## BRIEFS

### Investment up in **Philippines**

MANILA, Jan 4: Despite power outages that brought havoc to most industries, investments in the Philippines stood at 98.1 billion peso (3.9 billion US dollar) in 1992, 22.5 per cent up from the 80 billion peso (3.2 billion US dollar) in 1991. According to the Board of Investments (BOI), the total investment figure was only short of 1.9 billion peso [76 million US dollar) from its 100 billion peso (4 billion US dollar) target for 1992. The BOI originally set a 125 billion peso (five billion US dollar) target for 1992 but later scaled down to 100 billion peso (four billion US dollar) after investors expressed reluctance to pursue their projects due to the power crisis, reports Xinhua.

#### IMF team to visit Lanka

COLOMBO, Jan 4: An International Monetary Fund (IMF) mission will visit Shri Lanka next month to review the balance of payments support given to the island country, official reports said Sunday. The IMF team will discuss with local officials led by Finance Secretary R Paskaralingam the progress of a current three-year Enhanced Structural Adjustment Facility (ESAF) 460 million dollar loan. Shri Lanka is expected to receive the third instalment of the ESAF loan after the mission's visit, officials said, reports Xinhua.

#### Taiwan's economy set to grow strongly

TAIPEI, Jan 4: Taiwan's economy is set to grow strongly this year but political instability following last month's general elections may threaten the boom, Economics Minister Vincent Siew said on Sunday. "From an economic point of view, we can be confident about this year's development," state radio quoted Siew as saying. "But the condition for this is political and social stability. Otherwise, the situation is hard to predict, reports Reuter.

#### China's steel output on increase

BEIJING, Jan 4: China will see a steady increase in steel imports in the first half of this year. The import of construction steel in particular will soar, the "China Daily' today quoted Li Yihao, Vice President of the China National Metals and Minerals Import and Export Corporation (Minmentals), as saying. He attributed the spiraling demand to the infrastructure construction boom that has gripped the country, reports Xinhua.

### US leading indicators surge to 8 pc

WASHINGTON, Jan 4: The US government's composite index of leading indicators jumped in November to its highest gain in 10 months signaling that economic recovery may be well on its way in 1993. The index - designed to predict the nation's economic health in the next six to nine months - increased 0.8 per cent in November, according to preliminary estimates by the Department of Commerce December 30, reports USIS

### Colombia's economy to grow by 5 pc

SANTAFE DE BOGOTA, Jan 4: Colombia's economy should grow by a solid five per cent or more in 1993. the government planning chief said Sunday. This is going to be a good year, without a lot of (economic) ups and downs," said Armando Montenegro, director of the national planning department. "We in the government are optimistic and expect that inflation will continue to fall, and that our growth rate will climb, Montenegro said, reports AFP.

### Colombia's inflation rate 25.13 pc in '92

BOGOTA, Jan 4: Colombia's consumer price index rose 0.94 per cent in December 1992, bringing the annual inflation rate to a total of 25.13 per cent, more than three percentage points higher than government projections, said a report by the government's statistics department (DANE). The index for December was not only 0.46 percentage points lower than that registered for the same period last year, but also the lowest in the last 10 years. In December, 1983, it rose 0.49 per cent, reports Reuter.

## Bush-Mitterrand talks on world trade fail

PARIS, Jan. 4: US President George Bush and French President Francois Mitterrand were unable on Sunday to bury their differences on world trade, which have held up a deal under the General Agreement on Tariffs and

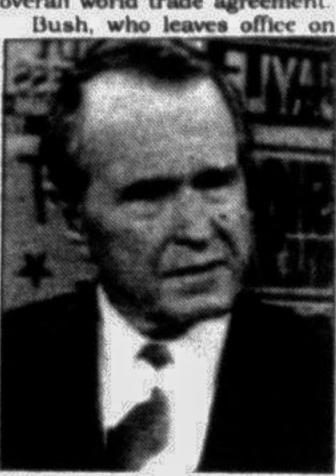
Trade (GATI), report Reuter. "I reiterated the US position which is that we'd like to see a successful conclusion of the GATT round," Bush told reporters after meeting Mitterrand in Paris. There are known differences. We did not eliminate these differences."

Mitterrand added: "We discussed it. We cannot say we made much progress."

France bitterly opposes a fare trade accord struck by the United States and the European Community in November and has threatened to use its power to veto it.

The farm trade accord. which would slash exports of subsidised EC farm goods by more than 20 per cent and cut

European oilseed production. is seen a key step towards an overall world trade agreement



January 20, has been an ardent advocate of free trade and has tried in vain to concluded the so-called Uruguay Round of GATT for the lat two years.

Another report adds: US

earners and Japanese babies born in 1991 can expect to live

the equivalent of 33,510 dollar a years in 1991, compared

hind Switzerland, Luxembourg, Japan, Sweden, Finlend,

country's entire gross domestic product and dividing by the

population - rather than attempting to break it down by aver

The bank's 25th annual report says Swiss residents earned

The United States ranked 10th in per capita earnings, be-

The bank calculates its wealth comparisons by taking a

The report, published last week, covers 1991; some sta-

As to life expectancy, babies born in Japan in 1991 could

Americans consumed an average of 3,671 calories per day

The latest report puts a new emphasis on people and the

The poorest countries are in Africa, were the average

Democratic Party (FDP).

"He contributed imagina-

tively and decisively to the

completion of the inner unity

of Germany. Daily and effec-

tively, he proved his personal

commitment to solving the

problems of the people of

eastern Germany," said FDP

subsidies in the west deserved

more success instead of the

unjustified criticism they re-

"His efforts to reduce state

FDP sources said Guenter

leader Otto Lambsdorff.

expect to live to age 79, compared with 76 for babies born in

the United States, which ranked 11th in the longevity mea-

- behind an average consumption of 3,825 calories in Greece

environment. The World Bank, founded at the end of World

War II, had 172 member countries. Its publication includes

yearly income again measured with total gross domestic

and 3,778 in Ireland. Ethiopia was last at 1,667 calories.

the longest, according to the World Bank, reports AP.

Norway, Denmark, West Germany and Iceland.

tistical comparisons use data from earlier years.

age wages or some other narrow measure.

statistics on 200 nations.

BONN, Jan 4: German

Economics Minister Juergen

Moellemann, forced to resign

over a scandal involving pro-

motion of products made by a

relative's company, is leaving

government at a critical time

for the German economy, re-

named, will inherit the frustra-

tion of being able to do little

more than exhort Germans to

try harder to reverse their

Moellemann, 47 announced

his resignation on Sunday after

admitting he had signed let-

ters to supermarket chains

recommending security sys-

tem for shopping trolleys

cepted the resignation in a

terse statement thanking

Moellemann for his work. But,

in a reflection of the often cool

relationship between the two

men, he failed to express re-

done nothing wrong and

blamed overwork for the fact

that he had signed the letter

make way for a successor who

could concentrate without

distraction on rebuilding the

shattered economy of former

Moellemann's brash, com-

bative style and his open ambi-

tion made his few friends in

government and the only

praise for his two years at the

Economics Ministry came

from colleagues in his Free

communist East Germany.

He said he was resigning to

Moellemann said he had

Chancellor Helmut Kohl ac-

made by his cousin's firm.

economy's inexorable slide ceived."

His successor, still to be

ports Reuter.

into recession.

with 22,560 dollar for US residents.

President George Bush won broad agreement from French President Francois Mitterrand on Sunday on enforcing a ban on flights over Bosnia but said any military action must await the outcome of peace talks in

Bush, in Parts on the last leg of his last major foreign trip as president, said the United States would take no unilateral action in Bosnia which could endanger United Nations peace-keeping troops on the ground.

The two leaders agreed on the need to enforce a no-fly zone declared by the UN Security Council over Bosnia in October but defied by Serb forces fighting for control of the last remaining pockets in the north of the republic to elude their grasp.

"France and the US are very close together on the no-fly zone enforcement and 1 expect it could be passed fairly soon but there is still some diplo-

Tanzania and 120 dollar in Ethiopia.

cent of its forest over the decade.

Rexrodt, a banker and board

member of East Germany's

Treuhad privatisation agency,

was the party's favourite to

succeed Moellemann. The

party executive is expected to

choose a successor nest Friday.

long-planned government

Economics Ministry will ac-

quire a difficult portfolio with

only limited scope for acting to

redress Germany's mounting

reshuffle later this month.

economic problems.

Kohl is due to announce a

Whoever takes over at the

to 330 dollar in 1991

and 1991.

less it pollutes.

But Africa has a relatively sparse population and nearly half

Overall, the report lists 56 areas, from Argentina to

Illiteracy runs high among men and women of all ages in

Dealing with the environment for the first time, the re-

port looked at the value of goods produced in 1990 per kilo-

gram of oil, or equivalent fuel, burned. The measure is based

on the premise that the less oil and coal a country burns, the

Denmark produced seven dollar worth of goods for every

kilogram of fuel used in 1990 compared with 6.90 dollar in

Italy and 6.70 dollar in Japan. They were the most efficient

among the industrial countries. The United States was well

down the list, producing only 2.80 dollar worth of goods for

lost 40 per cent of its forests in the 1980s compared with 39

per cent in Paraguay, 36 per cent in El Salvador and 35 per

cent in Brunei. It says the United States lost about 10 per

On another environmental measure, the report said Haiti

the world's poor live in South Asia, a large proportion in India

where the average income dropped from 360 dollar in 1990

Zambia, where the average income declined between 1980

Africa -70 per cent in Chad, 61 per cent in Liberia.

Swiss are world's top wage earners,

Japanese have life expectancy

WASHINGTON, Jan 4: The Swiss are the word's top wage product- is 70 dollar in Mozambique, 100 dollar in mainland

Moellemann quits at critical moment

for German economy

matic work to be done." Bush told reporters after two hours



to draft a resolution enforcing the flight ban, partly because of French and British fears that their UN peace-keeping troops could face reprisals for any attack on the Serbs.

The real power in economic

policy lies with the Finance

Ministry - whose present in-

cumbent Theo Waigel often

quarrelled with Moellemann -

and the Bundesbank.

into difficulties in its negotia-

tions with unions, industry and

the opposition on a "solidarity

pact" to boost west German

economic growth and kick-

start recovery in the de-

pressed east.

The government has run

Germany's central bank.

Bush, fresh from signing a landmark nuclear disarmament treaty with Russian President Boris Yeltsin, said any action would be taken only

with proper consultation. "We are very sensitive to the fact that other countries have troops on the ground and we would not precipitously on a unilateral basis do anything that would put these troops in danger," he said.

Both he and Mitterrand said it was important not to sec ond-guess the current Geneva peace talks bringing leaders of Bosnia's warring factions face to face for the first time.

"We must be very cautious because we would by far prefer, obviously, a diplomatic solution, Mitterrand said.

Bush agreed: "A diplomatic answer is absolutely essential and the sooner the better to stop the killing and the suffering. We are very hopeful that something positive will come from that."

### China plans to loosen curbs on private sector

BEIJING, Jan 4: China is planning to loosen curbs on the private sector and treat private enterprises and state corporation equally as part of continued economic reforms the official China Daily said, reports Reuter.

"We plan to remove the unreasonable caps which have hindered the development of the private economy." Ma Yuankai, Deputy Director-General of the state administration for industry and commerce, told the newspaper.

"We will extend the same treatment to state-owned and private business in the same sector and location," he said.

He said, the private sector will be encouraged to take a role in the export-oriented economy, and will be allowed to start joint ventures with overseas partners.

### Dollar gains, stocks mixed in Tokyo

TOKYO, Jan 4: Gloomy in vestors skipped the usua round of celebratory buying to celebrate the new year, and Tokyo share prices closed mixed on Monday. The US dollar gained against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average gained 69.13 points or 0.41 per cent, ending the year-opening half-day session at 16,994,08. Full-day trading will resume Tuesday.

On the last day of 1992 trading last Wednesday, the average had declined 360.69 points, or 2.08 per cent, closing the year at 16,924.95 points - down 26.36 per cent from the end of 1991 and 56.5 per cent from its record high closing of 38,915.87 at the end of 1989.

On Monday, the Nikkei rose mostly on index-related technical dealings, traders said.

'Today's trading reflected the gloomy prospects for the economy," said Kazuyuki Suzuki, a stock dealer at Daiwa Securities Co.

"There wasn't even the ceremonial buying that usually comes in to celebrate the first day of the year," he added. The broader Tokyo Stock

Price Index of all issues listed on the first section slipped 1.85 points, or 0.14 per cent, closing at 1,305.81 points. It had fallen 18.72 points, or 1.41 per cent, on Wednesday.

An estimated 100 million shares changed hands on the first section, down from 110 million Wednesday, which was also a half-day session. Retreating issues outnumbered advances 472 to 356, with 201 issues unchanged.

### China now Taiwan's major world trade competitor

TAIPEI, Jan 4: China has emerged as one of Taiwan's strongest competitors in international trade and is eroding the island's share of major foreign markets, the Taipei economics ministry said, re-

ports Reuter. China's share of the US market in basic consumer goods exceeded Taiwan's for the first time last year and China has also surpassed Taiwan in Japan, the ministry said in a study quoted by the Economic Daily News on Saturday

"In basic products, mainland China has already become our main competitor." Vice Economics Minister Chiang Pin-Kung was quoted as saying.

China's export boom is being aided by a surge of Taiwanese manufacturing investment in the mainland since political tensions between the rival governments began to ease in the late 1980s, the ministry noted

Taiwanese makers of textiles, electronics and other consumer goods are struggling against Chinese exporters who

enjoy much lower labour and land costs, the study said.

It said the trend was likely to continue in coming years and urged Taiwanese exporters to move into production of more sophisticated goods in which China could not compete

China raised its share of the

US market to about five per cent last year from 1.3 per cent in 1986, while Taiwan's share eased to about 4.7 per cent from 5.4 per cent, the study said. In Japan, China's market

share had surged to about 6.8 " per cent over the past five years while Taiwan's had remained below five per cent.

Taiwan's trade surplus last year dropped about 26 per cent to an estimated US 9.8 billion US dollar, an eight-year low, partly because of weak export growth to the United States and Japan.

But Talwanese exports to China grew at an annual rate of over 30 per cent and ministry officials said shipments to the mainland would remain a bright spot in the trade pic-

### Dubai's gold imports in '92 stood 300 tons

DUBAI, Jan 4: The year 1992 has been a record one for the tiny Sheikdom of Dubai. the gold capital of the Middle East and a vital transshipment point in the global trading network for the yellow metal, officials said Sunday, reports

According to the statistics of the World Gold Council, a voluntary, non-profit associa tion of gold producing compa nies from 14 countries head quartered in Geneva Switzerland, Dubai's gold imports for 1992 were expected to be in the range of 300 tons. 80 per cent higher than the preceding year.

This is the highest import figure for gold into Dubai so far, securing it a place among the top five importing markets in the world," Andre Bisang, director, Middle East and Turkey told The Associated Press.

Dubai's 1992 gold imports are representative of a general trend in the emerging gold markets, said Bisang, linking it to deregulation and opening up of markets in the Indian subcontinent, China, Iran, Turkey, Taiwan and Thailand.

"In 1991, the Western world mined 1,781.6 tons of gold; while China, countries of the former Soviet Union, North Korea and Mongolia produced another 375 tons," he said. "We have a situation where supply has stabilized at the same level this year, while demand for gold by the jew-

ellery industry is expected to have exceeded this total supply by at least 200 tons by the year end." Final statistics have yet to be lined up.

Among the emerging markets, India and China are the two countries with a voracious appetite for the yellow metal. Eighty per cent of India's

official gold imports and perhaps a larger percentage of unofficial imports into that country of 850 million and with an annual gold market of 400 tons are, according to trade sources, transacted through Dubai.

Indians form the bulk of an expatriate population that makes up about three-fourths of the 2 million population of the United Arab Emirates, which groups Dubai with Abu Dhabi, Sharjah, Ajman, Umm al-Quwain, Fujairah and Ras al-Khaimah.

As a result of a feeble buying power and a difference of approximately 20 dollar higher price than the internationally prevailing price on 10 grams (0.35 ounces) of gold, per capita purchase of gold in India is lower than half a gram (0.0175 ounce) per year.

On the other hand, a resident Indian in the Gulf with substantially higher income tends to buy an average of 30 grams (1.05 ounce) per year. This highlights the tremendous growth potential in the Indian market and the consequent benefits for Dubai as its major supply point.

### UAE, Japanese Co talk 25-year gas supply

ABU DHABI, Jan 4: The United Arab Emirates (UAE) and a Japanese company are engaged in negotiations on details of a 25-year gas supply agreement, the official Emirates news agency WAM reported on Sunday, reports

It said, officials from the Abu Dhabi Gas Liquefaction Company (ADGAS) and Tokyo Electric Production Company (TEPCO) discussed the agreement in Abu Dhabi in December and would hold more negotiations this month.

The talks cover a detailed formula for the gas supply agreement which was signed between the two sides in 1990," it said.

Under the agreement, a renewal of a previous accord, ADGAS will supply TEPCO with all its gas production, which will double to five million tonnes per year when a one billion-dollar expansion project is completed in April

The project involves building a third production train on the Das Island and ADGAS General Manager Peter Carr said it was the biggest in the world.

Abu Dhabi, the largest UAE Emirate, is also a major oil exporter to Japan, supplying more than 20 per cent of the Far East country's total oil imports of about four million barrels per day (BPD).

The ADGAS, the main gas producer in the UAE, also plans to buy four tankers at a cost of 600 million dollar to cope with the export increase. Other projects include building a sulphur plant on Das

"About 60 per cent of the new production train has been completed and the bulk of the remaining work will be implemented this year," Carr was quoted as saying Saturday.

# Australia looking for stronger economic ties with South East Asia

-AFP UNB photo

Australia is adjusting to the fact that it must cultivate relations with the fast developing nations of South East Asia. Yet as it strengthens economic and cultural links it is also upgrading northerly defences. This twoedged policy is most apparent in Darwin, the port and capital of the least populated state, Northern Territory

With the slogan "Halfway between Sydney and Singapore," it could be the gateway for countries of the Association of South East Asian Nations (ASEAN). because it has Australia's finest natural harbour. On the other hand, being at the so-called Top End of the empty Outback, it feels vulnerable to external forces.

Ceremonies all this year mark the half-century since it became the only Australian city bombed by the Japanese. Darwinites are still more affected by the near-invasion of 1942 than by the more recent Cyclone Tracey, which flattened the place in 1974. Besides a military museum, there is even a hotel called Air Raid City Lodge - run by a Hong Konger in

what is left of Chinatown. Darwin's population of 68,000 consists of 50 nationalities. This cultural diversity makes Darwin an ideal launching pad to develop relations with Asian neighbours. Australia is to televise official programmes to Asia from here.

With an initial grant of four million Australian dollar, the service will be bounced off Indonesia's "Palata" satellite starting in December. Film-makers in Darwin are also making children's programmes for Indonesia television.

Stock dealers and female clerks in Kimono dress clap their hands to welcome and celebrate

this year's first trading at the Tokyo Stock Exchange market Jan 4. The Nikkei index ended

in the morning session at 16,994.08 yen, 69.13 yen up from last year's close.

Educational links are being encouraged. Teachers are being exchanged as 6,000 Territorian pupils learn Indonesian. (Schools in neighbouring Queensland make an Asian language compulsory). Three Aboriginal art shows have taken place in Jakarta.

More than 200,000 Australians visit Bali each year, so the Indonesian airline Garuda now flies into Darwin's new airport. The interest is reciprocal. Australia's hot far north is attracting a rising number of Asian tourists. Last year 11,000 came from Japan and 6,000 from Southeast Asia, although this remains a small proportion of the total 163,000.

This year, Northern Territory signed the first Australian agreement with Indonesia on economic cooperation. This has already resulted in a partnership between Darwin's duty-free export zone (unique in Australia) and Makassar industrial estate on Celebes island. In December, joint exploration for oil will begin in the seas between Timor and Northern Territory.

Other countries of the Pacific Rim want to develop NT's resources, which include a large share of the world's gold, bauxite, manganese and uranium.

Said NT development officer Nick Lugg: "The Japanese have stakes in mines around here and Sumitomo may build a plant to liquify natural gas from Bonaparte Gulf."

But interests conflict. Territorians say that their state (which is three times the size of Japan) cannot develop its resources without abundant and cheap labour. Most Australian businessmen and trade unionists are against encouraging immigration, and political circles down south fear Darwin could become an Asiatic colony - as it was at the start of the century.

Illegal immigration is a particular concern. Larrakeyah naval base at Darwin operates six patrol boats whose main job is to watch out for illegal Asian immigrants. All visitors except New Zealanders need

This has not hindered business ventures between the two communities. From the Darwin side a local exporter is putting Aboriginal designs on textiles produced cheaply in Java and a local computer firm (partly owned by IBM) is about to sell its expertise to

Malaysians are said to be behind the posh Beaufort Hotel and Hong Kong businessmen are also active in Darwin. The Sultan of Brunei is a major owner of cattle stations, while the Malaysian states of Sabah and Sarawak also have ranching interests. Delegations are going in each direction and regular shipping from Kota Kinabalu, Sabah, is planned.

However, Darwin has a major transport problem which is why under two per cent of Australia's exports - half of them to Asta - come through the underused

port. There is no railway north of Alice Springs; instead, huge lorries with up to five trailers (road-trains) have to drive the remaining 920 miles along the Stuart Highway

Funding a railway is the biggest controversy in NT. whose 158,000 inhabitants too often feel ignored by Canberra. The federal government again this year refused to fund three-quarters of the cost, put at 400 million Australian dollar, but there may be international backing thanks to recent feasibility studies by Japanese and American companies. Strategists say a rail link is vital now that Australia is making Darwin the frontline of future defence.

The commitment to desence in the region is apparent from the budgets. Almost 800 million Australian dollar is being spent up to 1995 on military facilities in Northern Territory and 800 million Australian dollar has been spent on a base at Katherine for the Fa-18s of the Royal Australian Air Force. There is already an even larger airfield outside Darwin. The RAAF is also to increase its complement of F111s from 22 to 40 to guarantee long-range interdiction.

This autumn, 400 men of the Second Calvary Regiment, complete with tanks, moved up to Darwin where the 1st Army is also to be based. A new Joint Defence Command headquarters is being built at Darwin, already the base of Northern Command. Despite closer links, Darwin has not yet forgotten where its greatest threat once lay. -GEMINI NEWS