

BRIEFS

Malaysia, Thailand to raise trade ties

KUALA LUMPUR, Jan 9: Malaysia and Thailand agreed on Thursday to push for a new 'growth triangle' along with Indonesia to bolster trade ties in South East Asia.

Azerbaijan, Turkey end oil talks

ANKARA, Jan 9: Azerbaijani Oil Minister Sabit Bagirov wound up two days of talks with Turkish officials Thursday on the possibility of transporting Azeri oil to the Mediterranean via Turkey.

US dollar closes higher

NEW YORK, Jan 9: The US dollar closed mostly higher Friday in busy trading on currency markets as political instability heated up around the world.

Indian Airlines hiring jets

BOMBAY, Jan 9: Indian Airlines, crippled by a month-long work stoppage by its pilots, is hiring Tupolev jets and crews from Bulgaria and Uzbekistan to ride out the damaging strike.

Iraq, Jordan renew oil supply accord

AMMAN, Jan 9: Jordan and Iraq have renewed an annual oil agreement giving Amman more than half its crude oil supplies free and the rest at discounted rates.

Trans World Airlines chairman resigns

NEW YORK, Jan 9: Seven years after taking control of Trans World Airlines, Carl C. Icahn resigned Friday as its chairman and officially turned over management of the company to two executives chosen by creditors and employees.

JAL to scale down orders for boeing

SEATTLE, Jan 9: Japan Airlines, which has been struggling along with the rest of its beleaguered industry, may scale down or slow down orders for planes placed earlier with Boeing Co., a spokesman said.

Disaster, the environment and development interlinked in a complex way

The rising toll of losses from natural disasters is an important, but often neglected manifestation of global change, says James Bruce, Chairman of the Scientific and Technical Committee.

Dr Bruce points out the human influences on natural hazards, including the removal of forests from the slopes of river basins, the erosion of agricultural soils leading to sedimentation of river mouths, and channel obstructions which contribute to increased flood levels and damage.

By the same token, some kinds of natural disasters — notably volcanic eruptions — have significantly changed the composition of the atmosphere: some meteorologists theorise that the lava flows from the 1990 eruption of Mt Pinatubo in the Philippines are responsible for a considerable cooling of vast sections of the earth in 1992, although others would argue that the burning oil wells of Kuwait share the blame.

There is little doubt, however, warns Dr Bruce, that the VP factor causing the increased natural disaster hazards, but the increasing vulnerability of human communities to these environmental hazards. The major global change affecting the

damage statistics is the rapidly increasing population and human activity in coastal zones and in earthquake, drought and flood-prone areas of the world.

The world will face more and worse disasters in the future, argues another member of the US Committee, Henry Quarantelli, saying that losses will be greater due to new and increasing kinds of technological accidents that can be triggered in disasters, such as chemical leaks in earthquakes.

Furthermore, he warns, technological advances add complexity to old threats (fire prevention measures in high-rise buildings, for example, retard fires but create toxicity risks). There are also new versions of past dangers, and exposure to new risks because of our dependency on such new technologies as computers.

The link between disasters, the environment and development is further illustrated by the rising sea levels caused by global warming. With global mean temperatures projected to increase 0.3 degrees centigrade per decade during the next century, a six-centimetre-per-decade rise in sea levels is expected.

Some 60 per cent of the world's population already lives in coastal areas, while 65 per cent of cities with populations above 2.5 million are located along coasts. The frequency of severe storm surges in the Island Nations of the Pacific and Indian Ocean, the Caribbean Sea, the Bay of Bengal, the Philippines, Florida and other regions will be exacerbated by sea level rise, warns Dr Bruce.

In his report on the work of UNDR0 in 1991, the Secretary-General, leaves no doubt as to the outcome of in-

creased development:

"The stark reality of disaster occurrence is that the number of persons at risk increases with population growth. On top of this, the level of vulnerability of the growing population rises faster because of the progressive overspill of the least privileged and most poorly protected people into zones of ever higher risk.

Except where the effort invested in mitigation equals the population growth rate plus the accelerating vulnerability factor, the magnitude of disasters will inevitably continue to grow."

For all these reasons, natural Disaster Reduction is a key element in the R10 declaration, adopted in June 1992 by the United Nations Conference on Environment and Development: Principle 18 states, "States shall immediately notify other states of any natural disasters or other emergencies that are likely to produce sudden harmful effects on the environment of those states. Every effort shall be made by the international community to help states so afflicted."

"Natural disasters frequently set back the hardwon economic development of developing countries, with periodic drops in national economic output highly correlated with the occurrence of major natural disasters," says Dr Bruce. And since about 95 per cent of disaster-related deaths occur in the developing world, the decade is, as he notes, an excellent opportunity to improve international cooperation to reduce those tragic losses.

—UNIC Dhaka

UK bans fishing near Shetland

SUMBURGH (Shetland Islands), Jan 9: The government banned fishing near the Shetland islands as oil spread from a grounded tanker that showed signs of breaking apart, reports AP.

Stormy weather has kept salvage crews from the 89,700-ton Braer, which was carrying 24.6 million gallons (93 million liters) of Norwegian oil to Canada when a hurricane drove it onto the rocky shore on Tuesday.

Gale-force winds of up to 90 mph (145 kph) are forecast for Saturday which would again hamper efforts to clean the spill.

Dead fish, seabirds, seals and other mammals from the Shetlands' rich wildlife colonies littered oil-coated beaches. Inland, farm animals and crops were coated with oily sea spray.

UAE offers aid to Pindi for preservation of bustards

ISLAMABAD, Jan 9: The United Arab Emirates (UAE) Friday offered financial assistance to Pakistan for preserving the rare Houbara Bustard, a favorite prey of visiting Arab sheikhs, says AFP.

Relations between the two countries have hurt following an uproar among conservationists here over the "carnage" of the migratory bird at the hands of Arab hunters.

The UAE leaders would respect and abide by Pakistani law, on hunting the bustard, visiting UAE Information Minister Khalfan Al-Roomi said.

The official Associated Press of Pakistan quoted Himas saying that his country was "ready to finance projects for preserving and developing the bird."

Pakistan's wildlife department is under pressure to clamp a total ban on hunting the bustard, which is threatened with extinction.

A general ban is in force but the sheikhs who visit Pakistan as official guests during winter are given special licenses by the foreign office to hunt with falcons.

Local press reports said at least 15 members of royal families from Saudi Arabia, Dubai, Abu Dhabi, Qatar and Bahrain were currently in Pakistan for the purpose.

The hunting period starts from October and continues until late January. The hunters in many cases reportedly violate the restriction on killing not more than 200 bustards in the entire season.



MICHIGAN: Chief executive officers Robert Eaton of Chrysler (L), Harold Poling of Ford (C) and John F Smith Jr of General Motors talks before addressing the 1993 International Auto Show Luncheon presented by the Economic Club of Detroit January 8. The top three US auto executives were the featured speakers at the luncheon a day before the auto show opens to the public.

—AFP/UNB photo

EC forces 3 members to scrap restrictions on imports

BRUSSELS, Jan 9: The European Community took another step towards complete freedom of movement for goods on Friday when the European Commission announced it had forced three states to scrap restrictions on imports, reports Reuter.

Italy agreed to import other countries' pasta, Germany dropped import restrictions on medicines and Belgium gave in over cordless phones.

The Commission, the EC's executive, had warned Rome, Bonn and Brussels that the restrictions violated the guarantee of free movement of goods in the community.

The European Court of

Justice, the EC's highest court, had twice condemned Italy's 1967 law which banned imports of pasta that were not made with hard wheat flour.

Italy had justified the restrictions by the need to protect its high-quality pasta market against cheaper imported products using soft wheat flour.

The case provoked passionate debate in Italy where the Commission was accused of attacking the worldwide reputation of Italian pasta.

Germany had agreed to stop demanding special certificates on parallel imports of medicines from other EC member states, a measure that

was preventing its consumer from buying cheaper products, the European Commission said in a statement.

Parallel imports involve shipments between EC states outside manufacturer-controlled distribution networks—generally from a state where medicines are cheap to one where they are expensive.

Belgium had refused to accept cordless telephones and other radio-communications equipment that had not been approved in Belgium.

It will now accept equipment approved in other EC states provided it meets equivalent standards to those in Belgium.

HK plans more trade with Gulf

ABU DHABI, Jan 9: Hong Kong interests are planning to push deeper into the wealthy Gulf as part of a 1993 blueprint to boost exports worldwide, The Hong Kong Trade Development Council (TDC) said on Friday, reports AFP.

Although it is already a main economic partner of Gulf countries, Hong Kong believes that the end of hostilities in the region has opened new business scopes for it, the TDC said in a statement made available to AFP.

The capitalise on new opportunities in the Middle East, where economies are rebounding from the ravages of the Gulf war two years ago, the TDC will step up business group visits and trade fair participation," it said.

"Efforts will focus primarily

on the United Arab Emirates (UAE), a major regional trans-shipment centre where TDC already maintains a representative office in Dubai and on Saudi Arabia where steady economic growth has fuelled demand for foreign goods. The revitalised markets of Iran, Lebanon and Syria will also be explored."

Hong Kong is already a major Exporter to Iran and the six-nation Gulf Cooperation Council (GCC). Exports stood at 1.18 billion dollar in 1991 and 1.16 billion dollar in the first 10 months of 1992 and imports at 295 million dollar and 401 million dollar in the same period.

The exports include watches, electronic and electric equipment, clothes, food-stuffs, jewellery, toys and other manufactured products. Import cover mainly oil, aluminium, chemicals, and live animals.

Other South East Asian countries like Japan, South Korea, Singapore and Taiwan are also major trade and oil partners of the GCC. Japan alone imports more than half its crude needs from the GCC while their two-way annual trade exceeded 30 billion-dollar over the past four years.

Saudi Arabia and the UAE are Hong Kong's largest economic partners in the Gulf, with their trade standing at 1.2 billion dollar in the first 10 months of 1992, according to the Dubai-based TDC. Iran is the third partner with their trade totalling 195 million dollar in the same period.

still subject to wild gyrations with each fresh Sino-British spat.

Hong Kong's volatile property market has also started to feel the pinch, said David Faulkner, a partner with Brooke Hillier Parker, an international property consultancy.

"In China's calculations, any economic damage to Hong Kong will only be temporary. China thinks it can tolerate short-term economic losses for long-term political gains," said Lau Shiu-Kai, a professor of sociology at Chinese University.

But analysts believe there's a limit to how far China will go. China is the biggest foreign investor in Hong Kong, ahead of the United States and Japan.

Hong Kong acts as a conduit for 40 per cent of China's exports and 60 per cent of its foreign investment. That trade stokes China's rapidly modernizing and market-oriented southern provinces.

Approximately two-thirds of China's foreign investment comes from overseas Chinese, in-

RBI fines two banks for violating discipline

BOMBAY, Jan 9: The Reserve Bank of India (RBI) has decided to impose fines on two nationalised banks for violating its directives in a move, described by its sources as "a symbolic demonstration of its resolve" to discipline commercial banks, according to PTI.

The RBI's unprecedented decision comes as a sequel to irregularities in advances in a dozen cases in the central bank of India last year while the case of the Bank of India relates to conducting the management audit on the advice of the reserve bank, the sources said.

The two banks, the sources said, had apparently ignored the RBI directives until the central bank served show cause notices on them recently invoking the provisions of the RBI act and the banking regulation act for the first time for such a punitive action.

Amerika sold!

AMERIKA (Germany), Jan 9: With almost total unemployment, a remote location and poor facilities, the village in Saxony had one good selling point when it went on the auction block: its name, Amerika, writes AP.

The town of 108 residents finally has a new owner and a fresh future as a place to cure lung ailments, but the price was a knock-down five million mark (3.1 million dollar).

The village was offered for sale at twice that price last year when the Treuhandanstalt, the agency in charge of selling off former state assets of Communist East Germany, featured Amerika in advertisements of its sometimes offbeat possessions.

Three serious offers emerged, but none from the rich continent across the Atlantic. One German company thought of a theme park building on the village's name; another company proposed a clinic.

The winning bid is from a lung-illment clinic in the nearby town of Colditz. It will extend to Amerika and set up modern facilities, said Gerald Merkel, mayor of the town of Arnsdorf, of which Amerika is a part.

Merkel said the future is looking up, as the plans include a hotel, swimming pool and a bar on the appropriate theme of a Western saloon, and the Saxony state government has guaranteed financing.

China urged to allow migration of farmers to city jobs

BEIJING, Jan 9: China should allow free migration and a mass transfer of 100 million farmers to city jobs if it wants to balance rural and urban reforms, a government economist was quoted today as saying, reports AFP.

"Great effort should be made (in) the 1990s to smooth the way for free flow between the rural and urban areas under the direction of market forces", Agriculture Ministry economist Du Ying said.

Currently, 900 million people in the countryside are trying to live off farm production for only 200 million city dwellers, the English-language China Daily quoted Du as saying.

"This can never make the incomes (of the two) balance," he said, pointing to increases

in farm incomes of only 0.7 per cent annually from 1989 to 1991.

"The task most needed now is to steadily increase the farmers' income," he said.

A bold population shift of 100 million people from the country-side to the cities was now possible because China's grain reserves were sufficient, the economist said.

"This will ultimately save agricultural production from sluggish market demand and solve the problem of farmers' income," he said.

The Chinese authorities have in recent years loosened their strict household registration policy, which assigned people to work and farm units and made migration extremely difficult.

India liberalises some foreign exchange laws

NEW DELHI, Jan 9: India cast away several of its foreign exchange regulations Friday in a bid to lure overseas investment which suffered a setback after last month's communal unrest, reports AFP.

A presidential ordinance amending the 20-year-old Foreign Exchange Regulation Act (FERA) also permits selected financial companies to buy assets outside India a major departure from previous rules.

It further enables companies authorised to deal in foreign exchange in India to enter into joint ventures outside India without permission from New Delhi.

President Shankar Dayal Sharma, in his promulgation,

empowered the Reserve Bank of India, the country's central bank, to clear firms planning to acquire immovable assets outside India.

Financial companies with foreign equity holdings, including those from non-resident Indians, now may open liaison or branch offices outside even if such Indians hold less than a 40 per cent stake in them.

New Delhi has given non-resident Indians several financial concessions earlier to encourage inflow of foreign capital investments.

Observers said the presidential action was in line with New Delhi's on going economic reforms ending four decades of quasi-socialist insulation.

BCCI liquidators seek creditors' meeting

LONDON, Jan 9: Liquidators of the collapsed Bank of Credit and Commerce International SA said on Friday they will ask British courts for a meeting of worldwide creditors, reports Reuter.

The liquidators, the accountancy firm of Touche Ross, have asked for a court hearing in London next Tuesday for permission to arrange a meeting of depositors of BCCI SA, the main banking operation of the BCCI group, and its branches worldwide, a spokesman said.

BCCI was closed down by regulators in major centres on July 1991 amid allegations of massive fraud.

The creditors' meeting would be held in Britain in the spring, said British politician Keith Vaz, who has campaigned for BCCI creditors and welcomed the move. The liquidators have up to now resisted a creditors meeting, arguing in court that it was impractical.

"This decision represents a considerable u-turn but we welcome it," said Vaz, a Labour opposition member of parliament.

The proposed meeting was aimed at reconstituting the informal creditors committee, which normally works with the liquidators in winding up the insolvent company, he added.

HK praying for end to squabble between China and UK

HONG KONG, Jan 9: Like a child traumatised by a nasty custody fight, Hong Kong has been praying for an end to the squabble over its future between China and Britain, reports AP.

The economy already is suffering, and business leaders fear China is willing to allow further damage rather than accept Gov. Chris Patten's proposals to increase democracy before the colony's transfer to Chinese rule in 1997.

Patten had hoped the increasingly independent Hong Kong legislature would break the China-Britain standoff by voting on its own next month to increase voter participation in the 1995 legislative elections.

But Chinese officials—snubbing the colony's 5.9 million subjects—said this week they wouldn't accept any change.

China says the proposals violate previous agreements and stray beyond the Basic Law, the document drafted by China to serve as Hong Kong's constitution after 1997.

Patten has refused to abandon his reforms. Britain, which has bowed to numerous demands from Beijing in the past, seems determined to make a noble retreat from the last jewel in its colonial crown.

China is afraid that a fully democratic Hong Kong under Chinese administrations would feed dissent elsewhere in the country. Opinion polls show an increasing number of Hong Kong citizens feel the pace toward democracy is too fast.

Beijing on Nov. 30 threatened to void, upon taking over in 1997, all business contracts signed by the colonial government without Beijing's approval.

That would nullify contracts with some of Hong Kong's biggest companies. Hong Kong recently granted contracts to start building a multi-billion dollar airport, despite Beijing's disapproval.

The Hang Seng stock index plunged 12 per cent in one week following China's threat. The market has stabilised somewhat since, but is

still subject to wild gyrations with each fresh Sino-British spat.

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cluding residents of Hong Kong, Macao and Taiwan, said Bob Broadfoot, managing director of Political and Economic Risk Consultancy, Ltd.

If it hurts overseas Chinese investors, the mainland government could have trouble delivering goods to its own people.

"They need the overseas Chinese a lot more than the overseas Chinese need them," Broadfoot said. "The question is, could the Hong Kong dispute escalate to the point where it affects stability in China?"

President-elect Bill Clinton has said that the United States was keen "to ensure that human rights and personal freedom will be observed" in Hong Kong.

One way of accomplishing that would be to strip China of its most favored nation trading status, which grants the lowest possible tariffs.

But that's a double-edged sword. Revoking China's MFN status would also hurt Hong Kong's economy.

India to organise film market

NEW DELHI, Jan 9: A film market would be inaugurated at the International film festival of India here by the Information and Broadcasting Minister, Ajit Kumar Panja, on January 11, reports PTI.

More than 30 companies, including government bodies, public sector undertakings and state film development corporations would participate in the nine-day market being organised by the national film development corporation.

In addition, sub-titling software developers, distribution companies and NRI companies are also expected to take part in the film market which would provide a forum for the interaction of buyers and sellers.