## Let Mother Nature, not pesticides, protect rice fields from insects

WASHINGTON, May 11: Farmers who think the only good bug is a dead bug might be shocked to find a spider the symbol of an international rice production effort in Asia, writes AP.

Predators and parasites are the heros of a new rice revolution that allows Third World governments to feed more people - and save money - by cutting subsidies for pesticides, says a report released Sunday by the United Nations Food and Agriculture Organization.

A bonus, says the reports, is fewer health problems for farmers because they are no longer exposed to the harmful chemicals.

Indonesia has saved hundreds-of millions of dollar in subsidies, banned 57 crop chemicals and increased rice production 10.4 per cent last year, said Peter Kenmore, manager of FAO's Asian Rice IPM Program.

IPM stands for Integrated Pest Management, but what it amounts to is letting Mother Nature rather than man-made chemicals protect rice fields from riceconsuming insects called brown planthoppers. It also has taught 200,000 Indonesian farmers to become amateur environmental scientists in their own fields.

Kenmore demonstrated during an interview how farmers are made to discover for themselves the way crops and insect management can increase yields. He pointed to an imaginary bug on the floor of a downtown Washington office, picked it up and showed how FAO trainers refuse to answer questions but force the farmer to follow the bug into the field to find out exactly what it does.

Farmers get excited when they discover

their little allies in the rice paddies, he said. "As long as we give the good-guy bugs a level playing field, they'll survive," Kenmore said. The good guys are spider and other bugs that eat planthoppers - insects that have eaten up enough rice to feed hundreds of millions of

When Indonesia was spraying its rice fields with pesticides backed by a \$150 million subsidy, beneficial predators were being killed, while insects that destroyed crops adapted and

After an increase in spraying 1976, Indonesia had the biggest loss of rice to planthoppers of any country in history; enough to feed 2.5 million people, the report says.

Kenmore said one factor that made change possible in Indonesia, now the world's fourth most populace country, is the authoritarian nature of the government. In 1986, President Suharto issued a decree banning most pesticides.

In more pluralistic countries like the Philippines, Bangladesh and Sri Lanka, it takes longer, he said.

The Green Revolution, an intensive scientific effort that has developed high-yield rice strains to feed the two billion people for whom rice is the main staple, has helped make Asia self-sufficient in rice for 20 years.

But it has been accompanied by high use of fertilizers and pesticides. As natural farming methods are improved and spread. Kenmore said, fertilizer use eventually may be reduced, too, and the programme also can be used to protect other crops.

# Rs 3,010cr Haldia petrochemical plant soon

CALCUTTA, May 11: The civil construction work for the much-awaited joint sector Rs 3.010 crore Haldia Petrochemical Project will begin after the Monsoon ends, according to its Chairman T Ç Dutta, reports PII.

Dutta told PTI here that 90 per cent of the rehabilitation

programme had already been implemented. As many as 400 families were shifted to alternative land to facilitate construction work. The displaced families were also compensated.

Although the soil testing at the site has started the civil construction work could not

KUWAIT, May 11: Kuwait,

which once earned far more

from oil than it could possibly

spend, may soon end up a

debtor like many Third World

nations, diplomats and eco

occupation 15 months ago and

without the benefit of past

massive oil revenues. Kuwait

has spent billions to compen-

sate Gulf War allies, rebuild its

economy and keep its small

but disgruntled population

diplomats said that by focusing

on immediate cash need, the

Emirate that once had over-

scas assets of over 100 billion

could sink into debt within a

the need for decisive manage-

The Gulf War has redoubled

One cannot see any long-

few years.

But the economists and

Since liberation from Iraq's

nomists say, reports Reuter.

begin as scheduled due to some "technical reasons." Now with almost all the hurdles removed the plant is expected to be commissioned in the next four years, the Chairman

Referring to the foreign exchange burden involved in the project, Dutta said that the centre had already agreed to provide bulk of the amount and ensure inflow of raw

The foreign collaboration for the installation of the machinery and the plant has also been finalised in consultation with the relevant union ministry, he said.

The only thing left now is the final clearance from the Environment Department which is expected to reach here at anytime, Dutta said adding that the state government had already sent a detailed expert report on the environment scheme of the project to the centre recently.

Bank of Japan

puts net 50b

yen in money

market

of Japan (BOJ) injected a net

50 billion yen into the money

market by offering to buy 600

billion yen in bills and by re-

calling 550 billion yen loans at

the same time, money traders

21, carrying a rate of 4-22/32

per cent against 4-24/32 on

Tokyo to cut

overtime work

hours by 20pc

time work by at least 20 per

The bills are due on May

said, reports Reuter.

TOKYO, May 11: The Bank

#### Auction for \$ 199m Pak investment bonds KARACHI, May 11: The State (central) Bank of Pakistan said it had invited tenders upto Wednesday for the auction of federal invest-

INHUMAN BONDAGE: Cam-bodian boat people being held at the Westbridge detention centre on May 10 in Sydney pleading for the repeal of a law which tightens the screening of refugees. The law, rushed through parliament lost week, forbids the courts from releasing

Govt okays plan to buy \$20b bad debts

detainees while their applications for asylum are processed. -AFP photo by Torsten Blackwood

ning the risk of losing its

wealth and assets abroad, one

the country share this view.

Many other professionals in

Economists say the gener

ous welfare state might have to

change and the government

might start charging for the

many services the Kuwaitia

have so far been receiving free.

at least 600,000 is estimated

to have spent 60 billion dollar

since it was liberated mostly

up most Kuwaitis consumer

and real estate debts, compen

sated them for war damages

and given them cash handouts

Economist Jassem al-Saa

doun, a critic of the govern-

ment, said Kuwait was risking

becoming a Third World

country in terms of deficits in

The country is spending a

lot on bad debts, weapons,

costly contracts given out

without a set of priorities, and

giving grants to people to buy

political loyalty which is put-

ting a burden on public money

at a time when revenue from

rate will be able to keep its in-

vestments abroad intact if it

maintains current spending

levels and say it might have to

borrow on world markets once

assets would not be sold and

that the government was not

thinking of further borrowing.

manage with 5.5 billion of ex-

port credit guarantees ob-

tained from the West. It was

also planning to privatise some

companies and merge financial

to borrow 5.5 billion from

commercial banks. An earlier report adds: The

Kuwaiti government gave final

approval to a plan to buy about

20 billion dollar of bad debts

from troubled commercial

banks, which critics say will

lead to a bail-out of influential

quoted government spokes-

man and Minister of Cabinet

Affairs Dhari Abdulla al-Othman

as saying the plan was endor-

sed at a regular cabinet

The Kuwaiti News Agency

Kuwait has also been forced

Qabandi insists the overseas

He said Kuwait was trying to

Economists doubt the emi-

oil is not high, he said.

and generous salary increase.

But Kuwait has also coughed

Kuwait, with a population of

diplomat said.

on war costs.

### Steps to improve situation mapped out

## Quick EC recovery ruled out

OPORTO (Portugal), May 11 European Community Finance Ministers on Saturday ruled out a quick fix for EC economies growing too slowly to create jobs, report Reuter. Portugal's Finance Minister

Jorge Braga de Macedo, hosting the informal EC talks, said no single measure such as a cut in high German interest rates - as sought by France would help long-term growth prospects throughout the community. But he added finance chiefs from the 12-nation bloc had mapped out a European growth initiative on a range of possible additional steps to improve output and longer-term employment prospects.

All 12 ministers of finance... agreed that what they were doing was right and agreed to do more of the same so as to promote non-inflationary, sustainable, employment-creating growth, Braga de Macedo told

HONG KING, May 11: Asian

currencies had a mixed week

against dollar, with yen gaining

ground on the prospects of

easier US credit and the

Australian dollar dropping

back because of a cut in

domestic cash rates, reports

Along with the Malaysian

That baht and Hong

ringgit, continuing its surge

against the Greenback, also up

Kong, Singapore and Taiwan

sharply due to Seoul's

continuing monthly trade

deficits. Accompanying it

downwards were Philippine

peso and, more gently,

Indonesian rupiah. New

Zealand dollar was the week's

Japanese yen: Yen gained

ground against dollar in Tokyo

amid prospects of easier credit

in the United States, closing a

holiday-shortened week at

132.55 to dollar, up from

the week at 132.85 after

public holidays on Monday and

Tuesday, and then

strengthened to reach its

week high of 132.03 on

players waited for US

unemployment data to be

released. Many institutional

It eased Friday as many

The Japanese unit opened

133.13 a week earlier.

only non-mover.

Thursday.

South Korea's won fell

dollars.

a news conference after the

He said among additional policy measures member states would study were ways to make labour and capital markets more flexible, how to boost trade and ensure the mix of fiscal and monetary policies was right to sustain growth.

French Finance Minister Michel Sapain had called for the debate on stimulating slow EC growth, forecast by the executive European Commission at 1.75 per cent in 1992 and 2.5 per cent in 1993.

Economy Commissioner Henning Christophersen said this would be too slow to reduce EC-wide unemployment.

Spain, at his first EC meeting since his appointment, said the EC should send a clear message on growth to the annual world economic summit of G-7 in Munich next July. It's not only Europe, it's also in Japan and the United States,

he said. The 12 must bring to Munich a common message.

Finance Ministers also agreed that macro-economic aid to former Soviet republics would be best handled via specialised international financial institutions, such as the International Monetary Fund, rather than directly by the Community.

German Finance Minister Theo Waigel suggested that Western aid donors treat the European states of the former Soviet Union differently than their Central Asian neighbours.

He said aid to the so-called European CIS states could be coordinated by the Group of 24 while CIS states further from Europe, mainly the Central Asian republics, should be treated as developing countries with aid coordinated through the World Bank, which funnels financial assis tance to poor countries.

### from the previous Friday. The currency spent the

Australian dollar: Australian dollar fell to 75.22 US cent from 75.78 cent during a week which saw official interest rates cut by one per cent to their lowest level for two

companies, stayed on the

Hong Kong dollar: Hong Kong dollar closed the week at 7.7400-7.7410 to US dollar, up from its finish the previous Friday of 7.7578-7.7580.

Indonesian rupiah: The Indonesian currency ended at the week at 2,023 to dollar after opening Monday at 2,022, the same rate it had closed at the previous Friday.

It weakened one rupiah Tuesday, and then held the same rate for the rest of the Malaysian ringgit: Ringgit

continued its uptrend to close this week 50 points higher at 2.5240 to dollar, prompting manufacturers to appeal to the authorities to intervene to moderate the currency's sharp

The Federation of Malaysian Manufacturers said ringgit's 6.8 per cent rise against the Greenback over the past four months since December had hurt their exports and eroded their gains.

New Zealand dollar: The lightly traded New Zealand dollar closed Friday worth investors, led by life insurance 53.81 US cent unchanged

Asian units mixed against \$

week locked into a narrow trading band, only briefly rising to 54 cent. Philippine peso: Peso closed the week at 26.10 to dollar, down from its 25.7 recorded April 30 at the end

of its previous dealing week. Peso had been widely expected to fall after President Corazon Aquino abolished a five per cent import levy on May 1

Singapore dollar: Singapore dollar strengthened to close at 1.6490 to the US dollar, up from its 1.6585 of the previous

The OCBC trade weighted index for the Singapore dollar stood at 136.42, down from 136.62 seven days earlier. The index is calculated against the currencies of Singapore's top 12 trade partners.

South Korean won: Weakened sharply against dollar during the week. trading Saturday at 782.70 to the Greenback compared with its 778.50 of a week earlier.

Taiwan dollar: The Taiwan currency advanced to close Friday at 25.115 to the US dollar, up 6.6 Tatwan cent from its previous week's finish of 25.181.

Thai bath: Baht closed Friday at a mid-rate of 25.27 to dollar, up from its finish at the close of dealing the previous week of 25.67.

#### Dollar dips in London, firms in Tokyo

ment bonds worth five billion

rupees (199.2 million US dol-

will have maturity periods of

three, five and 10 years with

interest of 13,14 and 15 per

cent per year respectively

on April 14, bids worth 779.3

million rupees were accepted

out of 1.42 billion rupees of-

At the last similar auction

payable every stx months.

The bank said the bonds

lar), reports Reuter.

LONDON, May 11: The US dollar fell against major foreign currencies Monday in early European trading. Gold prices were mixed, reports AP.

In Tokyo, the dollar closed at 133.17 yen up 0.62 yen from Friday's close. Later in London, the dollar was quoted at a higher rate of 133.25 yen.

1.6440 German mark, down

from 1.6465; 1.5265 Swiss franc, down from 1.5285; 5.5260 French franc, down from 5.5408; 1.8495 Dutch guilder, down from 1.8515; 1,237.75 Italian lire, down Canadian dollar, up from

In London, the British

London's major bullion dealers fixed a recommended gold price of 336.50 dollar per ounce at midmorning, down from 336.75 dollar did per ounce late Friday.

336.60 dollar, up from 336.25 dollar late Friday.

In Zurich, the bid price was

rose 1.63 dollar to close at a bid 337.18 dollar.

Silver traded in London at a bid price of 4.08 dollar a troy ounce, down from Friday's 4.10 dollar.

A report from Tokyo adds: Share prices on the Tokyo Stock Exchange rose Monday while the US dollar finished higher against the Japanese

The 225-issue Nikkei Stock Average gained 232.14 points, or 1.26 per cent, closing at 18,608.09 points. On Friday the index slipped 34.93 points, or 0.19 per cent, ending at 18,375.95.

The Tokyo Stock Price Index of all issues listed on the first section rose 13.83 points, or 1.01 per cent, to close at 1,388.21. The TOPIX dropped 0.32 points to close at 1,374.38 Friday.

An estimated 380 million shares changed hands, down from Friday's volume of 441.06 million shares.

Other dollar rates at midmorning compared with late

1,238.98; 1.2040

pound was quoted at 1.7915 dollar up from 1.7885 late

> ment and a vision of Kuwait's economic future... but in the absence of that there is a risk the country's reserves will be wiped out, stripping it of financial security, one western diplomat said.

term planning in any aspect the Kuwaiti economy. They have the day to day cash, but Earlier, in Hong Kong, gold the problem will be in a year or two, said another.

Even the man who manages the country's overseas assets has unusually expressed personal reservations about the

> way the government is managing the economy. Abdulla al-Qabandi, Chairman of the Kuwait Investment Authority (KIA) told Reuter last week he thought current government spending was not wise considering it had a defi-

cit of 18.3 billion in its 1991-92 budget. Officials say although the government was in need of cash, Kuwait would soon be back on its feet with the rise in oil production - now standing at one million barrels a day or fust over half of its pre-war

Qabandi said oil revenues were starting to flow in, but he did not give any details.

Bankers say that even with higher oil production there was still no confidence in the governments' financial planning and that up to one billion was being transferred out of the Emirate every month. Diplomats said Quabandi's

remarks, which he described

woo Kuwaitis, many of whom emerged from the war eager for a return to the wealthy lifestyle they had once enjoyed What Qabandi said reflects

as a personal view, reflected a

struggle between financial ex-

perts and politicians trying to

the fact that as a professional he can see where Kuwait is heading and that it was run-

#### Highest-paid executives in USA

NEW YORK, May 11: The pay for Corporate America's Chief Executive Officers (CEOs) hit new highs in 1991 despite the recession, slimmer profits and massive layoffs. Forbes magazine said on Sun day, reports Reuter.

Forbes said 407 of the chief executives at the country's 800 largest publicly held companies earned one million or more in total compensation last year, up from 386 in 1990.

Total compensation includes salary and bonus, noncash stock, gains, mainly from exercising options, and other benefits. The top earner last year

was HJ Heinz Co's Anthony O'Reilly, who took home 75 million US dollar, of which more than 71 million US dollar came from stock awards. The lowest-paid CEOs -

Raymond Noorda, the founders and head of Novell, Inco. the Provo. Utha, maker of computer networking systems. He took home a mere 40,000 US

But don't feel too sorry for him. Forbes says his 10.8 per cent shareholding is worth about 882 million US dollar. The second-highest-paid

chief executive was Martin Wygod of Medco Containment Services, Inc. He earned 34.6 million US dollar followed by Leon Hirsoh of United States Surgical coup with 23.3 million US dollar. The median total compen-

sation for the 100 highest earning executives on the magazine's "Forbes 800" list was 4.5 million US dollar, meaning half the CEOs earned more than that, and half earned less.

TOKYO, May 11: Japan's Labour Ministry, committed to giving the country's workforce more time off, said on Monday it plans to cut the maximum recommended hours for over-

cent, reports Reuter. He said a new ministry guideline, which are widely Kuwait may end up a debtor used by private firms to draft company rules, could go into

effect as soon as October. The government wants to reduce average annual working hours about 2,000 last year to about 1,800 death from overwork, or "karoshi", is a grow ing problem in this worksholic

By comparison, the German worker put in 1,500 hours last year, with the West European average reaching about 1,800. The current guideline, set

by the ministry in 1989, calls for firms to limit overtime to 15 hours a week, 50 hours a month or 450 hours a year. According to a recent min

istry survey, most firms have met these standards but have set their company rules near the top of the guidelines. Some service industry firms such as banks often force un-

recorded overtime on their employees. Japanese labour laws set

regular working hours at 44 hours a week.

#### Beijing doesn't worry about soaring savings

BEIJING, May 11: Although bank savings in China are soaring, the government is less worried about their possible impact on inflation, according to The China Daily newspaper.

reports Reuter.

Individual savings now exceed one trillion yuan (180 billion dollar), but several national surveys have showed Chinese people are putting aside money for long term goals such as retirement or children's education, it said.

Partly because of such as surances, officials are becoming more comfortable with the growth in private savings. They are less inclined to see the savings as a dangerous "caged tiger," the English-language daily said.

It said surveys showed fixed-term deposits have outgrown demand-deposits, reducing the danger of a repeat of the 1988 bank funds that came during an inflationary spending splurge.

Besides, shops these days are stacked with consumer goods and supply and demand is broadly balanced.

### Business briefs

Kazakh-Chevron oil pact: The US of company Chevron signed an agreement here with the government of Kazakhstan to extract oil from the central Tanguiz region, the Interfax news agency reported according to AFP from Moscow.

The region is considered one of the most oil-rich in the commonwealth of Independent States, with reserves estimated at some 60 billion barrels.

Saudi interbank deposit rates steady: Saudi Riyal interbank deposit rates were steady in quiet

Sunday trade, dealers said, reports Reuter from Nicosia. Spot-next and one-week funds were put at four, 3-7/8 per cent. One and three-month maturities were also quoted at four, 3-7/8 per cent while six-month and one-year deposits were put at 4-1/8, four per cent and 4-17/32, 15/32 per cent respectively. The spot Saudi Riyal was quoted at 2.7490/93 to the dollar.

UK to return Albania's gold : Britain

agreed to return to Albania 18 million dollar in gold looted by

the Nazis in World War Two but held in the Bank of England due to a dispute over the 1946 sinking of two British warships, reports Reuter from London. A foreign office spokesman said Albania in turn had agreed to pay to Britain two million dollar in compensation for the

so-called Corfu channel incident.

#### OPEC output marks modest decline

NICOSIA (Cyprus), May 11:

The respected oil industry newsletter, published in Nicosia, estimated overall production by the Organization of Petroleum Exporting Countries at 23.27 million barrels a day.

That was 288,000 barrels above the production ceiling of 22.98 million barrels a day set by the 13-nation cartel in February to push up prices. The cutbacks made by some OPEC producers, along

with fears of an international embargo on Libyan oil exports, nudged prices for the cartel's oil up to around 17.60 dollar for a 42-gallon barrel last month. That's about 1 dollar better than the March average.

OPEC production was trimmed by a modest 1,30,000 barrels a day in April, primarily due to a sharp decline in Iranian output, the Middle East Economic Survey reported Monday, reports AP.

KALININGRAD (Russia.) May 11: This gray, grimy seaport on the western edge of the former Soviet Union is opening itself to foreign investment in hopes of becoming the Hong Kong of the Baltic, writes AP.

Soon after the coup attempt in August 1991, Kaliningrad declared itself a free economic zone. The Kaliningrad district had been off-limits to foreigners for decades because of its strategic naval base.

Municipal officials say inviting foreign investment is the only way they can generate more important than happi-

money to revive the historic city, where Prussians crowned their kings and Immanuel Kant tried to prove that duty is "Our task is to create

favourable conditions to attract both Russian and foreign investment to create a Hong Kong of the Baltic," Mayor Vitaly Shipov said in an interview. "The collapse of the Soviet Union broke all economic structures and links and caused chaos everywhere. That Officials say economic pros-

perity is the only road to survival for Kaliningrad, a wedge of territory about the size of New Jersey now separated from the rest of Russia by two independent countries. Poland and the Baltic Sea are to the west and Lithuania is

on the east. The Lithuanians, who want the Russian military out of Kaliningrad, have threatened to block troop movements across the border and have reduced food shipments to the district. Lithuania's ambassador to the United States even raised the idea of annexing the dis-

trict, but his government offi-

cially disavowed the remarks.

Mayor Shipov says of possible

annexation: "We don't even think about it." About 300,000 Russian troops are in Kaliningrad, making up one-third of the

district's population, Lithuanian officials estimate. Uniformed Russian soldiers and sailors can be seen throughout the downtown area. Russia is determined to

hold onto the district. All 11 of

the former Soviet Union's

Kaliningrad's bid to become Russian Hong Kong

other ice-free Baltic ports are in the independent Baltic na-Regulations making Kaliningrad a free economic zone still await final approval by the Russian government 10

months after the declaration. City officials want the 15,500-square-kilometer (6,000-square-mile) district to be a free port, meaning goods could be imported and exported without customs duties." To encourage the processing or assembling of those goods in Kaliningrad, foreign investors would be offered fiveyear reprieves from all other

Shipov said Kaliningrad has tentative agreements with foreign firms for "Several billion"

dollars of investment. Proposed city and industrial

debtors.

meeting.

projects range from a world trade center to new water mains, hotels and office buildings - a complete facelift for a city whose potholed streets are lined with drab, crumbling apartment blocks.

Like many former Soviet bureaucrats who are enraptured by capitalism but lack much experience of it, Shipov is vague on where the money will come from.

Much of the proposed development is geared to an anticipated boom in tourism, mostly from Germany.

Sergei Kozlov, director of the free-enterprise development firm Yantar, said 400 to 500 Germans a day visited the city last summer. This year, he said, "we think we will attract more tourists than all other parts of Russia taken together." German knights founded Kaliningrad as Koenigsberg in

the 13th century. The only physical reminders of those

14th century cathedral where Kant is buried, some pink cobblestone roads and part of the fortress wall. Koenigsberg was annexed

days are the gutted ruins of the

by the Soviet Union in 1945 and renamed for Mikhail Kalinin, a henchman of Stalin. Only 4,000 ethnic Germans remain in the enclave. Many foreign companies

expressed interest in

Kaliningrad after the coup, but few signed deals, Kozlov said. "More serious firms" now have come along, he said, and "are looking for a place to do good business. Our main task

them, the most profitable, and get to work on them." "It would be a very good thing to have the same (economic) level as Hong Kong," he added, with one reservation: "We don't want to be communists again in the fu-

now is to choose the best of

Britain is to return Hong Kong to China in 1997.