

BRIEFS

Iran's oil sale to reach \$17b

TEHRAN, Jan 11: Iran projects revenues from crude oil sales to reach about 17 billion US dollar for the year starting in March, Iranian Oil Minister Gholamreza Aqazadeh said on Saturday. Tehran radio quoted Aqazadeh as saying the expected revenue for the period March 1993 to March 1994 was based on crude exports of 2.7 million barrels per day (BPD) at 17 dollar per barrel. "In the last four years, Iranian crude oil prices have never fallen below 16.30 dollar per barrel," Aqazadeh was quoted as saying, reports Reuter.

Seoul denies deal on plutonium extraction

SEOUL, Jan 11: South Korea denied Monday that it sought to conclude a contract with Britain to extract plutonium, a key material to manufacture nuclear bombs. Chung Tae-ik, director-general of the Foreign Ministry's America Bureau, made the denial in response to a report by The New York Times that the Seoul government had sought the contract since 1991. "The report is totally groundless. The Republic of (South) Korea does not plan to seek such a contract in the future, either," Chung said. Chung said South Korea and Britain signed an agreement on the peaceful use of atomic energy in 1991, but the accord has no clause on plutonium extraction, reports AP.

Police to probe cargo ship's distress call

SINGAPORE, Jan 11: Police said Sunday they were investigating events on a cargo ship which put a call for help two days ago after reportedly picking up passengers on the high seas. A marine police official said that the 499-tonne Galahad, whose distress call was picked up by Singapore radio centre here, had anchored at Singapore Port where it was being searched. The vessel had earlier triggered concern after putting out the distress call and then going off the air while in Indonesian waters near Natuna Island, marine sources said, reports AFP.

China for MNF status from US

WASHINGTON, Jan 11: Commerce Secretary Barbara Franklin, just back from China, said on Friday she thought Beijing was aware that if it wanted continued trade benefits with the United States it had to reform its human rights and other practices. Franklin told a meeting of the Washington international trade association that China wanted its Most Favoured Nation (MNF) trade status continued. But she told Chinese officials of widespread US concerns, citing China's transfer of US missiles and other weapons to quotas and violations of human rights, reports Reuter.

Most Australians interested to invest in UK

SYDNEY — Will Australia be able to keep up with the dynamic economic expansion of the countries of East Asia? That is the question being asked in Australian business circles as global economic realities prompt closer trade and investment ties with Asia. More than ever before, Australian business is increasingly accepting the fact that the island continent is part of the Asia-Pacific region — if only because trade and economic expansion can best be served by closer links with Asia's growth potential.

Asian countries can buy from other sources most, if not all, the goods they currently import from Australia. And the small Australian market is not essential for the export of their industries. Government leaders have frequently urged Australian company managements to increase offshore investments in the Asian region, but responses have been tentative. Australian executives have been accused of tardiness, laziness and downright ignorance in failing to grasp Asian investment opportunities.

In an address to the Asia-Australia Institute recently, Prime Minister Paul Keating noted that "every year our interdependence with Asia increase in proportion to the rest of the world." He noted that in the growing political liberalisation of Asia, "We are not an aberration, but a natural fit," and insisted that Australians should not think that they had anything less than a rightful presence in the region.

He added: "We do not know that the shape of Asia, geopolitically or economically, will be. But we do know that the key question for Australians is how to position themselves to take maximum advantages of the changes."

In an earlier address to the Hong Kong-Australia Business Association in Sydney, Prime Minister Keating said that "because the nation's future quite literally depends on it, few things press so urgently on the Australian government as the need to create the right environment for Australian trade and investment in Asia."

But prominent Australian businessman Bill Irvine is not impressed with the current emphasis being placed on economic links with the country's northern Asian neighbours. Mr Irvine, who is Chairman of the National Australia Bank (one of the four biggest banks in the country), believes Prime Minister Keating is wrong to focus so much attention on Australia's trade and investment opportunities in Asia.

In a recent luncheon speech to the New York Society for International Affairs, Mr Irvine dismissed the view that Australia should consider itself part of Asia because most Australians had their origins in Europe, not Asia.

But will Australia make the grade in the region? There are many in Australia who have doubts. They believe the country lacks the will and incentive, that despite the wealth of natural resources, the "economic miracle" mentality is missing.

In cold economic terms, it is clear that while Australia cannot expand in line with front-running Asian countries without their cooperation, Australia is not essential to the continued rapid growth of Asian economies.

It seems that senior Australian executives feel more comfortable dealing with people with whom they can also discuss cricket. A business trip to London during the Wimbledon tennis season seems also to be preferable to a week or so in Kuala Lumpur or Manila.

Australian Industry, Technology and Commerce Minister John Button has lamented the fact that Australia's direct investment offshore seemed "to reflect more our pre-war World War II markets rather than our contemporary pattern of trade and opportunity."

Professor Wang, Vice-Chancellor of the University of Hong Kong, said more Australian businessmen should "go out in support of the handful of brave and entrepreneurial pioneers who have already demonstrated their ability to operate successfully in the new Asia-Pacific environment."

She noted that Australia too often presented itself to its neighbours as being too remote and lacking an adequate appreciation of regional sensitivities. "Australia must have a strong economic anchor in Asia, particularly East Asia, she said. — Depthnews

Market economy leads to social unrest in Vietnam

BANGKOK, Jan 11: Drug addiction, prostitution and other social problems are growing as Communist-ruled Vietnam moves toward a market economy, and authorities haven't come up with workable solutions, the official media say, reports AP.

The country has an estimated 800,000 addicts and 600,000 prostitutes, along with an increasing number of people engaged in gambling and other wrongdoing," said the report, dated Sunday and seen in Bangkok Monday.

It quoted the Communist Party daily newspaper Nhan Dan, or The People: "We still lack a realistic view... We have not yet come up with a workable solution to the problem of social evils. There is not yet even a clear provision on this issue in any of our legal documents."

In late 1986, Vietnam began nationwide economic reforms that also resulted in a loosening of social strictures. Prostitution and other vices have increased markedly in Ho Chi Minh City and other areas, and the official media have been more frank in acknowledging such problems.

The news report said the switch to a market economy has increased difficulties particularly for orphans, people disabled by war and families of those killed in battle. These groups used to rely almost entirely on government subsidies, but now those subsidies are not nearly enough and communities must help out, it said.

Millions of Vietnamese have died in the country's wars, almost continuous for 4 1/2 decades until 1989, when Vietnam withdrew its troops from Cambodia.

Manila plans to launch lottery to generate revenues

MANILA, Jan 11: The Philippines' cash-strapped government has decided to launch a new lottery intended to generate nine billion peso (360 million dollar) in revenues annually, officials said on Sunday, reports Reuter.

Clinton turns focus on health care costs

LITTLE ROCK, Ark, Jan 11: President-elect Clinton is turning the spotlight on America's soaring health care costs as he tries to craft a plan to both stimulate the economy and pare the deficit, reports AP.



MOGADISHU: A US marine guards Somalis looking for work at the American Embassy compound Jan 10. The international coalition forces have secured the regions of Baidoa, Bardera, Bali Dogle, Hoddur, Belet Huen and Jalaxsi and also plan to secure the shattered and still politically and physically divided capital Mogadishu. —AFP/UNB photo

US trading may create 1.59m jobs

WASHINGTON, Jan 11: Economic forecasters predicted Sunday American businesses will create 1.59 million jobs in 1993, the most in four years but a weak showing compared to other economic recoveries, reports AP.

The number of new jobs grew by 3.5 million in 1983 and by 3.98 million in 1984, the years following the previous recession.

Chip survey projects economic growth at 3.2 per cent next year. Economic growth surged by 3.9 per cent in 1983 and 6.2 per cent in 1984.

The delayed effects of the sharp drop in interest rates during the past several years was rated as the second most important factor likely to aid the economy in 1993, he said.



An elderly Russian woman and her son sit on the snow begging for money in front of a 'Christian Dior' store in the center of Moscow Jan 10. Unofficial reports say there are now thousands of homeless and unemployed people living in the Russian capital. Most of them find shelter at right at railway stations. —AFP/UNB photo

World commodity markets start the year on optimistic note

LONDON, Jan 11: The commodities markets started the year in low gear in a rather optimistic atmosphere in view of expectations of a stronger economy this year, reports AFP.

Precious metals, especially platinum and silver, benefitted from hopes for stronger industrial performance in the United States and for a more dynamic auto industry, in the wake of announcement of higher new car sales in December in Britain and Spain.

delays in harvesting in Argentina because of rain contained losses in this sector. The Australia wheat board said that more than 40 per cent of the Australian harvest, estimated initially at 14.4 million tonnes, was thought to have been seriously damaged by heavy rainfall during Christmas. Australia is the ninth-biggest producer in the world, accounting for nearly three per cent of the market.

22,425 tonnes to 314,900, their lowest since the end of October.

North Sea Brent crude oil, the British marker crude, was depressed by world over production and lack of cohesion among OPEC members. Growing UN-Iraqi tensions did not reverse the downturn, since Iraq is already under an embargo cutting off oil exports.

Platinum was also boosted by palladium, a precious metal of the same family, which is used in the dental, electrical and car industries palladium, which recently rose to the highest point for 28 months, benefitted from fears that world supplies would be constrained particularly by a sharp fall in exports from Russia, which is the biggest supplier to the world.

Cotton: Slightly up. The price indicator rose on the Liverpool market encouraged by the outlook for tightening world supplies because of floods in Pakistan and the spread of the boll weevil parasite in China. Local sources said that production in Pakistan might fall to below 10 million bales this year, far below the figure for the harvest in 1991-92.

Lead: Lower. Lead prices, in sterling, suffered from sterling's firmness but the market remained optimistic in view of a likely economic rally in the United States this year.

Coffee prices, after a recent surge, fell by nine per cent during the week under the pressure of profit-taking and on fears of produce sales. Producers had limited exports the last few months, speculating on a continued market uptrend.

Copper and nickel made good progress on the London Metal Exchange (LME), while other metals continued to suffer from low industrial demand and high stocks. Copper benefitted from a decline in stocks, while nickel was helped by announcement of new production cutbacks.

Wool: Calm. The prices of combed wool remained unchanged on the Bradford market and were affected by the high level of stocks, notably in Australia, and by the firming of sterling.

LME stocks rose by 17,250 tonnes to 230,050 tonnes, their highest since October 1983.

Gold: Weak. Prices fell to the lowest point for seven years, and dipped beneath 330 dollar an ounce, depressed by sales by speculators profiting from the strength of the dollar and by liquidation by operators in the Middle East.

Oil: Weak. Crude oil prices fell to their lowest level in 10 months, depressed by world overproduction, lack of cohesion among OPEC members, and the high level of stocks despite the fact that it is now winter in the northern Hemisphere.

The international wool textile organisation said that world stocks should fall in 1992-93 to 592,000 tonnes from 719,000 tonnes one year earlier because of a fall in production. World output was expected to fall this season to 1.67 million tonnes from 1.74 million tonnes in 1991-92 and 1.97 million tonnes in 1989-90.

Aluminium: Lower. Aluminium prices trended down to below the level of 1,200 dollar tonne, depressed by high stocks, world overproduction and weak industrial demand.

Dollar lower, shares mixed in Tokyo

TOKYO, Jan 11: The US dollar opened lower against the Japanese Yen Monday, while share prices on the Tokyo Stock Exchange were mixed in early trading, reports AP.

The dollar started at 125.30 yen, down 0.12 yen from Friday's close. It finished its Friday New York trading at 125.35 yen.

Kenji Tsujimura, an exchange dealer with Citibank in Tokyo, said the dollar's lower opening came on weekend news that Iraqi President Saddam Hussein apparently backed down and removed anti-aircraft missiles in the "no-fly" zone in southern Iraq.

Meanwhile, the 225-issue Nikkei Stock Average gained 2.41 points, or 0.01 per cent, to stand at 16,637.10 after the first 30 minutes of trading. The average fell 146.29 points, 0.87 per cent, on Friday.

Concern about the quality of Australian wheat and