

Iran's output of petrochemicals soars by 44 pc

TEHRAN, Mar 16: Iran's annual output of petrochemical products has increased by 44 per cent, climbing to 4.3 million tonnes and a market value of 600 million dollar, the official news agency IRNA reported Sunday, reports AFP.

It said fertilizers accounted for 1.2 million tonnes of the petrochemicals produced in the last Iranian calendar year, from March, 1991 to March, 1992.

Exports rose by 172 per cent to reach 970,000 tonnes, IRNA said, citing a report from the national petrochemicals company. Revenue from exports rose by 186 per cent.

S Korea to ask Japan for \$150m technological fund

SEOUL, Mar 16: South Korea will ask Japan to foot three quarters of the cost of a 200 million dollar joint fund for technological and scientific cooperation during talks this week, a press report said Sunday, according to AFP.

The English language Korea Times daily quoted a foreign ministry official as saying South Korea would ask Japan to raise 150 million dollar for the fund during working level talks set to take place in Tokyo.

The two sides will also discuss access to Japan's market for South Korean goods, cooperation on environmental protection and formation of a joint business forum, as agreed by the two sides when Japanese Prime Minister Kiichi Miyazawa visited Seoul in January.

The Seoul delegation to the talks will be headed by Kim Yong-Kyu, Director General of the International Trade Bureau of the foreign ministry.

Based on the results of the talks, the Korea-Japan committee on cooperation in trade, industry and technology will meet April 2-3 to discuss ways of redressing Japan's widening trade surplus with South Korea, the report said.

Share prices tumble in Tokyo

TOKYO, Mar 16: Share prices tumbled precariously close to the key psychological level of 20,000 points Monday morning in Tokyo, mainly on selling by investment trusts and pressure from declining futures prices. On the foreign exchange, the US dollar rose against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average fell 397.74 points, or 1.94 per cent, ending the morning session at 20,058.32.

At one point, the average was quoted as low as 20,035.

On Friday, the Nikkei shed 105.82 points, or 0.52 per cent, closing at 20,456.06, its lowest level in 17 months, on heavy year-end selling by short-term corporate funds.

The Tokyo Stock Price Index of all issues listed on the first section was down 13.50 points, or 0.92 per cent, at 1,450.50 points as of 11.00 am (0200 GMT). On Friday, the TOPIX fell 8.21 points, or 0.56 per cent, to 1,464.00.

The benchmark No 129 10-year Japanese government bonds stood at 105.51 points as of 11.00 am (0130 GMT), up from Friday's close of 105.33. Their yield fell to 5.41 per cent from 5.44 per cent.

Arbitrage selling by market players taking profits on price gaps between spot and futures markets also pushed prices lower early in the day.

Some analysts have said they feared a drop in the Nikkei below 20,000 points would trigger a massive sell-off.

Fundamentalism can bring Jordan more aid

AMMAN, Mar 16: Aid dependent Jordan is holding up the bogeyman of rising Islamic fundamentalism fuelled by economic hardship to shake more money from reluctant western donors, reports Reuters.

The West has been keeping a wary eye on the kingdom, traditionally seen as an island of moderation in a volatile region, since economic hardship helped bring Muslim fundamentalists sweeping gains in 1989 elections.

Now Jordan is using the example of Algeria, rocked by political unrest since Muslim fundamentalists were poised to win power, to warn the West that continued poverty could fuel political instability.

"What happened in Algeria is an indicator of what could happen anywhere else in the near future if the economy keeps going downwards," a senior government official told Reuters.

"Our rapidly deteriorating

economic situation and growing popular frustration caused by the slow progress in Middle East peace talks are providing the best recipe for fundamentalism and extremism to mushroom here," he said.

Amman, which hopes to win more aid for taking the risk of fully backing US-led Arab-Israeli peace talks, is wrestling with a foreign debt of 7.2 billion dollar, over 30 per cent unemployment and a widening gap between the rich and the poor.

With the help of western and Japanese aid, it is slowly bouncing back from the Gulf crisis which devastated key sectors and swelled its three-million population with 300,000 of its citizens forced from Kuwait and other states.

Jordan's pro-Baghdad stance during the crisis sparked by Iraq's August 2, 1990 invasion of Kuwait cost it dear as its Gulf Arab backers withdrew generous aid

packages.

Japan, the European Community and other countries gave Jordan nearly one billion dollar in 1991 to help it cope with the Gulf crisis and growing instability.

But with the immediate crisis past and donors more concerned with helping newly-independent republics in the former Soviet Union, expected aid for 1992 has shrunk to only a few million dollar.

Western diplomats said Amman was telling a parade of foreign officials that it badly needed their financial backing to head off fundamentalist-fueled unrest.

"In every meeting with the Jordanians, the message is we need your help or we could run into trouble," one of the diplomats said.

The fundamentalist Muslim Brotherhood, the biggest single bloc in parliament, rejects the idea of being compared to Algeria's Islamic Salvation Front (FIS) and says it will

limit its opposition to Arab-Israeli peace talks to peaceful means.

The FIS, its leaders on the run or under arrest accused of plotting to overthrow the state, has been banned in Algeria after being widely accused by the Algerian authorities of multiple violations of the law.

In Jordan, some fundamentalists are warning of a backlash if the government goes too far in trying to discredit them to get aid from a West which is opposed to their calls for a stricter Islamic state.

"Using us is cheap blackmail," said one Muslim Brotherhood deputy, "but it might help them get foreign aid and sympathy because there are very generous offers from many countries in the world who want to fight the spread of Islam."

"But by overdoing it, they will risk paying a higher price by starting unrest on the streets," he said.

China to develop high tech export industries on Hainan Island

BEIJING, Mar 16: China has said it would open up a development zone focusing on high-technology, export oriented industries in the Port of Yangpu, on Hainan Island, reports AFP.

Hainan's Vice Governor Mao Zhenjun, quoted in the China Daily Newspaper Monday, said only foreign-owned and joint venture firms would be allowed to set up shop in the 30-square-kilometer (12-square-mile) zone.

There, he said, they would enjoy better facilities than those offered in China's existing special economic zones.

Formerly part of the prosperous southern province of Guangdong, Hainan gained provincial status three years ago and is also a special economic zone in itself.

Besides high-tech activities, the Yangpu zone will also be allowed to engage in land-lease deals, bonded warehousing, packaging and stock trading, Mao was quoted as saying.

China tobacco export growing fast

BEIJING, Mar 16: China's tobacco foreign trade in 1992 will outpace its growth last year, backed by sustained domestic production and an increasing demand overseas, the 'Business Weekly' reported Sunday, according to Xinhua.

The China Tobacco Import and Export Corporation, which monopolizes the nation's tobacco trade, will develop more international markets this year.

China's tobacco market overseas will also be more diversified. Now it has mainly concentrated on Western Europe and the United States.

The company plans to send more trade delegations to Romania and the States of the Russian federation to seek business opportunities for cash and barter trade and co-operation in setting up Chinese tobacco stores and joint venture projects there.

The company will also expand its presence in Japan, Thailand and Indonesia this year, the paper reported.

Meanwhile, the export of cigarette manufacturing equipment is expected to increase, after the first-time export of 2.86 million US dollar worth of Chinese equipment to the Democratic People's Republic of Korea last year.

The total export volume of tobacco leaves, cigarettes and equipment in 1991 reached 306 million US dollar. Of this, the export of 70,000 tons of tobacco leaves got a record high of 135 million US dollar doubling that in 1990.

The export of cigarettes last year hit 134 million US dollar, also doubling the 1990 figure.

The company managed exports to the former Soviet Union for the first time last year, for a total of 10,000 tons.

China provides about 30 per cent of the world's annual tobacco leaves and cigarette output, but export accounts for only a small part.

Beijing asked to give up communism

Taiwan offers \$10b conditional loan to China

TAEPEI, Mar 16: Taiwan's ruling Kuomintang (KMT) approved in a plenary meeting Sunday a proposal to extend a five to 10 billion dollar loan to its communist rival in Beijing — if it gives up communism, reports AFP.

The proposal, endorsed by 34 party members, including senior advisers to the President, offers China a long-term low-interest loan if Beijing agrees to give up communism, its threat to invade Taiwan and support freedom and democracy.

According to the proposal, the loan would be remitted to the mainland through Taiwan's export and import bank.

Taiwan and China have

been better enemies for more than four decades since the nationalist KMT lost a civil war to the communists and driven to the island in 1949.

An earlier Reuters report adds: Taiwan's ruling nationalist party on Sunday offered to lend up to 10 billion dollar to China, but China must be willing to "jointly seek peaceful reunification under the principles of freedom, democracy and equal distribution of wealth," the resolution read.

Both Taipei's nationalist rulers and Beijing's communist government claim sovereignty over all of China including Taiwan, and have vowed to reunify the country one day.

Economic ties between the two sides have been growing

rapidly since political tensions began to ease in the late 1980s, and Taiwanese officials have said they hope to use the island's growing economic power to promote reforms in China.

General Wego Chiang, son of the late nationalist leader Chiang Kai-Shek who lost the Chinese civil war to the communists in 1949, was one of the 34 committee members who proposed the resolution.

The commission met during a party congress at which over 900 delegates debated democratic reforms including a proposal to introduce direct elections for the island's president that has left the party deeply divided.

The congress remained unable to reach a consensus on the reform late on Sunday after two days of stormy debate during which delegates screamed in frustration at President Lee Teng-Hui and nearly came to blows with each other.

Direct presidential elections would be one of the biggest political reforms since martial law was lifted in 1987, giving Taiwan's fledgling opposition parties and chance to seize power with a single popular vote.

The president is elected by the national assembly, heavily dominated by the nationalists for the past four decades.

Sanyo makes world's first superconducting transistor

TOKYO, Mar 16: A Japanese company said Monday it had developed the world's first superconducting transistor, with the potential for huge increases in speed for integrated circuits, reports Reuters.

Sanyo Electric Co Ltd said in a statement its transistor had a theoretical speed 10 times that of existing semiconductor transistors and consumed 100th as much electricity.

This gave it potential for use in the next generation of supercomputers, high-speed number-crunchers used mainly for computer simulation of complex physical processes.

A Sanyo spokesman said there was still a long way to go before the transistor saw practical use.

It would be five years before engineering samples of devices featuring the transistor appeared, with products not expected on the market until the next century, he said.

Superconducting materials present much less resistance to the passage of electrical currents than conventional conductors.

GM plans jt venture with Indian firm

NEW DELHI, Mar 16: General Motors, the leading US automaker, is likely to manufacture fuel-efficient vehicles here in collaboration with an Indian car firm, the Press Trust of India (PTI) quoted official sources as saying Sunday, according to AFP.

The planned link between India's private Hindustan Motors and the US firm is among 893 foreign investment proposals worth 439 million dollar cleared under New Delhi's latest industrial policy launched last summer, PTI said.

General Motors will invest 30 million dollars in the joint venture and will hold 30 per cent of its equity capital, PTI quoted official sources as saying in New Delhi.

The Indo-US collaboration will immediately begin a programme of automotive component exports to foreign collaborators and its subsidiaries, the source said, without specifying when the venture was slated to take off.

Japan's industrial output falls by 0.8 per cent

TOKYO, Mar 16: Japan's industrial production in January fell 0.8 per cent from the previous month and four per cent from a year earlier, the International Trade and Industry Ministry said Monday, reports AFP.

The figures were the same as preliminary figures announced last month although other statistics were revised to show a smaller increase in producer shipments and reworked growth in inventories during the month.

Shipments grew a revised 0.6 per cent from December but were down 2.3 per cent from a year earlier. Preliminary figures had shown an increase of one per cent from the previous month and a decline of two per cent from a year earlier.

Inventories rose 0.2 per cent from the previous month and were up 12.2 per cent from a year earlier. The Ministry had previously reported that inventories were unchanged but up 12 per cent from a year earlier.

US House members likely to stampede Ethics Committee

WASHINGTON, Mar 16: Scores of House members are likely to stampede the Ethics Committee this week to check the accuracy of the bank records used to brand them as writers of rubber checks, reports AP.

Congressman James V Hansen of Utah, ranking Republican member of the ethics panel, said the Committee kept its doors open this weekend so members could review their data.

Across the country this weekend, member after member attributed bad checks to sloppy bookkeeping by the House bank, which they said rarely bothered to notify them when there were insufficient funds to cover a check. The checks didn't actually bounce — the bank covered the overdrafts with money from overall deposits.

Maryland Democrat Benjamin L Cardin, another member of the panel that sifted through the bank's records, called them "hopelessly inaccurate." Cardin and Hansen spoke Sunday on ABC-TV's "This Week with David Brinkley."

The panel has identified 296 current House members and 59 former ones as cashing at least one bad check. It has focused on 24 current and former members as "worst abusers" — those who wrote so many bad checks their next monthly paycheck would not cover the deficit at least eight of the 39 months covered by the investigation.

The Associated Press learned the names of 22 of the top 24 from congressional sources on Saturday, and Congressman Mickey Edwards, an Oklahoma Republican, added his own name to the list Sunday.

Former congressman Tommy Robinson of Arkansas, identified by congressional sources as the bank's worst abuser with 996 bad checks, said he was never told of any problem with his bank account during his six years in the House.



BONN: Former top East German official Wolfgang Vogel, who negotiated several cold war exchanges of spies and dissidents, during a visit here in 1986. Vogel was arrested Mar 13 and charged with blackmail and extortion and accused of collaborating with Stasi, former East Germany's Secret police, a Berlin Prosecutor said. — AFP photo

Australian economy coming to life

SYDNEY, Mar 16: Signs of life are emerging in the Australian economy after 15 months of recession, but economists believe unemployment will stay high for the rest of this year, reports AFP.

National accounts data are expected this week to give the government of Prime Minister Paul Keating the best news it has had this year — that the recession he once said "Australia had to have" has ended, technically at least.

A recession is defined as

two consecutive quarters of negative growth. Australia, according to figures published three months ago, suffered five negative quarters to September.

Economists are predicting that statistics to be released Tuesday will show an increase in Gross Domestic Product (GDP) for the December quarter and provide statistics backing for other indications of upturn.

These include big increases in factory production, a big

rise in job advertisements and data last week showing that while unemployment rose slightly to 10.5 per cent, employment also rose by more than 40,000.

Analysts said the employment data indicated the recession had bottomed out.

In addition, figures released last Friday showed a 3.8 per cent jump in retail turnover, the biggest monthly rise for more than four years.

Australia's biggest retailer Coles Myer said sales were

picking up and signs of economic recovery were beginning to emerge.

"Sales for February have been running at a level slightly above that for the first six months and directors now believe that tentative signs of economic recovery are now beginning to emerge," company Chairman Solomon Lew said last week.

The positive indicators also coincide with the breaking of the Australian drought, bringing some relief to farmers,

One in every 43 British firms failed last year

LONDON, Mar 16: One in every 43 businesses registered in Britain went under last year, according to latest government figures published here, reports Xinhua.

The Department of Trade and Industry figures showed that total company insolvencies soared by 45 per cent to 21,829 from 15,051 in the previous year.

The figures also showed that one year of hope was that insolvencies fell five per cent in the final quarter to 5,554 from 5,867 in the third quarter.

But British Chambers of Commerce chief Ron Taylor said that any suggestion of a turnaround was premature, especially as there would be a lag between recovery and any real downturn in insolvencies.

The latest figures are seen as a fresh blow to the conservative government of Prime Minister John Major, who has to go to the country no later than July 9 against the backdrop of an economic still lingering in recession.

Willie Nelson's concert to raise over \$1m

IRVING (Texas), Mar 16: Willie Nelson's populist charity work strikes the same chord with fans and music pals that his singing does. His fifth Farm Aid concert is certain to raise more than 1 million dollar for rural aid groups, reports AP.

"It's something that everyone who eats should brush up on," Nelson said of America's hard-pressed family farmers. "The people who grow their food are losing their homes, losing their land."

Nearly 50 artists and groups joined in the 12-hour benefit Saturday. About half the show was broadcast on cable television's The Nashville Network.

"Willie has started a thing that has helped a lot of people," said singer Eddie Rabbitt, performing for the first time at a Farm Aid show.

"He didn't have to be very persuasive at all," Paul Simon said of Nelson's invitation to perform. "I admire his work and I admire what he's doing here."

The concert at Texas Stadium, home of the Dallas Cowboys, was blessed with sunny, 80-degree weather. Between 30,000 and 40,000 people attended, organizers said. About 50,000 had been expected.

Among other performers were John Mellencamp, Richard Marx, the Champagn, Kris Kristofferson and Waylon Jennings. Comedians Roseanne and Tom Arnold and Steve Allen introduced some of the acts.

While the farm foreclosure crisis that spurred Nelson to begin Farm Aid in 1985 has slowed, he and others at the concert emphasized that problems persist in rural America.

The availability of financing has tightened since the upheaval in the nation's banks and thrifts.

"Credit is very scarce," said Betty Puckett, who runs a Farm Aid-supported assistance hotline in Lecompte, La. "They're looking at cash flow and past history. And the recent past has been low production, low prices and disasters."

Most Asian currencies fall against the Greenback

HONG KONG, Mar 16: The Japanese yen led the downward trend as most Asia-Pacific region currencies lost ground against the US dollar over the week, reports AFP.

Only the Hong Kong and New Zealand dollar and the Philippine peso bucked the trend.

Speculation over interest rate cuts in Japan, continued political uncertainty and a more optimistic view of US economic prospects helped the Greenback strengthen sharply against the yen the second week in a row.

The Singapore dollar and South Korean won also fell fairly sharply against the US currency.

Japanese yen: The Japanese yen closed the week sharply lower at 133.55 yen, off 1.92 yen from the previous week's close of 131.63 yen, depressed by persistent rumours of a rate cut by the Bank of Japan (BOJ). After opening the week at 131.77 to the dollar, the yen continued to decline to a six-

month low of 134.00 on Thursday, weathering Wednesday's central bank intervention to stem its fall.

Behind the yen's drop were speculation of credit easing, uncertainty surrounding Japanese politics and an optimistic view of the US economy, dealers said.

The yen turned up Friday as rumours that the BOJ would further intervene in the market triggered profit-taking sales.

Australian dollar: The Australian dollar ended the week down at 75.48 US cents despite some buyer interest, dealers said. There was a bit of selling out of Tokyo at the top, one dealer said, explaining why the currency slipped from the previous Friday's close of 75.63 US cents.

The Australian dollar had improved on news indicating that an economic recovery might have begun, but "investors started to sell the US dollar against the yen and the Aussie came down with it,"

the dealer said.

Hong Kong dollar: The Hong Kong dollar closed on the week at 7.7455-7.7465 to the US currency, compared to 7.7525-7.7535 a week earlier. The effective exchange rate index was 112.7.

Indonesian rupiah: The Indonesian rupiah closed the week down to 2,016 to the dollar from the close seven days earlier of 2,012 to the Greenback. It fell to 2,013 on Monday and lost further ground through the week.

Malaysian ringgit: The Malaysian ringgit eased this week by 110 points to 2,5770 to the US dollar from a 47-month high of 2,5660 last week.

Dealers said the ringgit's rise against the dollar was checked by profit-taking by foreign banks, mainly those in Singapore, following the local currency's recent rally.

New Zealand dollar: The New Zealand dollar continued its slowly rising trend during the week, closing Friday at

54.78 US cents, slightly up on the previous Friday's close of 54.68 cents.

It had been expected to break through the 55 cents mark but, said Nigel Dobson of Citibank, every time it came close it "ran into selling."

Dealers said there was little enthusiasm to see it go higher, and most market action focused on the Australian dollar.

Philippine peso: The Philippine peso strengthened from 26.05 pesos to the US dollar a week earlier to 25.81 peso on Friday.

The upward move followed reports that the International Monetary Fund (IMF) would be willing to allow the Philippine peso to remain overvalued in order to keep the government from having to pay too many pesos to service its 29 billion dollar foreign debt.

However, the IMF cautioned against a too-high appreciation of the local unit.

Singapore dollar: The Singapore dollar weakened considerably against the US

dollar to close at 1.6710 to the American currency Friday, compared to 1.6575 on week earlier.

The Greenback reached a 20-month high of 1.6805 at mid-day Friday before dipping marginally against the local currency, following steady gains over the past three weeks.

The previous high mark was in mid-1990 when it stood at 1.6575, money market dealers said, adding that the recent selling of the Greenback in Tokyo contributed to the steady tone here.

The OCBC Bank's trade weighted index for the Singapore dollar stood at 136.38, unchanged from seven days earlier. The index is calculated against the currencies of Singapore's top 12 trading partners.

South Korean won: The South Korean won continued its slide against the US dollar during the week, trading at 770.70 on Saturday, a sharp fall of 2.50 from the previous

week.

The won has lost 1.3 per cent of its value against the dollar since the beginning of the year.

Taiwan dollar: The Taiwan dollar declined to a Friday close of 25.3695 against its US counterpart, down 15.95 Taiwan cents from the previous week's finish of 25.21.

After opening Monday at 25.275, the local unit steadily lost steam and moved between 25.2725 and 25.3659 due to seasonal demand for the Greenback, currency dealers said.

The dealers predicted the Taiwan dollar would fall further, and would hit the 25.5 mark soon.

Thai baht: The Thai baht continued to weaken over the week and closed Friday at 25.67 to the dollar. It had closed a week earlier at 25.56.

A Bangkok Bank official attributed the stronger dollar to increased demand for it in the global market, and especially in Japan.

Business briefs

Malaysian palm oil stock fell 19 pc: Malaysia's crude palm oil stock fell 19.43 per cent to 266,578 tonnes at the end of February from 330,861 tonnes a month earlier, the Palm Oil Registration and Licensing Authority (PORLA) said Monday, reports AFP from Kuala Lumpur.

PORLA said that crude palm oil production in February also fell by 3.26 per cent to 382,859 tonnes from 395,777 tonnes in January.

Farmers' income up by 3.5 pc in China: A nationwide sample survey shows that the per capita net income of Chinese farmers in 1991 reached 710 yuan, up 3.5 per cent over 1990, reports Xinhua from Beijing.

The figure represented a two per cent growth in real terms, in line with a steady progress in the rural economy in spite of severe flooding in eastern China last summer.

India hopes good trade with CIS: India is cautiously optimistic about its trade prospects in the independent republics of the former Soviet Union, Deputy Minister for Commerce Salman Khurshid said, reports Xinhua from New Delhi.

India hopes that it will be able to retain a major portion of the emerging market in the independent republics, newspapers quoted Khurshid. But Khurshid noted that there will be tough competition from other countries in entering the markets in the republics and India will have to make its marketing and sales promotion more intense.