Asylum seekers flood Germany

BONN. Feb 5: The number of foreigners seeking asylum in Germany shot up by 30 per cent in January, prompting the government to call on Monday for urgent new laws to stem the flood, reports Reuter.

According to the interior ministry, 31,021 people applied for asylum in January. against 23,659 who field under Germany's liberal immigration laws in December.

The number was the second highest monthly total ever, the

ministry said in a statement. It said 59.5 per cent of January's asylum seekers came from the former communist nations of Eastern Europe.

Yogoslavs fleeting civil war in their country formed the largest single group of applicants - 12,573, compared with the previous month's

The number of immigrants from the former Soviet Union. Romania, Bulgaria, and Albania, were all sharply up in January.

Reacting to the figures. Interior Minister Rudolf Seiters called on political parties to act quickly to tighten rules for entry into Europe's riches country.

Last month, the government and opposition agreed in principle, after weeks of wrangling, to speed up assessment of asylum cases to stem the flow of foreigners.

A record 256, 112 foreigners applied for asylum in Germany in 1991 - an increase of 37.7 per cent on

Their rising number has sphered a racist backlash and provoked young-nazis into attacks on hostels for foreigners.

Ozal optimistic of Black Sea pact outcome

ISTANBUL, Feb 5: President Turgut Ozal said a Black Sea economic cooperation pact initialled by Turkey and eight excommunist states on Monday would help transform the region reports Reuter.

"As the countries of the region make further progress towards democracy and free market economy, the collaboration among our countries will intensify." Ozal said.

Ozal, who conceived the idea in 1989, told foreign ministers or their deputies from Bulgaria, Romania, Russia, Georgia, Moldova, Ukraine, Armenia and Azerbaijan that the document would "contribute to the reshaping of the Black Sea region."

The Black Sea project, conceived before the Soviet Union fell apart, has been taken up by its newly independent republics keen to do business with their neighbours.

Georgian Deputy Foreign minister Tedo Caparidze told Reuters his country saw the pact is more important than the new commonwealth of Independent States (CIS).

Frankly, Georgia is sick of being part of a system (like) the former Soviet Union or the CIS," he said. Apart from the three Baltic republics, Georgia is the only former Soviet republic not to have joined the CIS. Ozal said new highways. ports and airports should be built and modern telecommunications set up within the re-

Prices up by 78.5 pc in Turkey

ANKARA, Feb 5: Consumer prices rose 78.5 per cent Turkey in the past year, the highest 12-month figure the State Institute of Statistics has reported for 38 months, reports Reuter.

Economists said the sharp rise was caused by December's public sector price hikes and lavish government spending before October's elections.

Inflation was 71.1 per cent for the year to January 1991 and 87.5 per cent in the year

to November 1988.

State Minister Tansu Ciller said this month inflation would continue to rise in early 1992. but would begin to decline particularly in the second half of the year.

Their family incomes top 100.000 dollar a

year, placing them among the nation's top 5

per cent. At least three are millionaires and

the others have assets and investment portfo-

lios worth hundreds of thousands of dollar, ac-

cording to disclosure statements filed with

George Bush and the five Democrats run-

ning to replace him. all fighting for votes

among the nation's financially pinched, have

built recession-proof lifestyles that surpass

ered by a wealthier-than-average class," said

Larry Sabato. a University of Virginia political

cause I am wealthy and freed from the day-to-

day concerns that I have been able to devote

The truth is politics has always been cov-

Their answer has always been. 'It is be-

the Federal Election Commission.

those of most Americans.

my life to politics," he said.

science professor.

Sudan starts sweeping reforms

KHARTOUM, Feb 5: Sudan has floated its currency, abandoning the effort to maintain a hugely overvalued official exchange rate, Finance Minister Abdel-Rahim Hamdi said, reports Reuter.

Hamdi announced the decision in a sweeping package of economic reforms for a nation bankrupted by civil war and natural disaster.

He also ended most import controls, increased pensions and the minimum wage, raised prices for bread and sugar, and warned consumers that heavy subsidies on petrol, flour and other staples could not continue much longer.

The exchange value of the Sudanese pound will, starting immediately, be set by commercial banks, Hamdi said.

The government and the bank of Sudan (the central

bank) will never intervene, whatever happens to the rate of the dollar." he said

The banks already trade currency for most commercial imports at a floating rate of about 90 pound to the dollarsix times the abandoned official rate.

Dealers said the scrapping of the official rate was not expected to cause any sudden move in the commercial rate. The switch to a more liberal

economic system may open the way for Africa's biggest country to restore its credit with the International Monetary Fund. Sudan is more than two bil-

lion dollar behind in payments to the IMF and has been barred from receiving new IMF-backed loans since 1986. IMF negotiators held talks

The summer quarter - the

third - covers July, August and

in Khartoum in January, press-

ing the government Lieutenant-General Omar Hassan al-Bashir to decontrol prices, devalue the pound and limit government expenditure.

Another report adds: Sudan, Africa's biggest country, has increased fuel prices after floating its national currency and lifting subsidies on a range of commodities. Finance and **Economic Planning Minister** Abdel-Rahim Hamdi said.

The price of petrol would double to 50 pound a litre and diesel would rise from 15 to 40 pound a litre, he told a news conference yesterday that was later broadcast by state radio.

The price of a loaf of bread its weight halved, would rise from 50 plastre to 1.25 pound.

Sudan, bankrupted by civil war and natural disaster.

floated the Sudanese pound on Sunday as part of sweeping re-

Hamdi said the government was spending 8.7 billion pound on wheat, flour and petrol subsidies and that this could not continue much longer.

.Commercial banks were buying dollar Tuesday at a rate of 88 pound each and selling at 91 to the dollar. The dollar was worth 15 pound under the officials rate abandoned two days ago.

The switch to a more liberal economy may open the way for Sudan to restore credit with the International Monetary

IMF negotiators in January pressed the government to end price control, devalue the pound and curb government spending.

Big nations' industrial output falls

WASHINGTON, Feb 5: Production of industry in four major countries including the United States showed a drop of 1.7 per cent last summer compared with the summer of 1990, the International Monetary Fund reported, reports AP.

That was faster than the drop in the spring quarter, 0.9 per cent.

Of the countries reporting - the United States, Japan. France and Canada

- only Japan showed a small increase. The fund takes figures submitted by its member governments and adjusts them

seasonally. The spring quarter

- the year's second quarter -

covers April, May and June.

Tokyo move to

cut working

hours won't

succeed

Minister Tetsuo Kondo said

Tuesday Japan would fail to

meet its target of reducing

work hours to 1,800 hours a

year within the coming fiscal

year starting April, reports

Working hours in fiscal

1990 were 2,044 hours, which

is 200 hours longer than the

have been the target of inter

national criticism as the cause

3,047 male workers polled by

Recruit Research Co Ltd. said

they were fully paid for over-

time, while 24.9 per cent said

"The real working hours for

1990 may have totalled 2,365

hours for male workers," the

they were not paid at all.

institute said.

of its yawning trade surplus.

Japan's long working hours

Only 54.9 per cent of the

TOKYO, Feb 5: Labor

Results were made available this week. The fund does not list ac-

September.

tual quantities of goods produced but publishes index numbers, using production in the year 1985 as equal to 100. On this basis overall production of industry in the third quarter reached onely 116 in the four countries. In 1990 the figure had been 118. US production in the sum-

mer of 1991 was 113 compared with 116 in the same period of 1990, a decline of 2.6 per cent.

Japanese production was up slightly, from 127 to 128, or 0.8 per cent. Compared with 1985. Japan has increased its

industrial production twice as much as the United States, according to these figures. The Japanese increase is greater than that in any of the four.

More detailed figures showed Japan's production dropping from a peak of 130 in July of 1991 to 127 in October. But experts-caution against watching monthly figures too closely. They say these are too erratic, and quarterly figures give a better picture of trends.

For the summer quarter. Canada's decline was the greatest, from 109 to 105 in 1991, or 3.8 percent. France went down 0.8 per cent, from 115 to 114.

The summer quarter showed mixed results for the smaller industrial countries

which got their figures in there were declines in Australia, Sweden and Spatti; increases in Denmark, Norway and Ireland

Figures for the summer quarter were not in yet from Germany, Italy and Britain. which are also members of the Group of Seven (G 7), the ma jor industrial countries. In the spring quarter Germany showed a rise from 1990 to 19901 from 115 to 121, but the figures only cover West Germany — the federal republic as it existed before unifica-

For the spring quarter, Britain showed a drop from 112 in 1990 to 105 in 1991 Italy's production also fell, from 118 to 116.



DAVOS: Prince Charles listening at the plenary session of the World Economic Forum to Czechoslovakian President Vaclav Havel Feb 4. Havel and Prince Charles attended the -AFP photo annual meeting for a one-day visit.

Jiang Zemin urges speedy reform

BEIJING, Feb 5: China's Communist Party leader Jiang Zemin called on his country to speed up economic reforms yet remain socialist, official New China News Agency said,

reports Reuter. "No matter what changes have taken place in the international situation, we must concentrate our energy on doing our work at home well." he was quoted as saying in a speech.

"We should.. speed up the pace of reform and our opening up to the outside world.

Three years after a nationwide austerity program slowed restructuring, it was the latest call to return to a forward course that includes opening China to the world.

Jiang, speaking at a lunar new year's party sponsored by the State Council and Communist Party, said China must adhere to its socialist path regardless of what other countries. do.

"In the new year we should continue to implement comprehensively the Party's basic line of making economic construction the central task.. and upholding reform and opening

to the outside world, and unswervingly follow the road of building socialism with Chinese characteristics." Jiang

The call for "speeding up" reform was a departure from the previous official line.

which espoused" deepening" of reform - a codeword that signified China's indecision on how to proceed.

Jiang invoked the name of senior leader Deng Xiaoping. the architect of the reforms that transformed China in the

Swiss banks to investigate source of large deposits

GENEVA, Feb 5: Swiss banks will have to investigate the source of large deposits from new customers to determine whether money from illegal transactions is being laundered, the government said Tuesday, reports AP. The guidelines released by

the government-run Swiss Banking Commission were drawn up to help the banks conform to Swiss laws on the books for 18 months. They take effect May 1.

The law was devised to stop drug traffickers and other criminals from laundering money through a series of bank accounts to make it difficult for investigators to trace the money and establish it illegal

origins. The guidelines require banks to undertake adminis trative measures, including training employees and creating a specialised unit to watch for problems.

Banks aren't required to check all transactions for a criminal connection, but they must investigate: New customers with initial deposits more than 100,000 franc (70,000 dollar);

Older customers who make unusually frequent or large transactions which cannot be explained by their business ac-

The past year has been an abnormal year, but we continued to advance along the road of building socialism with Chinese characteristics charted by Deng Xiaoping." Jiang said.

Deng himself surfaced for the first time in a year this week, as a signal that the veteran leader was still in charge.

China launched an austerity program in September 1988 when dramatic economic reforms and the opening to the outside world begun in the early 1980s ushered in doubledigit inflation.

The government had since the middle of last year begun to gradually move ahead with reforms, including the removal of subsidies on key consumer goods like grain and cooking

Inflation was among the issues that fueled anti-government protests in Beijing in May 1989.

A Key reform will be the gradual withdrawal of government economic planning. China, one of the last socialist states, is wrestling with a mix of planned and market economy systems.

EC opposes G-7 meet on **GATT** issue

PARIS, Feb 5: The European Community's chief trade negotiator said he opposes holding a special meeting of the Group of Seven industrial nations to break a deadlock at GATT world trade talks. EC Trade Commissioner

Frans Andrissen told the French daily newspaper Le Figaro that "it is preferable to leave the Uruguay Round dossier in the hands of current negotiators." Last week German

Economics Minister Jergen Moellemann called for a special G-7 summit in March or April if the Uruguay Round of trade talks, held under the auspices of the General Agreement of Tariffs and Trade were still deadlocked.

The G-7 consists of the United States, Germany, Japan, France, Britain, Canada and Italy.

Andriessen said: "I strongly fear that a shift in setting could complicate things rather than simplify them."

Andrissen said he favoured intensifying both bilateral talks between the EC and the United States and multilateral negotiations within the GATT in Geneva.

Iraq will urge AL members to release trozen assets

CAIRO, Feb 5: Arab states have blocked Iraqi attempts to ease UN-imposed sanctions but Baghdad's Arab League envoy said he will urge members to release about a billion dollar in frozen assets, reports

The league refused to put the sanctions issue on the agenda of a Wednesday meeting of its Economic and Finance Ministers.

"We are not asking anyone for aid. We want Arab states to release our frozen assets, open trade and back lrag's right to sell oil to buy urgent foodstuffs and medicine," iraq's Arab League envoy Nabil Nejim al-Takriti told Reuter.

Iraq has so far refused to accept a UN offer to resume of exports on terms that would deny Baghdad control of the

estimated 3.5 billion dollar frozen aboard, including about a billion dollar in Arab states. His attempts to place the

Takriti said Baghdad had an

issue on the agenda were blocked by Kuwait, Saudi Arabia, the United Arab Emirates and Bahrain at a preparatory meeting last week.

The Arab League was sharply split during the Gulf crisis. The pro-western camp, led by Saudi Arabia and Egypt. were the majority.

Czechs buying shares of state enterprises

PRAGUE, Feb 5: More than eight million Czechs and Slovaks are giving their troubled federation a boost by buying into a government scheme to privatize the state sector. the Cesky Denik daily reported Tuesday, reports AP.

By the end of January, 8.2 million of an estimated 10 million eligible Czechs and Slovaks had bought coupons to participate in the ambitious privatization scheme, the pa-

"Coupon privatization is taking place across the country and therefore is strengthening the federation," Ivan Miklos, Slovak Minister of Privatization told Czechoslovak TV Monday.

Miklos said the scheme's success would strengthen the federation's common market and dampen separatist feelings because by buying into large, state enterprises, Czechs would also be investing their coupons in Slovakia, and vice

Czechs make up almost two-thirds of the nation's 15.5 million people. Slovaks feel their complaints are not heard in Prague, the capital, and have demanded greater autonomy.

Reserve Bank dishonours

Indian firms threaten to halt export to CIS

NEW DELHI (India). Feb 5: Indian exporters are threatening to stop all exports if the state bank continues refusing to honor letters of credits from the former Soviet re-

publics, reports AP. R S Mardia, President of the Exporters Association of India, said Monday exporters have been waiting for more than a month for the Reserve Bank of India to release payments from the newly independent states for exports worth 444 to 555 million dol-

The association has more than 500 member companies including almost all the top Indian export firms.

Indian goods are exported against credit granted by the central bank, which releases local currency to the exporters. India and the former Soviet Union had a rupee-rouble barter trade, under a treaty renewed last year.

The bank, which controls India's scarce foreign currency reserves, last month abruptly stopped honoring irrevocable letters of credit from the Russian Bank of Foreign Economic Affairs, citing an unprecedented financial crisis.

One of India's leading exporters to the former Soviet Union, China Exports Ltd. has about 2.2 million dollar in unresolved debts from Russia, a company executive said. The firm's business declined by more than 80 per cent last year because of the turmoil in

the former communist empire. The republics in the Commonwealth Independent States owe India about 800 million dollar outstanding payments, Commerce Minister P Chidambaram said last week. India owes those countries more than 11 billion dollar long-term borrowings for the expansion of its indus-

A trade delegation from the former Soviet republies is scheduled to visit India Saturday to sort out the debts

Mardia said the government's move to stop payments ran contrary to developments in other countries that recognized the huge market potential of the new states and were giving their exporters credit for up to three years.

Indian exports suffered a severe setback when the Soviet Union collapsed. prompting its cash-starved republics to withhold payments. Fresh export orders were jeopardized

Mardia said the government also was withholding about 370 million dollar in subsidies to exporters, heightening a fi nancial crisis that could threatened the jobs of more than 3 million workers in export-related industries.

Basic foods to run out in 19 days

Russian press mounts attack on reforms

MOSCOW, Feb 5: Russian newspapers today stepped up their attacks on the government's economic reforms, with the daily Pravda saying industrial production was fast collapsing, reports Reuter.

Pravda published statistics showing living standards in Moscow had dropped three fold since price rises last month while a senior official said Russia's strategic reserves of food and fuel could run out in a year's time.

Russian economic chief Yegor Gaidar yesterday defended the reform programme and said he had no intention of resigning despite criticism. The price fises were supposed to stimulate production but Gaidar acknowledges this has not yet happened.

Pravda said the price rises had sparked industrial chaos and claimed many large enterprises had largely stopped because they could no longer afford raw materials. "I get the impression that our radical reformers are completely divorced from life and don't understand all the complexities

of mutual economic ties," it quoted the head of one large Belarussian firm as saying. AP reports from Moscow:

Russia will start running out of

basic food supplies within 19 days, despite a radical price reform programme designed to fill empty store shelves, the Russian news agency reported Tuceday. The dire predictions, based on government statistics,

come one day after Russia's top economic official forecast another two years of economic hardships. Trade Ministry spokesman

Vasily Tikhonov blamed the looming crisis on the refusal of other former Soviet republics to honor contracts to sell food to Russia, because they need the food to feed their own hungry residents. Russia received just 10 per

cent of all the food and other goods imported by the Soviet Union in 1991, even though it was by far the most populous republic, said Tikhonov, Deputy Chairman of the Trade Committee of the Rusian Ministry of Trade and Material Resources.

Tunisia's economy on growth path

TUNIS, Feb 5: Tunisia is in good financial health despite fears a year ago that the Gulf war would damage its economy, Finance Minister Mohamed Ghannouchi said, reports Reuter.

Tunisia's foreign exchange reserves almost doubled last year, rising from 350 million dollar in May to 690 million dollar by December 31, Ghannouchi said in an inter-

That represents 50 days of imports or slightly more than at the end of 1990," the minister told Reuter. The 1991 balance of payments deficit, originally forecast at about 700 million dollar, would not be more than 550 million dollar, or four per cent of GNP.

Ghannouchi said Gross

Domestic Product (GDP) had

risen by 3.5 per cent in real

terms, a vast improvement on

original forecasts which pro-

jected zero growth. He said the improved financial picture was due mainly to a record cereal crop of 2.4 million tonnes, a better-thanexpected.

Business briefs

Vietnam's trade with West soars: Vietnam's trade with Western countries rose dramatically last year after Hanoi lost its top markets in the former East

bloc, an official news report said, reports AP from Bangkok. Vietnam imported 1.7 billion dollar worth of goods from Western nations in 1991, a 35 per cent increase over 1990, the official Vietnam News Agency said. Total value of all imports was 1.9 billion dollar. Almost 70 per cent of imports were raw materials and fuel.

Russia to limit oil output fall: Russia hopes to limit the fall 4n oil output to 10 per cent in 1992 compared with 1991, Deputy Prime Minister Yegor Gaidar told journalists, reports Reuter from Moscow.

Government documents obtained by Reuters last month showed that Russia expected oil output to fall to 405.5 million tonnes in 1992, down 12.3 per cent from 462.3 million in 1991.

MITI team to visit Russia: Japan's Ministry of International Trade and Industry (MITI) will send missions to the Russian far east and countries in Central America, a ministry official said , reports Reuter from Tokyo.

consumer and other non-military goods, he said. \$ 300m WB loan to Peru: The World Bank said on Tuesday that it approved a 300 million dollar loan for Peru

But diplomats said that the country won't actually get its hands on the money until later this year after it clears its estimated 900 million dollar in debut arrears to the World Bank.

Lifestyles of would-be US presidents recession-proof! Gary Koops, a spokesman for the Republican income as between 69,500 and 84,900 dollar He reported assets of between 1.4 million be president of the United States clearly have National Committee, said personal wealth and 3 million dollar including the Cape Cod vaincluding his governor's salary, money from a learned to manage their own money, reports doesn't necessarily distance a candidate from discretionary gubernatorial expense fund, the voters.

wants to elect a president who has been successful, whether in running a business or government," Koops said Most of this year's candidates, with the exception of Bush and Brown, come from working of middle-class families, "and they haven't forgotten that," said Ginny Terzano, a

"I think it's fair to say the American public

Committee. Bush leads the field with a net worth of about 4 million dollar. His assets include a vacation home in Kenneburport, Maine, with a tax-assessed value of 2.2 million dollar

spokeswoman for the Democratic National

Bush also listed a blind trust worth 1.24 million dollar which includes holdings from his days as a Texas oilman. The trust earned 245,911 dollar income in 1990. Bush also earned 200,000m dollar in presidential salary . Arkansas governor Bill Clinton reported his speech fees and some investment earnings. He valued his assets at between 82,000 and 230,000 dollar. Clinton, who has stressed that his governor's salary is the nation's lowest at 35,000

dollar, also benefits from the income and assets of his wife . Hillary, a lawyer. lowa Senator, Tom Harkin earns between 141,000 and 168,000 dollar and his family assets are valued at between 212,000 and 771,000 dollar including the Bhamas vacation

"He's made it and he's not ashamed of it," said spokeswoman Loraine Voles. "Tom grew up working on construction sites to put himself through school."

Paul Tsongas, the former Masschussetts senator, left Congress in 1984 to practice law after he was diagnosed with cancer. His estimated salary with a Boston law firm is 350,000 dollar a year.

cation home and another Massachussetts property that together are worth more than 750,000 dollar. He also reported more than a half-million dollars of stock in a startup waste disposal company. Senator Bob Kerrey of Nebraska, who founded successful restaurant and health club

chains, reported his holdings were worth at least between 1.6 million and 2.46 million dol-Brown, the former California Governor, reported assets that included land in northern

California and various investments worth be-

tween 432,000 and 1 million dollar and in-

come of at least 130,000 dollar from his law firm and real estate. Conservative columnist Pat Buchanan and former Ku Klux Klansman David Duke, who are challenging Bush for the Republican nomina-

tion, have not yet filed disclosure forms with the FEC.

The delegation to the Russian far east will leave on February 14 to visit Vladivostok to discuss with local officials the possibility of converting military factories to production of

to help President Alberto Fujimori's far-reaching reforms in trade policies and regulations, reports Reuter from Washington.