

**BRIEFS**

**Nepal moves further to boost tourism**

KATHMANDU, May 31: The Nepalese government has set up two new bodies aimed at promoting and expanding the country's tourist industry, reports AFP.

The government announced Friday the formation of a high-level Tourism Development Council (TDC) under the chairmanship of Prime Minister Girtija Prasad Koirala.

The main task of the 23-member TDC is to guide and implement plans for the development of Nepal's tourist industry and to increase employment opportunities within tourism.

**Oil price rise to continue**

NEW YORK, May 31: A rally that pushed oil prices to six-month highs this week will continue next week as traders cling to bullish views spurred by OPEC's decision to keep output steady through the third quarter, analysts said, reports Reuter.

Although prices may ease slightly Monday, market sentiment remains bullish, with some traders saying 23 dollar a barrel is likely this summer.

**Yeltsin may seek credit for oil sector**

MOSCOW, May 31: Russian President Boris N Yeltsin reshuffled two top energy officials on Saturday and may request extra foreign credit to help the once-mighty oil and gas industry, news reports said, according to AP.

Expressing alarm at falling production in Russia's most important industry, Yeltsin agreed during a Cabinet meeting to accept some demands by disgruntled workers but refused to lift all energy price controls immediately.

However, he acknowledged the price issue was a "political priority" because of pressure by Western governments and the International Monetary Fund. He ordered a committee to study ways of lifting controls while protecting consumers from resulting price rises.

**Record inflation in Yugoslavia**

MOSCOW, May 31: Russia wants a five-year moratorium on paying interest on its huge foreign debt, the European Community chief said on Saturday, reports AP.

Jacques Delors said Russian Deputy Prime Minister Yegor Gaidar proposed the moratorium during a Kremlin meeting that included President Boris Yeltsin. Yeltsin is under pressure to soften the impact of his economic reforms.

**Many violate trade embargo on Haiti**

WASHINGTON, May 31: At least a dozen countries in Europe, South America and Africa have routinely violated an OAS trade embargo against Haiti, undermining efforts to weaken a military junta that has ruled the island since October, according to newly released US documents, reports AP.

Ships have delivered steel and barbed wire from Belgium; beer, brewery machinery and tools from Germany; cognac, wine, perfume and cosmetics from France; chemicals from Argentina; steel from Brazil; tires and diesel engines from the neighboring Dominican Republic; steam boilers from Barbados; and consumer goods from the Netherlands Antilles, Venezuela and Great Britain.

**China bans cigarette sales in big stores**

BEIJING, May 31: China, the world's biggest tobacco consumer, recognised "world no-tobacco day" Sunday with a ban on cigarette sales in major stores, the China Daily reported, says AFP.

Public activities also Sunday tried to persuade Chinese to kick the habit, English-language newspaper said Saturday.

Some 220 million packs of cigarettes go up in smoke a day, and the number of smokers is rising steadily. Nearly 90 per cent of smokers are men.

**IMF help for loan to Croatia likely**

ZAGREB, May 31: International Monetary Fund officials said they were discussing giving a loose seal of approval to Croatian economic policy to help the new state obtain foreign loans, reports Reuter.

Croatia has asked for IMF membership. But although the application has been approved, it will take up to a year to process, Jacques Arthus, the IMF's Deputy Director for Europe, told Reuter. The IMF and World Bank cannot approve loans for Croatia until it wins full membership.

**Security Council slaps sanctions on Serb-led Yugoslavia**

UNITED NATIONS, May 31: The Security Council, ignoring an eleventh-hour appeal for a reprieve, imposed sweeping sanctions against the Serb-led Yugoslav state on Saturday in a bid to halt fighting in Bosnia-Herzegovina, reports Reuter.

The vote in the 15-nation Council was 13 in favour and none against, with China and Zimbabwe abstaining.

Russia, despite strong ethnic and cultural links with Serbia, voted in favour of the resolution.

It was sponsored by the United States, European Community members Britain, France, Belgium, Hungary and Morocco. Morocco, like other Islamic countries, has been in danger of the suffering of Bosnia's large Muslim community.

The resolution, similar to one slapped on Iraq after its August 1990 invasion of Kuwait, invokes the mandatory provisions of the UN Charter, opening the way for the possible use of force later.

The sanctions ban all trade with Serbia and Montenegro, which comprise the truncated Yugoslav Federation since the secession of Bosnia-Herzegovina.

The resolution also demanded that any Croatian army units still in Bosnia-Herzegovina be neutralised.

The resolution deplored the continuation of forcible expulsions or so-called "ethnic cleansing," for which the United Nations has mainly blamed Serbs.

Speaking after the vote, US Ambassador Edward Perkins warned that the Council could take further action, if necessary.

Referring to the sanctions, he said: "The United States is determined to see them through and if necessary to seek further measures until the Serbian regime changes course.

The sanctions will be monitored by a Security Council Committee set up last December to monitor an arms embargo imposed on all republics of the disintegrating Yugoslav state. The committee can allow exceptions on humanitarian grounds.

Doubts have already been expressed whether sanctions alone will achieve the Council's objective of halting the fighting and forcing all parties to resume negotiations sponsored by the European Community.

The drive to impose sanctions on Yugoslavia gained impetus during the past week after US Secretary of State James Baker, on a European trip, chided some countries for reluctance to single out Serbia for blame.

Later, the European Community banned two-way trade with Serbia and Montenegro worth 240 million dollar a month and urged the United Nations to widen the sanctions.

Further impetus was added by press and television coverage of the bloody aftermath of a mortar attack, apparently by Serb irregulars, on a broad line in Sarajevo. At last 16 people were killed and more than 100 wounded.

US blocks assets

Meanwhile, a report from Dallas says: President George Bush blocked Yugoslav assets

in the United States on Saturday, complying with United Nations sanctions against the republic within hours after they were approved.

The White House said Yugoslav assets total 214 million dollar in the United States and that Bush had ordered the Treasury Department to freeze the assets before Monday.

The United States already had slapped a trade and economic embargo on Yugoslavia, which is made up of the republics of Serbia and Montenegro, in response to its support for groups attempting to seize territory in Croatia and Bosnia-Herzegovina.

The action came a day after fierce Serb-led bombardment of Bosnia's capital Sarajevo Friday in which corpses were reported to have been bloodying the streets.

White House spokeswoman Judy Smith said 170 million dollar of the total 214 million dollar in Yugoslav assets were in Yugoslav-owned banks in the United States. She said the objective was to keep the money from being withdrawn.

Bush said in a letter to Congressional leaders informing them of his order that the measures he was taking "express our outrage at the actions of the Serbian and Montenegrin governments and will prevent those governments from drawing on monies and properties within US control."

**SANCTION HIGHLIGHTS**

UNITED NATIONS, May 31: The following are the main points of the sanctions imposed Saturday by the UN Security Council on Serbia and Montenegro, according to AFP.

Bans all trade with the new two-republic Yugoslavia, including oil. Exempts food and medicine, and temporarily allows transport of goods through Yugoslavia.

Imposes an ban on all air traffic to and from Yugoslavia, with the exception of approved humanitarian relief flights.

Demands a reduction in all Yugoslav embassy and consular staff in diplomatic missions abroad.

Freezes all Serbian and Montenegrin assets and bank accounts in foreign countries.

Bans Yugoslav athletes from international sports events.

Suspends cultural, scientific and technical exchanges.

Demands an immediate cease-fire, an end to ethnic displacement, the withdrawal of Serbian and Croatian troops from Bosnia-Herzegovina; and

Calls on warring sides to allow distribution of aid and creation of a security zone encompassing Sarajevo and its airport.

meanwhile, a report from Dallas says: President George Bush blocked Yugoslav assets

of the disintegrating Yugoslav state. The committee can allow exceptions on humanitarian grounds.

Doubts have already been expressed whether sanctions alone will achieve the Council's objective of halting the fighting and forcing all parties to resume negotiations sponsored by the European Community.

The drive to impose sanctions on Yugoslavia gained impetus during the past week after US Secretary of State James Baker, on a European trip, chided some countries for reluctance to single out Serbia for blame.

Later, the European Community banned two-way trade with Serbia and Montenegro worth 240 million dollar a month and urged the United Nations to widen the sanctions.

Further impetus was added by press and television coverage of the bloody aftermath of a mortar attack, apparently by Serb irregulars, on a broad line in Sarajevo. At last 16 people were killed and more than 100 wounded.

US blocks assets

Meanwhile, a report from Dallas says: President George Bush blocked Yugoslav assets

**Japan's trade surplus to top \$ 100b**

TOKYO, May 31: Japan's trade surplus in fiscal 1992 will top 100 billion dollar on a customs-cleared basis for the first time, a forum of major Japanese trading companies said Saturday, reports AFP.

The Japan foreign trade council forecast Japan's exports will grow 6.7 per cent to 342 billion dollar in the year to March 1993 while imports will rise 3.3 per cent to 240 billion dollar.

Japan's trade surplus will thus grow 15.5 per cent to 102 billion dollar, the council said.

The trade surplus in fiscal 1991 swelled 62.7 per cent to 88.4 billion dollar with exports rising 8.1 per cent to a record 320 billion dollar and imports dropping 4.2 per cent to 232 billion dollar.

**India's tea exports slump**

NEW DELHI, May 31: India's tea exports declined by seven million kilograms to 202.9 million kilograms in the 1991-92 fiscal year, the Commerce Ministry said here Saturday, reports AFP.

A ministry statement did not give reasons for the fall, but said the decline occurred from January to March, the last three months of the fiscal year.

The slide enabled Sri Lanka to take over from India as the world's largest tea exporter.

**Cinderella cartoon ends in porn scene!**

COPENHAGEN, May 31: Cinderella cartoons have been removed from toy stores all over the country after a videotape showed porn scenes at the end of the fairy tale, a newspaper reported Saturday, reports AP.

The tabloid Ekstra Bladet said a grandmother was surprised to discover close-ups from a porn film at the end of a Cinderella video cartoon she had bought for her visiting grandchild. The name of the grandmother was not given.

"We immediately withdrew all Cinderella cartoons from our shop," said Henrik Gjorup, Executive Manager of BR, the country's largest toy store chain.

Gjorup said he could not explain why the video had the offensive scenes following the cartoon, which the tabloid said was the one of the Walt Disney group.

MANILA, May 31: Asia has overtaken North America as the biggest producer of environmentally-harmful carbon dioxide gases from Energy use, the Asian Development Bank (ADB) said Sunday, reports Reuter.

Regional emissions of carbon dioxide in 1991, led by the three Asian giants — China, India and Indonesia — now exceed those of North America, the ADB's quarterly review said in a paper entitled "Integrated Energy-Environment Planning."

The region's emission of greenhouse gases from energy use were only 12.5 per cent of those from North America in the early 1950s, it said.

If no corrective action is taken, China might emerge by the year 2010 as the single largest carbon dioxide-emitting country in the world, a

**Asia biggest producer of CO2!**

position currently held by the United States, and India's emissions might exceed Germany's and Japan's," the study said.

Environmental groups and scientists have warned that an increase in Greenhouse gases may cause higher temperatures around the world in the next century, raising ocean levels and swamping low land.

Low-lying island sales in the South Pacific urged the West last year to sharply reduce its emission of Greenhouse gases.

The ADB paper said carbon and sulphur dioxide emissions into the atmosphere came mainly from the burning of fossil fuels such as coal and contributed as much as 60 per cent to global warming.

They posed a threat to the health of thousands of people and endangered large areas of land through acid rain.

Carbon dioxide emissions

**Gulf-long oilpipe's idea revived**

ABU DHABI, May 31: Oman's Oil Minister, in an interview published Saturday, has revived the idea of a pipeline running the whole length of the Gulf, terminating off his country and outside the Strait of Hormuz, reports AP.

He also reiterated that the Sultanate's oil production will rise by 50,000 barrels a day by the end of 1992.

In an interview with the Abu Dhabi government-owned Al-Ittihad daily, minister Saoud Al-Shanfari noted the vulnerability of the flow of oil from the Gulf whenever there is tension, as following the Iraqi invasion of Kuwait.

He said the Gulf oil pipeline, which would extend from Kuwait in the north through Saudi Arabia and onto Oman territory on the Arabian Sea, would cater for all Gulf Cooperation Council oil exports.

The GCC groups Kuwait, Saudi Arabia, the United Arab Emirates, Qatar, Bahrain and Oman. The first four are members of the Organization of Petroleum Exporting Countries.

"Such a vast project requires great investments and requires comprehensive study, and the GCC oil ministers have not issued a final decision in this regard," Shanfari said.

The trans-Gulf pipeline had first been agreed by Oman during the 1980-88 Iran-Iraq war.

Oman is not a member of OPEC but it coordinates closely with the cartel on production and pricing policies. The minister is on record as supporting an increase in oil prices by three dollar barrel as a means of offsetting the impact of a proposed "carbon tax" by oil-importing industrialized nations.

Shanfari told Al-Ittihad that the added three dollar should be collected in a special fund

**JR Ewing's ranch sold**

DALLAS, May 31: Southfork, the ranch that for 10 years was home base to JR Ewing and his family during the run of the television series "Dallas," was sold at auction on Saturday for 2.6 million dollar to an Arizona businessman, reports Reuter.

"Interest in the auction was tremendous," said Jim McCulough, sales manager of Progressive Auctions of Kansas City, Missouri. "I think the buyer certainly got his money's worth."

Rex Maughan, who made the successful bid, said the ranch would reopen as a convention centre as soon as possible. The president of Forever Living Products Inc has interests in resorts in anchorage, the Grand Tetons in Wyoming, Glacier National Park, and Colorado.

"What really sold us ... was the beautiful convention centre," said Maughan.

**Common market**

Reuter from Manama, Bahrain adds: Trade minister from six Gulf Arab states met in Riyadh to discuss remaining steps needed for a common market, the official Gulf News Agency (GNA) said.

Economic and trade ministers of the Gulf Cooperation Council (GCC) would meet Sunday to set a timetable for the plan.

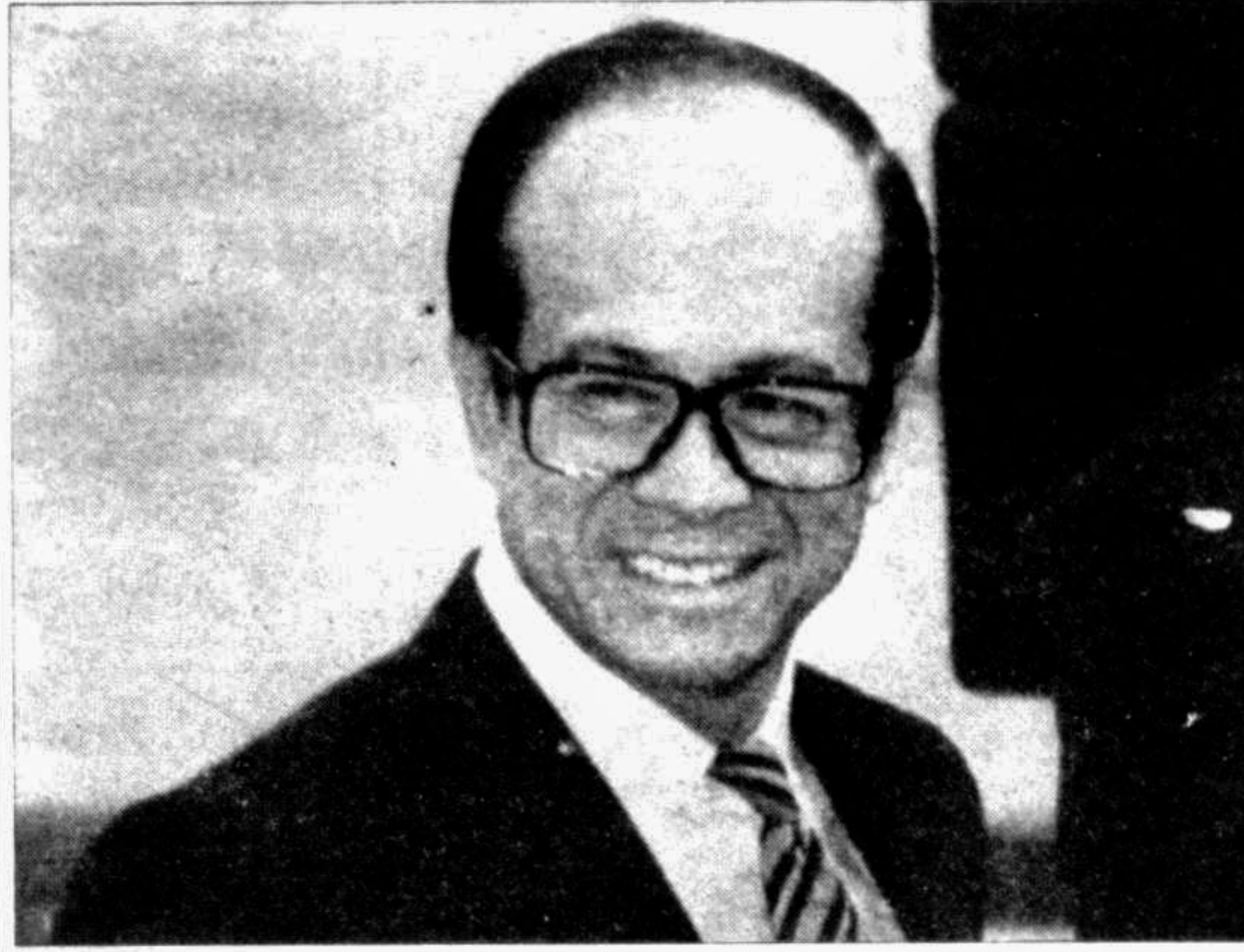
GCC members Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE have been trying to standardise their markets since the economic and defence alliance was set up 11 years ago.

Allowing GCC nationals to buy and trade shares in companies from all six countries was one of the issues on the agendas of Saturday's meeting, GNA said.

At present only Bahrain's exchange allows non-Bahrainis to trade local shares.

GCC states — which own more than 40 per cent of the world's oil reserves — strongly oppose a European Community proposal to impose a three dollar environmental tax on every imported barrel of oil from next year, rising to 10 dollar in the year 2000.

They must standardise their customs duties before achieving their goal of a free trade pact with the EC.



RICHEST MAN IN RESCUE: Hong Kong's richest man Li Ka Shing who might come to the rescue of London's beleaguered Canary Wharf project. With a fortune estimated at 2.7 billion dollar plus possible inside knowledge due to his banking connections and familiarity with the real estate game, financial analysts deemed Li a likely "White Knight" to rescue the project initiated by Canada's Olympia & York Development Ltd. — AFP photo

**Novel way to resist rodents**

LOS BANOS (Philippines) May 31: Exasperated rice farmers have tried many ways, from poisons and glue to flame-throwers and electrocution, to stop rats eating up their crop.

But they often feel they are fighting a losing battle.

"It is estimated that nowadays the total loss to rats could equal the amount of rice traded internationally," says Klaus Lampe, Director General of the International Rice Research Institute (IRRI) in the Philippines, according to a report by Reuter.

Now scientists at the institute in the Los Banos Hills south of Manila have come up with a simple and now-chemical way of protecting rice paddies from the bands of marauding rodents — a better rat trap, with the crop as "bait".

Rice is the staple food for one in three people on earth. But rats can often eat up 20 per cent of the rice crop, either in the fields or granaries.

"Rodents can sometimes destroy an entire field crop. At other times they cause little damage — Nevertheless, in the tropics they are an omnipresent threat," says Australian Graeme Quick, head of IRRI's Agricultural Engineering Division.

"Rats seem at times to be almost as smart as human beings, and they have so far resisted successfully any major programme to reduce their population drastically on a longer term basis," said Lampe in the foreword to a special study by IRRI on the rat threat.

Quick said that research into rat behaviour showed that when it reaches a barrier while travelling in the dark at night it will use its whiskers to feel along the side of the obstacle until it finds a hole.

"It's first reaction is not to attempt to jump over or burrow under, but move alongside the barrier. So even a relatively low fence will protect a field," explained Quick, who helps develop low cost technology for rice farmers.

"Then we placed rat traps every five metres along the fence, so the rats skirt along the side of the fence and find the opening into the trap."

"No bait is needed. No poison," Quick adds.

"When the rat smells rice, it will run or swim alongside the fence using its whiskers as sensors. The rat seeks an easy entry rather than climb, jump or dig under the fence. The rat finds the first convenient opening, and enters the live trap."

Catching one rat in a trap does not deter others from entering. "We have caught 12 rats in a trap in one night," says Quick.

Sometimes snakes will then move in to eat the rats.

"Even local farmers have been known to fancy a bit of rat meat," Quick says, adding that he personally is a vegetarian.

The project involving low plastic fences was originally developed to protect experimental farms at IRRI, where scientists are developing the next generation of high yield, disease resistant rice plants to keep pace with world population growth.

Safe electric fences were used at IRRI for the past 20 years. But some Filipino farmers have been so desperate to control rats that they have used mains electricity to power anti-rat fences, killing several people.

The introduction of the Active Barrier System (ABS), as IRRI has dubbed the new plastic fence and traps, has resulted in a safe and effective way of protecting rice fields that requires no electricity or poisons.

Despite the reputation of rats as quick learners, so far they have not worked out a way around the ABS.

Now IRRI is trying to win wider acceptance for the ABS.

"We started out just for IRRI, where we used to employ 162 people on rat patrols," says Quick. "Then we said we've got a winner here, so what about the farmers?" He added.

The biggest problem is cost.

At the moment it would cost a farmer 400 US dollar per hectare (160 dollar per acre) to adopt the ABS.

side of the fence and find the opening into the trap."

"No bait is needed. No poison," Quick adds.

"When the rat smells rice, it will run or swim alongside the fence using its whiskers as sensors. The rat seeks an easy entry rather than climb, jump or dig under the fence. The rat finds the first convenient opening, and enters the live trap."

Catching one rat in a trap does not deter others from entering. "We have caught 12 rats in a trap in one night," says Quick.

Sometimes snakes will then move in to eat the rats.

"Even local farmers have been known to fancy a bit of rat meat," Quick says, adding that he personally is a vegetarian.

The project involving low plastic fences was originally developed to protect experimental farms at IRRI, where scientists are developing the next generation of high yield, disease resistant rice plants to keep pace with world population growth.

Safe electric fences were used at IRRI for the past 20 years. But some Filipino farmers have been so desperate to control rats that they have used mains electricity to power anti-rat fences, killing several people.

The introduction of the Active Barrier System (ABS), as IRRI has dubbed the new plastic fence and traps, has resulted in a safe and effective way of protecting rice fields that requires no electricity or poisons.

Despite the reputation of rats as quick learners, so far they have not worked out a way around the ABS.

Now IRRI is trying to win wider acceptance for the ABS.

"We started out just for IRRI, where we used to employ 162 people on rat patrols," says Quick. "Then we said we've got a winner here, so what about the farmers?" He added.

The biggest problem is cost.

At the moment it would cost a farmer 400 US dollar per hectare (160 dollar per acre) to adopt the ABS.

**Phillips and Drew. On the one hand, he said, there is less of a link now between oil prices and inflation, and on the other hand, there are alternative financial instruments now available as a hedge against inflation.**

Smith added that Middle East operators previously bought gold when oil revenues increased, but that this was no longer the case either.

Silver: Steady. Prices were supported by the latest forecasts from the Chicago Silver Institute.

In its annual report on silver the institute predicted that demand would exceed production in 1992 for the third consecutive year, and that the shortfall would widen. The re-

**Port explained that until now the world production deficit has not boosted prices as investors held substantial stocks.**

Copper: Firmer. Copper prices on the LME ended the week higher after a hesitant start.

Prices turned up mid-week and steadied at slightly higher levels, as traders focused on possible strike action at US producers representing 800,000 tonnes/year capacity where labour negotiations are due in June.

LME stocks rose 8,575 tonnes to a new record high of 265,525 tonnes.

Tin: Steady. Tin prices fluctuated over the week, and started turning up again towards the end of the week.

**Prices: Gold goes quiet, vegetable oils erratic while grains weak**

LONDON, May 31: North Sea Brent Crude oil prices soared above the 20 dollar barrel level at the beginning of the week, reaching a six-month high, following OPEC's decision to maintain its current output ceiling until September, apart from a slight rise in Kuwait's quota, reports AP.

Speculation about a change in policy by OPEC member Saudi Arabia, traditionally a supporter of moderate prices, added to the firm trend. The rumours started after Riyadh confounded its fellow members expectations by not demanding a one million barrel day rise in the output ceiling. This allowed oil prices to rise.

Traders speculated that

Saudi Arabia needed hard currency. Rumours also circulated in the market that Riyadh was protesting against plans by the European Commission to impose environmental tax on energy, which would penalise OPEC members while benefiting petroleum consumers.

Brent prices reduced their gains at the end of the week, due to profit-taking.

Gold: Quiet. Prices fluctuated within a narrow range, ignoring the sharp rise in oil prices.

Traditionally an oil price hike would raise fears about rising inflation and encourage investors to buy gold. But this theory is no longer valid, according to Andrew Smith, analyst with stockbroker UBS

Phillips and Drew. On the one hand, he said, there is less of a link now between oil prices and inflation, and on the other hand, there are alternative financial instruments now available as a hedge against inflation.

Smith added that Middle East operators previously bought gold when oil revenues increased, but that this was no longer the case either.

Silver: Steady. Prices were supported by the latest forecasts from the Chicago Silver Institute.

In its annual report on silver the institute predicted that demand would exceed production in 1992 for the third consecutive year, and that the shortfall would widen. The re-

But prices fell back from the 6,300 dollar tonne from Tuesday onwards, and could not breach buyers' resistance at this level, traders said.

LME stocks rose 310 tonnes to 13,085 tonnes.

Aluminium: Weaker. Prices fell back after a steady start, as far east buying interest early in the week gave way to a wave of technical selling, traders said.

Aluminium prices could also be affected by the trade sanctions against Yugoslavia, which exports up to 2,000 tonnes per month, according to Yugoslav trade sources.

LME stocks fell 1,375 tonnes to 1,238,125 tonnes, despite expectations of a 5,000-tonne rise.

Sugar: Firm. Prices were supported at the beginning of the week by an earthquake in Cuba which triggered speculative buying. This was despite the harvest drawing to an end.

The gains accelerated mid-week on the back of the New York market.

German statistician F O Licht revised upwards his forecast for the surplus of world production in 1991-92, to 2.44 million tonnes against 0.98 million tonnes previously forecast.

But this did not affect the market.

Vegetable oils: Erratic. Sunflower oil prices rose as specialist publication Oil World revised downwards its forecast for the European sunflower

seed harvests in 1992-93 (September-October).

Oil World forecast a harvest between 3.9 and 4.3 million tonnes due to persistent drought notably in France and Spain, against 4.5 million tonnes previously forecast and 4.05 million tonnes estimated last year.

Palm oil prices fell despite oil world's forecast of a five per cent decline in world stocks in 1992, to two million tonnes, their lowest level in five years. World production would rise this year by 740,000 tonnes to 12.45 million tonnes, but demand would grow by 1.12 million tonnes, the publication predicted.

Palm oil prices fell despite oil world's forecast of a five per cent decline in world stocks in 1992, to two million tonnes, their lowest level in five years. World production would rise this year by 740,000 tonnes to 12.45 million tonnes, but demand would grow by 1.12 million tonnes, the publication predicted.