to stop food being hoarded inside the country and smuggled outside by businessmen seeking "unreasonable profits," an official said Friday, reports AFP.

People who inform on those attempting to smuggle food out of Nepal will receive a reward 25 per cent of the value of the food, the official said.

His comments followed criticism in the country's Parliament Thursday that the government of Prime Minister OP Koirala had failed to stop the smuggling.

Legislators — including Gopalji Jung Shah of Koirala's Nepali Congress Party — said the government should blacklist businessmen dealing in grain on the blackmarket.

The legislators also complained of sales of adulterated grain and edible oils.

Meanwhile the official said, the government has begun searching food warehouses used by rice exporters and others where they deposit grain against bank loans.

The Food and Agriculture Ministry did not say how much grain had been illegally hoarded.

## ADB grant to Indonesia

MANILA, Aug 31: The Asian Development Bank (ADB) said yesterday it has approved a 400,000 Dollar technical assistance grant to Indonesia for an export promotion project, reports AFP.

The grant, to be funded by the Japan Special Fund and administered by the Philippines-based bank, is to be used to assess the training needs of export trade personnel and analyse the capacity of existing training institutions, an ADB statement said.

## Pak TV makes profit

ISLAMABAD, Aug 31: State-run Pakistan Television (PTV) earned a net profit of 8.62 million Rupees (about 320,000 Dollars) in the fiscal year ended June 30, a PTV spokesman said Saturday, reports AFP.

The spokesman, denying reports of a large deficit, said in a statement that only some commercially non-viable projects had suffered losses, with the overall operation reporting a profit. He said PTV would make major changes in its programmes from next month to promote Islamic traditions and values, in line with government policy.

PTV operates centres here and in the four provincial capitals of Lahore, Karachi, Quetta and Peshawar.

## MTV Europe sold to Viacom Inc

NEW YORK, Aug 31: Viacom Inc on Friday assumed full ownership of MTV Europe, completing its purchase of Robert Maxwell Group PLC's 50.1 per cent stake in the overseas music video channel, reports AP.

Robert Maxwell's cash-strapped publishing company gets 65 million Dollars in Viacom stock in exchange for its MTV stake. Viacom already owns MTV's US operations.

The agreement was originally announced Aug 20. Maxwell's London-based company has been selling assets as part of an effort to shave debt piled on during aggressive acquisitions in the 1980s.

Viacom, Maxwell and British Telecom PLC started MTV Europe in 1987. The 24-hour music video network eventually lured 29.5 million subscribers in Europe, Africa and the Middle East.

Viacom bought British Telecom's 25 per cent interest last year.

## Millions of Roubles transferred out of CP accounts

MOSCOW, Aug 31: Hundreds of millions of Roubles have been transferred out of Communist Party (CP) accounts as the Russian Republic seeks to take control of the party's assets, the Russian official in charge of the issue said here Friday, reports AFP.

Much of the party's cash assets, made up chiefly of members' subscriptions "were transferred to other banks, and into other accounts," once it realised it was falling out of favour, Alexander Muzykantski told a press conference.

Russian President Boris Yeltsin issued a decree Sunday that all goods and assets of the Soviet and Russian Communist Parties on the republic's territory were Russian property.

But Muzykantski produced a receipt "dated two days ago" showing that the Communist Party leadership had deposited 500 million Roubles (300 million Dollars) in a bank offering an interest rate of 4.5 per cent, "and that is only a small amount" compared to the rest.

The Soviet State Bank officially froze all bank accounts belonging to the Communist Party and dependent organisations at the beginning of the week, but Russia's "nationalisation" of its assets in the republic is likely to prove a complex legal problem.

"It will be a huge job just to evaluate the Communist Party's assets," Muzykantski said. In addition to the cash, there are such items as official cars, party schools, institutes,

country dachas for official use, and publishing houses.

Not to mention the party's assets overseas, particularly cash deposited in secret bank accounts, said Moscow Mayor Gavril Popov.

He also said the party was unlikely to show much glaucoma over the value of its holdings in joint ventures with foreign communist parties.

Once Russia has laid hands on the assets, it will have to decide what to do with them.

Muzykantski said attempts had already been made by some Russian officials to move into party flats, but said this would not be tolerated.

The Communist Party's goods must be used to meet the people's social needs, he said.

## Workers' rally for new laws to improve conditions in US

WASHINGTON, Aug 31: Union workers and civil rights activists are massing here this Labour Day weekend in what organisers hope will be a noisy show of force for new laws to improve health care and education and address other domestic problems, reports AP.

Protesters want to "show their unhappiness with the legislative agenda at both ends of Pennsylvania Avenue," with both the White House and the Congress, said John Perkins, AFL-CIO official organising Saturday's Solidarity Day march for the 14.2-million

member labor federation.

Besides pushing domestic issues, unions want to remind politicians, with an election year around the corner, that organised labour is still breathing, despite a recent decline in membership.

"If I was an elected official, I think I would take note," Perkins said, predicting a crowd of 200,000 on the Washington Mall between the White House and the Capitol.

Joining the AFL-CIO in sponsoring demonstration are about 180 other civil rights, religious and environmental

groups.

Many of the groups that will be on hand also participated in the massive civil rights march held 28 years ago in which Martin Luther King gave his "I Have a Dream" speech, Perkins said.

Ten years ago, labour hosted a similar Solidarity Day march, drawing about 260,000 activists.

Among the issues unions want to highlight: President Bush's decision two weeks ago to block the extension of unemployment benefits to the long-term unemployed.

## Brazilian inflation alarming

RIO DE JANEIRO, Aug 31: A spurt in inflation and rumours of a cabinet reshuffle sent gold and Dollar prices soaring, and the government threatened to tighten a recession to keep inflation in check, reports AP.

Prices in August rose 15 per cent, compared with 13 per cent in July, the respected Getulio Vargas Foundation, said Thursday.

Inflation is 155 per cent so far this year and 348 per cent in the past 12 months, the foundation said.

Jumpy investors raced to take their money out of bank accounts and buy gold or Dollars. The two inflation hedges are so popular in yellow, the Colors of the Brazilian flag.

In Sao Paulo, Brazil's biggest city and financial center, the Dollar rose Thursday to 446

cruzeiros on the illegal but tolerated black market. The increase was the biggest since May.

The government-set exchange rate used in overseas trade is 395.43 cruzeiros to the Dollar.

Gold prices rose nearly 2 per cent to close at 4,995 cruzeiros a gram or 12.63 Dollar at the official rate.

The spree was fueled by rumors of a cruzeiro devaluation, a bank holiday and the replacement of Economy Minister Marcello Marques Moreira.

The rumours proved unfounded, but the government reacted sharply to the reheating of inflation.

Moreira told a congressional committee in Brasilia the government would tighten fiscal and monetary controls to

check inflation.

"The situation is grave and demands hard, deep measures," the financial press quoted Moreira as saying. "If we don't have a voice of control, we will have a recession much worse than last year."

The recession was part of a severe anti-inflation plan that froze prices and 80 per cent of private and corporate bank accounts.

The plan was enacted by President Fernando Collor de Mello, a vigorous reformer who pledged to "kill the tiger of inflation with one shot." Inflation fell from a high of 84 per cent a month but now is again on the upswing.

In August, the government began to return the frozen money and deregulated most prices.

## Aussie scientists soon to tap into hidden energy source

SYDNEY, Aug 31: Scientists here believe they are close to perfecting technology able to tap into hidden methane gas reserves so vast they will provide Australia with a brand new energy source for industry, transport and homes, reports AFP.

The reserves are trapped under Australia's eastern coal fields and are three times bigger than the country's existing reserves of natural gas, scientist John Stocker said yesterday.

"Tapping into only 10 per cent could be worth about 20 billion Dollars to Australia," he told a symposium.

Stocker is Chief Executive of the government's Comm-

onwealth Scientific and Industrial Research Organisation (CSIRO), which is developing the technology with a major, but so far unidentified Australian engineering company.

A joint venture regarded as one of the most important undertaken by the CSIRO is expected to be announced along with the name of the company within a month.

The CSIRO is also working with two major oil companies, mobile and BHP petroleum, on new methods of storing methane particularly for transport. CSIRO Public Affairs Manager Chris Friday told AFP. "We have several associated

projects running simultaneously," he said. "Apart from the fairly novel technology to tap into the reserves, we are also developing ways of converting the natural methane to liquid and another project is to improve storage capacity of gas tanks."

While cars and taxis run efficiently on methane at the moment, the major disadvantage of the fuel apart from the cost of conversion from petrol is the present tank capacity, giving vehicles limited range.

"We want to be able to pump more gas into the same space to make methane a more viable proposition for vehicles," said Friday. "We hope to

make major progress within two or three years and we would hope the industry would be in production by the turn of the century."

The existence of the methane has been well-known to an feared by Australian coal miners for a century.

But because of the limitations of available technology it has been inaccessibly trapped until now under the coal fields of New South Wales and Queensland.

Stocker told the symposium there were varying estimates of the size of the reserves, but studies point to a total resource in eastern Australia of more than 7,000 billion cubic

metres.

This compares with estimated natural gas reserves mostly in the north west shelf off the west Australian coast, of 2,000 billion cubic metres.

Methane from coal fields can be substituted easily for natural gas from existing sources in all conventional uses and the CSIRO says it is just as easily exportable as the natural gas from the north west shelf.

Stocker said the CSIRO is looking at ways to find underground sweet spots where coal reserves are especially porous, making the methane easier to tap.

"One likely method would be to drill down to the coal

seam and pump in water and sand to stimulate the coal and free the gas," he said.

The key to the creation of a new gas industry was perfecting the technology which would make production of the gas economic.

"We are now in the final stages of negotiating a multi-million Dollar collaboration with an industry partner to develop the necessary technology," Stocker said.

An important aspect of the coal bed methane is that it is located near the population centres of eastern Australia, giving obvious advantages in transport and processing, the CSIRO says.