Global population to double by mid-21st century

NEW YORK, May 18: The author of a best-selling 1968 book on the world population explosion said population will double by the middle of the 21st century but that either education or nature will intervene to contain growth, reports Reuter.

Paul Ehrlich, author of "The Population Bomb," said in the current edition of Newsweek made available on Sunday that the current world population of 5.5 billion will double by the middle of 21st century.

"We were overly optimistic," he said of his 1968 book. "When the book was written, we were adding 70 million people a year. Now we are adding 93 million a year."

Ehrlich, a biologist at Stanford University in Palo Alto, California, noted that in 1968 problems of ozone depletion, acid rain, deforestation and the greenhouse effect had not yet surfaced.

"We warned about the potential for epidemics. Then aids appeared, which demonstrated we were right," he said.

Ehrlich said that "education and liberation of single women is the single most important thing to do" in curbing population growth. He noted that Costa Rica, which "has no army and invests in education and good health care," had lowered the average number of children per family from seven to three.

Barring such birth-restriction efforts, Ehrlich said "nature's way — by starvation and diseases like AIDS and plagues that may come along" would stem population growth eventually.

"We can't have an infinite population on a finite planet," he said.

Ehrlich said the worst offender was the United States, which he said "has the third largest population in the world, high consumption, sloppy and inefficient use of technologies. Its impact is enormous."

Technology, he said, can not be counted on to take care of things.

"The vast majority of people (since 1968) have been added to the ranks of the poor, not the rich . . . we are not close to taking care of the people we had in 1968 at a reasonable standard of living, let alone the number we have today.

"Continuing growth on the assumption that science will care for the added people is counter to all experience."

Japan has a poor record of charging anti-monopoly law violators

FTC decision may raise US-Japan trade tempers

TOKYO, May 18: US-Japan trade tensions are likely to escalate following a decision by the Japanese Fair Trade Commission (FTC) not to prosecute construction firms suspected of bid-rigging, newspapers said Sunday, reports Reuter.

Just as US Vice President Dan Quayle ended a three-day fence-mending visit to Tokyo on Friday, the FTC announced it would warn, but not file criminal charges against 66 Japanese construction companies suspected of bid-rigging.

The FTC launched its investigation after the Saitama Prefecture issued contracts worth 82 billion yen (630 million dollar) over a three-year period, of which the construction group won orders worth 81 billion yen (623 million dollar).

"This is likely to become another point of tension in upcoming US -Japan Structural Impediments Initiative (SII) talks," the largest-selling Yomiuri Shimbun daily said.

Japan has a poor record when it comes to charging violators of its anti-monopoly law.

As a result the issue is one of the most sensitive taken up in the SII talks which are, in part, aimed at improving access to the Japanese market for foreign goods.

Anti-Japanese sentiment in the US Congress is growing, sparked by revisionists who argue -incorrectly according to Quayle - that Japan does not trade fairly.

The US had a 43.4 billion dollar trade deficit with Japan last year.

Quale, however, left Tokyo on Friday saying that friendship and mutual respect were still in ample supply. The Vice-President's visit was to have erased unhappy memories of Bush's visit in January, when he and accompanying industrialists harangued Japan about its trade policies, Japanese and US officials had earlier suggested.

"The fear is (that the incident) could spark another fire in the area of US-Japan trade friction. It is likely to have international repercussions," the Daily Ashai Shimbun said.

The construction firms, including large corporations including Kajima Corp and Kumagai Gumi Co, formed a group in Saitama, north of Tokyo, in 1972, and are suspected of engaging in "Dango" or bid-rigging from April 1988 until, June 1991, when they disbanded.

Bid-rigging refers to the collusive bidding which has historically occurred in the Japanese construction industry.

Before bidding begins, construction companies decide among themselves the range of prices they will offer, circumventing the free-market principle of open bidding.

Ryukoku University Professor Hiroshi Okumura said the FTCs decision not to prosecute has led some people to believe that the Watchdog Commission came under pressure from influential politicians linked to construction firms, according to Kyodo news agency.

Just last month, the Untied States decided to extend its anti-trust laws to Japanese and other foreign cartels that lock out US exports.

The FTC, however, is trying to boost its image. In November last year, the Commission filed charges against eight major food - wrapping makers for alleged price-fixing, the first such case in 17 years.

The FTC has also submitted a bill to parliament to increase the maximum fine for collusive business practices from the current maximum of five million yen (58,500 dollar) to 100 million yen (770,000 dollar).

US keen to boost trade links with UAE, GCC

ABU DHABI, May 18: A US trade delegation held talks Sunday in the United Arab Emirates (UAE) on economic and trade cooperation and trademark and copyright violations in the Gulf, official sources said, reports AFP.

The delegation met UAE Economy and Trade Minister Saeed Ghobash, who said they discussed "ways to boost economic and trade links between the United States and the Gulf Cooperation Council (GCC)."

Officials from the US and six-nation GCC — grouping Saudi Arabia, Bahrain, Oman, Qatar, Kuwait and the UAE — held talks in Washington last year on increasing their trade and joint ventures, and had agreed to meet again this year.

US officials have urged the GCC to relax investment laws which require local partners for foreign investors, and to act against copyright and trade violations, in order to attract American businessmen to the region.

Most GCC states have no anti-piracy legislation but the UAE under US pressure, approved such laws last month.

"The US delegation stressed the need for enforcing protection laws concerning copyrights, intellectual property and trademarks to further bolster trade links with the Gulf," an Economy and Trade Ministry source said.

The delegation includes officials from the Office of the US Trade Representative, the Intellectual Property and Competition Office, the Copyright Office and the Department of Commerce.

The US is the GCC's third largest commercial partner after the European Community and Japan. Their total trade was worth nearly 20 billion dollar in 1991.

Plan to improve living standard

Arabs lost $450 b in Gulf War

ABU DHABI, May 18: Arab states suffered direct material losses of 450 billion dollar in the Gulf War and are still feeling the consequent effects of slower growth and weaker international bargaining positions, the Arab Monetary Fund (AMF) has disclosed, reports AFP.

The Abu Dhabi-based fund said in its just-released study, "Some Arab countries were talking about plans to improve living standards through more attention to education, health and environment, as well as to women and children."

"All this was prevailing until the war erupted and most such gains dissipated. The talk about growth became talk about a decline in productivity, income and consumption by at least five percent."

"Attention will now have to be switched from improvement in living standards to reconstruction, which will need more than a decade to be completed and will sap the income of a whole generation."

The report, obtained Saturday, said total losses in the war exceeded 800 billion dollar but direct damage to civilian, military, oil and economic installations in the Gulf topped 450 billion dollar.

The study analysed the effects of the seven-month Gulf crisis, which erupted August 2, 1990 in the Iraqi invasion of Kuwait and ended in late February, 1991, when Iraqi forces were driven out of the Emirate by a US - led military coalition.

Iraq alone suffered nearly 200 billion dollar in damages and Kuwait more than 160 billion dollar, the study found.

"Other losses included a sharp drop in production by the Arab private sector, a down-swing in business in many Arab nations and a rise in unemployment," it said.

"As a result of increased government spending on defence and internal security, prices increased and inflation accelerated."

Outside the Gulf, Egypt, Yemen, Syria and Jordan suffered most from the war, as they depend heavily on aid and remittances from the oil-rich region.

Their losses are estimated at more than 40 billion dollar.

"The Gulf War also caused severe moral losses," said the AMF, the Arab League's top financial authority.

"They include a decline in respect for the Arab world by other international blocs after it was striving to win more confidence through negotiations, cooperation and economic agreements.

"The effect of this will be clear when negotiations and dialogue with those blocs are obstructed and dealing with them becomes difficult."

The report said the war had also hurt confidence in Gulf oil - an apparent reference to the disruption of crude supplies from Iraq and Kuwait, which produced nearly 10 per cent of the world's output before the war.

"Unfortunately, the decline in foreign confidence in the Arabs and their oil is coupled with a rise in confidence in Israel, which could help in serve as an alternative to Arab states in this region for international blocs," the study warned.

Kabul now a looters' paradise

KABUL, May 18: Looters broke into an exclusive club run by expatriates overnight in the unpoliced Afghan capital, club sources said here Sunday, reports AFP.

Employees of the club, Known as the German, broke into the sprawling premises late Saturday night and stole cutlery, silverware and other items and carted them away, the sources said.

"They have cleaned out the place . . . they took away everything except heavy furniture," one employee said.

Others said the raiders belongs to a Mujahedeen group from the northern Afghan region of Mazar-i-Sharif, but the report could not be immediately varified.

Looters have robbed several premises, including the French interest section of the Saudi Arabian embassy, since the April 28 transfer of power from the former communist regime to the Mujahedeen interim set-up here.

Sources said robbers also broke into the room of the US Charge d'Affaires in Kabul this weekend, but details of the attack could not be verified.

US diplomats abandoned Kabul after the 1989 Soviet troop pullout.

Saudi-Iran tussle over oil output this week

BRUSSELS (Belgium), May 18: Saudi Arabia vs Iran: OPEC's main sparring partners will have a return bout this week when the 13-nation oil cartel negotiates its pricing and production guidelines for the summer, reports AP.

Saudi Arabia, the world's No 1 crude exporter, will no doubt push for increased oil pumping.

Iran, anxious to get more money for its crude, will just as surely resist any move for a big jump in production.

The giant producers will be the main antagonists at the midyear conference of ministers of the Organization of Petroleum Exporting Countries opening Thursday in Vienna, Austria.

After hard bargaining, analysts and some OPEC delegates predicted, the cartel would agree to raise its oil production ceiling by about a million barrels a day to 24 million barrels a day in the July-September period.

"There is no incentive at all to cut production," said Pierre Terzian, editor of the Paris-based newsletter Petrostrategies.

Prices recently have been firmer than expected, lifted partly by market jitters about a possible oil embargo against Libya.

The average price of an OPEC marker was 18.45 dollar a barrel last week, the highest so far this year but still under the group's 21 dollar target.

Prices for light sweet crudes in the United States and Europe generally run several dollar a barrel higher.

An increase of about a million barrels a day in the output ceiling would be counted as a victory for Saudi Arabia.

"They (the Saudis) have so much strength that they can make or break the market in the end, and no one else can," said Peter Bogin, associate director for oil markets at Cambridge Energy Research Associates in Paris.

The kingdom's output is currently estimated at about 8 million barrels a day, down from 8.5 million barrels a day earlier in the year. Iran's is pegged at 3.1 million to 3.3 million barrels a day.

Saudi Arabia tends to favour more modest crude prices so the cartel can hold onto its share of the world oil market. High prices attract producers from outside the group.

Iran, backed by Algeria and others, generally fights for higher prices by limiting oil output.

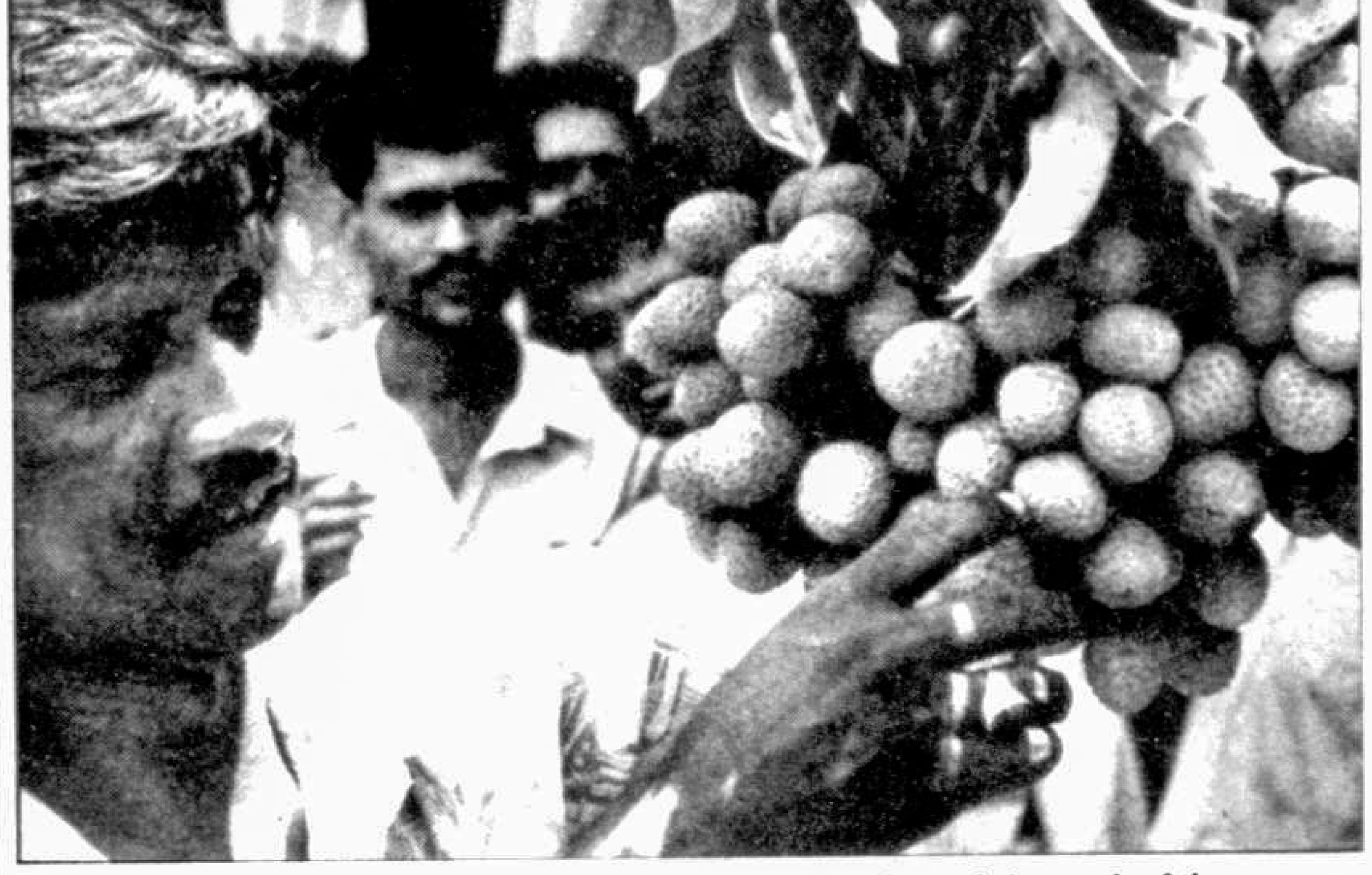
At a meeting late last month, the cartel agreed to hold its supply cap at 22.98 million barrels a day in May and June to prevent a price plunge. Demand for crude normally falls in spring.

But analysts doubt the producers have curtailed pumping to that level. The International Energy Agency estimated output last month at 23.5 million barrels a day.

Sales of OPEC oil generally increase in the summer, the peak automobile driving season. Also, stronger economic growth projected for the United States would translate into greater demand for crude. Bogin estimated demand for OPEC oil at 24.4 million barrels a day in the July-September quarter.

Question marks hang over future production by Libya and Iraq, both crippled by international sanctions.

The United Nations Security Council last month imposed a series of measures, including a ban on air traffic, to try to get Libyan leader Moammar Gadhafi to turn over two suspects in the bombing of Pan Am Flight 103.



Season luscious lichees have reached the city markets but beyond the reach of the common man. — Star photo

Chinese forces raid Washington Post offices

WASHINGTON, May 18: Chinese security agents searched the Beijing offices of the Washington Post Sunday and seized notes belonging to the newspaper's bureau chief, the newspaper said, reports AFP.

Lena Sun, her husband and two-year-old son were held "under virtual house arrest" by security agents who searched her home and adjoining offices, the Post said, adding that the agents left with some of her notes, the Post said.

Washington Post Executive Editor Leonard Downie sent the Chinese Foreign Ministry a telex protesting the agents' actions and calling them attempts to intimidate the newspaper and its correspondent.

"The Washington Post protests in the strongest possible terms the invasion of our office in Beijing today by security authorities, the harassment of our correspondent, Ms Lena Sun, the holding under virtual house arrest of her husband and child during this process, and the removal of materials," the telex said.

The telex said the Post expects that "such actions by security authorities will be halted immediately" and that all materials be returned to the correspondent. He noted the tires of an office car had also been slashed.

Senator Jesse Helms, ranking republican on the Senate Foreign Relations Committee, condemned the incident. "This reprehensible conduct by the red Chinese government should not be tolerated by the United States," he said.

"Moreover, this exemplifies a new the need to review carefully our relationship with Beijing beginning with the MFN (Most Favoured Nation) question," the North Carolina Senator added.

Sun, 34, arrived in China in July 1990 for a three year posting that was to be up in July 1993. She worked for the Post twice before in China-once for a few months in 1984 and for a few weeks in 1987.

She was a history student at Beijing University from 1977 to 1978.

Germany manages to avert another major strike

5.4 pc pay hike for eng workers

KARLSRUHE (Germany), May 18: Germany avoided its second major strike in less than two weeks after a last minute pay deal was reached in the crucial engineering industry, reports Reuter.

A midnight accord gave 700,000 workers in southwest Germany a basic 5.4 per cent pay rise for 1992, averting a strike which has seemed inevitable during 20 hours of cliff-hanging weekend negotiations in the south western city of Karlsruhe.

"Shortly before midnight we reached an acceptable and balanced compromise," said Dieter Hundt, chief employers' negotiator for the region of North Baden-North Wuerttemberg.

A similar 5.4 per cent agreement for West Germany's public sector in early May ended an 11-day strike which had brought chaos to the nation's transport system and left tonnes of garbage in the streets.

The metal workers' pay deal features extra payments including higher Christmas bonuses for an overall package of 5.8 per cent from March 1992. But the accord, lasting 21 months provided for a rise of only 3.4 per cent in 1993.

The agreement is expected to be endorsed for all of the IG Metal Union's four million workers throughout western Germany by May 27.

A strike in Germany's engineering industry would have had a potentially devastating effect to the German economy.

World's biggest firm seeks bankruptcy protection

TORONTO, May 18: The once-mighty property empire of Olympia and York Developments Ltd began crumbling yesterday as the world's biggest real estate firm filed for bankruptcy protection in Canada and the United States, reports Reuter.

Bankers in London were also meeting on Friday to review their position on the debt-laden firm which grew in just four decades from a tile supplier to become the owner of buildings dominating the skylines of New York, Toronto and London.

The Canadian and British governments were monitoring events closely.

The move sent a tremor through world financial markets. Banking stocks in Tokyo shuddered in an already weak market, and in London the bank and property sectors also felt the draught.

A Toronto court on Thursday night granted O and Y protection for its 28 affiliated Canadian firms, but the ruling did not affect its vast holdings in the United States and Britain.

O and Y has debts of more than 18.5 billion dollar.

Business briefs

Shares surge, dollar dips in Tokyo : Share prices on the Tokyo Stock Exchange surged Monday, while the US dollar closed lower against the Japanese yen, reports AP from Tokyo.

The 225-issue Nikkei Stock Average gained 368.83 points, or 2.04 per cent, to close at 18,443.10. On Friday, the average shed 730.33 points, or 3.88 per cent.

The Tokyo Stock Price Index of all issues listed on the first section rose 21.92 points , or 1.63 per cent, to 1,370.74. The TOPIX fell 47.91 points on Friday.

Nepal starts private airline : Nepal's first privately run domestic airline Nepal Airways began operations Sunday, state radio reported, says AFP from Kathmandu.

The airline, with two small aircraft and a staff of 50, began creating services from the capital to major tourist centres including Pokhara, Lukla, Biratnagar and Nepalgunj.

$110m worth cocaine seized in Mexico : The Mexican Attorney General's office seized 1.1 tonnes of cocaine destined for the United States and arrested 13 people including a federal policeman, the government newspaper El Nacional reported on Sunday, reports Reuter from Mexico city.

Officials put the seizure's value at 110 million dollars.

Thirteen suspected drug smugglers, driving a trailer and two vehicles, were arrested on Saturday near the southeastern city of Orizaba in Veracruz state.

Iraq won't resume vital oil sales this year

NICOSIA (Cyprus), May 18: Iraq will not be able to resume vital oil sales this year because its negotiations with the United Nations to ease sanctions are deadlocked, the Middle East Economic Survey (MEES) reported Monday, says AP.

"No resumption of Iraqi oil exports is to be expected under prevailing circumstances," the respected oil industry newsletter said.

"The deadlock between the two sides would seem to be complete."

That could eliminate one problem when oil ministers of the Organisation of Petroleum Exporting Countries meet in Vienna on Wednesday to hammer out a new production agreement for the July-September period.

However, MEES said Iraqi production — 3.2 million barrels a day before the 1990 gulf crisis — remains one of the wild cards in OPEC's supply picture. The others are Kuwait's accelerating output and the possibility of UN sanctions against Libya.

MEES cited a May 4 interview with Deputy Premier Tariq Aziz broadcast by Turkish television, in which he rejected a one-time 1.6 billion dollar oil sale to buy food and medicine for Iraq's 17 million people, suffering severe hardships because of UN trade sanctions.

"With the conditions that the UN members want to impose, they are trying to turn Iraq into a colony," the weekly newsletter quoted Aziz as saying.

"We accept things being out in the open," Aziz said. "We have allowed them to control all aspects of oil sales and the goods we import from other countries."

But he said Iraq could not accept UN control of food distribution within Iraq.

"We're still an independent and sovereign country. We're not slaves," he said, blaming the United States and Britain for trying to force that provision.

Iraqi Oil Minister Osama Abdul-Razzaq al-Hiti said Iraq could begin oil exports immediately if the United Nations lifted sanctions imposed after the August 1990 invasion of Kuwait.

The Iraqi News Agency, monitored in Cyprus, said Hiti told the Baghdad parliament that Iraq could export 800,000 barrels a day through the offshore Al-Bakr oil terminal on the northern Gulf.

He said another 1.18 million barrels a day could be piped northward through Turkey, although Aziz had ruled out that pipeline because it went through areas controlled by Kurdish rebels.

Asian currencies mixed while Taiwan's unit record high

HONG KONG, May 18: Asia-Pacific currencies had a mixed week against the US dollar, with the Japanese yen gaining ground on prospects of lower US interest rates and the Taiwan dollar chalking up a record high, reports AFP.

Down were the Malaysian ringgit, whose recent surge weakend marginally on fears of central bank intervention, the Indonesian rupiah, New Zealand dollar, Thai baht and seemingly free-falling South Korean won.

The Australian dollar shrugged off news of a big rise in the countries budget deficit to post a moderate increase. Also up were the Singapore and Hong Kong dollars and the Philippine peso, the latter benefitting from orderly general elections.

Japanese yen: The yen overcame a week start to gain ground against the dollar in Tokyo amid prospects of easier credit in the United States, closing Friday at 130.60, from 132.55 yen a week earlier.

It opened lower Monday at 133.37 and went on to hit its week low of 133.40 after a weekend announcement of higher than expected US nonfarm payrolls.

But the currency bounced back amid speculation that the US Federal Reserve Board would cut interest rates. It was further helped by remarks from US Treasury Undersecretary David Mulford calling for a stronger yen.

The yen peaked at 129.58 Thursday, then eased Friday when the dollar was bought on overnight news of a larger than expected rise in the US money supply.

Australian dollar : The Australian dollar closed at 75.65 US cents Friday, up from 75.22 cents at the end of the previous week.

News of a blow-out in the government's budget deficit (from 6.3 billion dollars (4.8 billion US), or 1.8 per cent of gross domestic product to 9.3 billion dollars (seven billion US), or 2.4 per cent of GDP, appeared to have had little impact.

Hong Kong dollar : The Hong Kong dollar closed the week at 7.7335-7.7345 to the US dollar, up from its 7.7400-7.410 the previous Friday.

The currency's effective exchange rate closed at 112.00, down from its previous week finish of 112.60. The Hong Kong dollar has been pegged to the US dollar at around 7.80 since October 1983.

Indonesian rupiah : The Rupiah slipped back against the dollar to close Friday at 2,025 rupiah, two points down from its finish the previous week of 2,023, and one down from its Monday value.

Malaysian ringgit : The ringgit closed the week at 2.5255 to the dollar, down from 2.5240 the previous Friday, as foreign exchange players short-covered positions on fears of intervention by Bank Negara, Malaysian's central bank.

Dealers said the authorities might respond to strong pressure to intervene from Malaysian exporters who feel the ringgit's seven per cent rise over the past four months has undercut government incentives to promote export growth.

"Political considerations may come into play and we have to be wary", one dealer said.

New Zealand dollar : The New Zealand dollar slipped on quiet trading to close at 53.42 US cents Friday, down from 53.81 cents the previous week.

A marked lack of movement through the week restricted trading, and brokers said they were not expecting much action in the coming week.

Domestic selling pressure is believed to be keeping the Kiwi down especially as exporters enjoy boom times.

Philippine peso : The Philippine peso strengthened over the week to close at 26.038 to the dollar Friday, up from its 26.10 seven days earlier, following orderly polls May 11 to choose President Corazon Aquino's successor.

But the currency is expected to soon resume its gradual pre-election decline, in part because of the lifting of a five per cent import levy.

The end of the levy, along with a projected post-election economic recovery, are expected to revive demand for imports and dollars.

Singapore dollar : The Singapore dollar firmed over the week to close at 1.6395 to the US dollar Friday, up from its 1.6490 seven days earlier.

The local unit traded to a high of 1.6507 and a low of 1.6352 over the week.

The OCBC trade-weighted index stood at 136.42, down 0.30 per cent from 136.46 points previously. The index is calculated against the currencies of Singapore's top 12 trade partners.

South Korean won : The won continued to weaken against the dollar during the week, trading Saturday at 783.61 compared to 782.70 a week earlier.

The industrial research institute said in a report that the won should be devalued to as much as 802 to help restore South Korea's trade balance.

Taiwan dollar : The Taiwan currency advanced to 24.975 to the US dollar, up 14 Taiwan cents from its previous week's finish of 25.115 in choppy trading.

After opening Monday at 25.0675, the local unit roared to a record high of 24.91 Monday as the US Treasury Department accused the central bank of China of manipulating the exchange rate.

The Taiwan dollar eased later as local importers rushed to buy the Greenback on the belief that the 29.1 was the shorter-term bottom line for the bank, dealers said.

Thai baht : The Thai currency closed Friday at a mid-rate of 25.51 to the dollar compared with 25.27 seven days earlier during a week of massive protests calling for the military-appointed premier to resign.

The Greenback was stronger on labour unrest in Germany and news that the US Federal Reserve would cut interest rates, an official at Bangkok bank said.