Clinton seeks sacrifices

from Americans for

Taiwan to build

high-speed railway TAIPEI, Feb 15: After two years of delays, Taiwan will begin construction of its first high-speed railway later this year to help alleviate the island's traffic gridlock, a government official said Monday Man Chi-kuo, Director General of the Provisional Engineering Office of High Speed Rail, said his agency would begin land acquisition in July pending the parliament's approval of the railway's budget of 436.6 billion Taiwan dollar (US 16.4 billion dollar), says an AP re-

Myanmar seizes 266 kg heroin in '92

RANGOON, Feb 15: Burmese authorities seized more than 266 kg (586 lb) of heroin and took legal action against more than 7,000 people in drug cases during 1992, the state-owned Working People's Daily reported on Monday. The newspaper said authorities also seized more than 2,195 kg (4,834 lb) of optum, more than 68 kg (150 lb) of morphine base, more than 192 (643 lb) of marijuana more than five kg (11 lb) of heavy optum and more than 11 kg (24 lb) of optum powder, says a Reuter report.

EC's banana quota decision criticised

QUITO, Feb 15: Ecuador, the world's top banana exporter, weighed in Sunday with harsh criticism of the European Community's decision to impose quotas on bananas that EC members states import from Latin America. The move is "just one more form of colonial ism," complained Gustavo Amador, the Agriculture Ministry's Deputy Secretary for Marketing. Amador said the EC decision showed "total insensitivity" to Latin American countries' reliance on banana export earnings, says AFP report.

S. Korea-US talks on beef quota fails

SEOUL, Feb 15: South Korean and US officials failed to narrow their differences in beef market talks this week as the Seoul side balked at increasing its import quota by 20 per cent a year, a press report said Sunday. South Korea's Yonhap news agency reported that the US delegation had informed its counterparts it was returning home after the three-day talks ended Saturday without a breakthrough on expanding South Korea's market import quota to 132,000 tonnes this year from the current 93,000 tonnes, says AFP.

Workers on strike to raise wages

HANOI, Feb 15: More than 600 Vietnamese working for a South Korean company staged a rare strike for three days to protest against low wages, long hours and mistreatment, an official newspaper said. Workers went on strike in Ho Chi Minh City on February 6 at the Ree Young company, a South Korean joint venture that makes handbags. They said workers were fainting on the job because of harsh conditions and at least one was beaten by South Korean staff, reports Reuter.

Dollar closes higher, shares slip in Tokyo

TOKYO, Feb 15: The US dollar opened higher against the Japanese yen Monday, while share prices on the Tokyo Stock Exchange slipped in early trading. The dollar began trading at 121.07 yen, up 0.62 yen from Friday's close. But the dollar, which had risen overseas on position adjustments, began to run into selling pressure soon after the opening, said Takuya Terakawa, a dealer with Dai-Ichi Kangyo Bank. Selling of German marks for yen also was helping the yen to rise back, Terakawa said, reports AP.

McDonald at Eiffel's

foot opposed PARIS, Feb 15: The Chief Deputy Mayor of Paris strongly opposes the opening of a McDonald's hamburger restaurant at the foot of the Eiffel Tower and says he will use all legal means to prevent it, a newspaper reported Sunday. "It is time that the protection of certain sites in Paris is reinforced," First Deputy Mayor Jean Tiberi told the Journal du Dimanche. 'We are ready to utilise all the legal means necessary" to keep McDonald's from opening a restaurant there, Tiberi told the paper, says an AP report.

BRIEFS OPEC members hope to reach accord

ministers held productive talks and are headed for an effective production agreement, Nigerian Oil Minister Philip Asiodu said, reports Reuter.

"The talks are going very well," he told reporters. "We look forward to an agreement tomorrow. We will reach an agreement, an effective one."

He said ministers had generally agreed on an output level for the second quarter. "I think there are no disagreements on the aggregate

that we are working toward," he said. "Progress is going very well," Iranian Oil Minister Gholamreza Agazadeh added.

The atmosphere is very positive. We hope to reach an agreement soon." "We are talking about a ceiling acceptable to the market,

and this ceiling must help the price," he added.

BRUSSELS,

National measures to lift the

European Community out of

recession will be high on the

agenda when EC finance min-

isters meet on Monday for the

first time in front of television

cameras, diplomats said at the

The meeting is likely to

discuss the informal gathering

of finance ministers from the

Group of Seven countries to be

held in London on February 27

and which is expected to dis-

cuss world economic prob-

lems. But they said Monday's

EC meeting was not expected

to take any decisions on

formulating a co-ordinated

economic growth package to

include measures already

executive commission.

announced by the community's

Barely a month ago

Economic Affairs Commissi-

oner Henning Christophersen,

who together with Commission

President Jacques Delors was

responsible for drawing up the

growth scheme last year, said

he expected the February 15

finance ministers meeting to

Russia trying

to penetrate

Gulf arms

market

ABU DHABI, Feb 15: Russia,

eager to penetrate the Gulf

arms market, Sunday displayed

the latest version of its T-80 U

tank at an arms show in the

United Arab Emirates (UAE)

The 46-tonne tank, an im-

proved version of the T-72,

was produced in 1990 before

the Soviet Union collapsed and

can travel up to 70 kilometres

(44 miles) per hour and carry

45 shells and anti-tank laser-

"It has several specification

that make it one of the most

advanced tanks in the world,"

a Russian delegate at the show

said. "It can fire six to eight

shells per minute and it has

been tested in different

Abu Dhabi's Crown Prince,

Sheikh Khalifa Ibn Zaved al-

Nahayan, and several defence

ministers and officials from

the Gulf and other countries

"Its amazing. I have never

About 350 companies from

more than 30 countries are

exhibiting at the five-day show,

which opened Sunday.

watched as the tank was put

seen maneuvering like that,"

commented a Gulf military

delegate, adding it was quieter

says an AFP report.

guided missiles.

weather and areas."

through its paces.

produce a definitive package.

weekend, reports Reuter.

Algerian Oil Minister Hacene Mefti told reporters

Feb

"We have reached an agreement in principle." Asked if the agreement was to reduce production, he said," to cut

OPEC ministers are meeting to try and cut group output and prop up weak oil

AP adds: Kuwait, its oil industry shattered by the Gulf War, is blocking an OPEC drive for deep cuts in crude output to prevent a price collapse in

Ministers of the dozen nations of the Organization of Petroleum Exporting Countries were resuming bargaining Monday to try to break the deadlock. Tiny Kuwait refused late

Sunday to give in to demands for production restraint in the coming months. It argued that it should be

exempted from the cutbacks because of the billions of dollars of damage caused its oil industry after the 1990 Iraqi

But Christophersen has now

said that his timetable for pro-

ducing an integrated package

of national and community

IRELAND

Pop: 3.7m

Pop: 57.2m

FRANCE

GDP: \$13,060

GDP: \$13,590

level moves has slipped as

countries struggle to contain

booming budget deficits and

show little enthusiasm for new

KUALA LUMPUR: Feb 15:

Malaysia produced 6.37 million

tonnes of palm oil last year,

accounting for 53 per cent of

the worlds production, and is

headed for another bumper

crop this year, officials said.

Lim Keng Yaik told palm oil

millers at a dinner late

Saturday that the higher pro-

duction earned the nation 6.04

billion Malaysian dollar (2.42

billion US) in export revenue

and contributed 5.8 per cent

to Malaysia total export earn-

represented about 53 per cent

of worlds palm oil production

of 12.05 million tonnes and

8.2 per cent of global oils and

fats output of 77.9 million

Malaysia, the worlds top

grower, totalled about 6.14

million tonnes in 1991 and of-

ficials predicted output to rise

to between 6.7 million and 7.2

million tonnes this year and to

the marketing of our palm oil

by looking for strategic al-

liances with foreign partners

in bluking installations and

depot as well as in processing,

packaging and distribution to

strengthen our overseas pres-

growth had been slowed by

three stress despite the intro-

duction of weevils - small

Since 1990, production

ence," Lim said.

"We must step up efforts in

eight million tonnes by 2000.

Production of palm oil in

The 6.37 million tonnes

Primary Industries Minister

reports AFP.

ings last year.

tonnes," Lim said.

Pop: 10.3m

GDP: \$5,980

Another Reuter report says:

OPEC strategy talks dragged on for a second day on Sunday as the group sought an elustve formula to cut oil output and prevent crude prices form collapsing in a gluted market.

Ministers from the oil producers organisation were keenly aware they must slow pumps to keep petroleum prices from sliding, but were labouring to resolve the knotty problem of how to share the painful cuts.

"We are like a drunkard who knows his house but he does not know how to get here. We all agree that cuts are needed but we do not know how to get them," one delegate source said.

Ministers from the Organisation of Petroleum Exporting Countries put the best face on the stubborn negotiations.

Finance ministers will talk steps

to lift EC out of recession

Pop: 5.1m

"I-don't think there's any

The European Investment

ETHERLAND

GDP: \$12,680

GDP: \$13,010

UXEMBOURG

op: 0.4m

3DP: \$14,290

GERMANY

Pop: 77m

GREECE

GDP: \$6,440

GDP: \$14,620

BELGIUM

Bank (EIB), the commission's

financial arm, has already set

Pop: 57.1m

GDP: \$13,000

up a five billion European cur-

rency unit fund to lend money

to growth-promoting infras-

tructure projects such as road,

Malaysia — world's top palm

oil producer

beatless brought in from

The Malaysian palm oil in-

Cameroonn — about 10 years

dustry provides employment to

some 115,000 people and

livelihood to some 200,000

age, which had hounded the

industry since last year, had

caused losses of 211,650

tonnes in fresh fruits value at

about 50 million Malaysian dol-

suitable mechanised device

which is practical and cost-ef-

fective and the other is to

breed dwarf palm which do

not grow to great heights as

exhibited by the prevent vari-

Oil Research Institute was in

the final stages of breeding tri-

als of such dwarf palms before

re-commending them for

sive in our marketing strate-

gies to maintain our position as

the worlds leading supplier

and exporter of palm oil," Lim

Power crisis to hit

foreign investment

power blockouts in Malaysia

could deter foreign investment

in industry and hurt the boom-

ing economy, a top business

closely," said Tan Keok Yin,

Executive Director of the

"Malaysia is being watched

official said on Saturday.

Reuter adds: A series of

"We should be more aggres-

commercial exploitation.

He said the Malaysian Palm

One way out is to develop a

Lim said the labour short-

ago to aid pollination.

smallholders.

lar (20 million US).

ety, " Lim said.

serious problem. There's al most an agreement," Libyan Oil Minister Abdullah Salem Al-Badri said

He said there was " a little bit of a problem but I think it will be over.

OPEC President Alirio Parra of Venezuela declined comment on the progress of the talks. Asked by reporters if these

would be more meetings between ministers shuttling among their hotel suites on Sunday, he replied," lots of meetings, INF act."

Delegates said talks hinged on persuading Kuwait, which OPEC has let pump at will as it rebuilds from the devastating 1991 Gulf war, to rejoin the fold and accept a limit on its quickly rising output.

In a rare development traditional OPEC rivals Saudi Arabia and Iran appear to be working together to find an acceptable compromise that would help nudge prices

rail, telecommunications and

EIB have also begun the pro-

cess of creating a European

Investment Fund (EIF) in-

tended to guarantee loans to

infrastructure schemes and

small and medium-sized com-

inevitable that under this

heading the finance ministers

would touch on the currency

chaos that had threatened to

rip the Exchange Rate

Mechanism part over the past

speculation of an imminent

dash for monetary union by a

select group of countries in-

cluding France, Germany, the

Netherlands, Belgium and

Luxembourg, with many

economists suggesting that the

current relative calm on the

money markets is simply the

The meeting will also dis-

cuss the ministers work

schedule, the only part of the

gathering open to television

cameras, and details of the fu-

ture financing of the 12-nation

Federation of Malaysian

solve in 12 months, invest-

ment decisions can be de-

terred," he told a news con-

ference. "Already some new

plants are rescheduling their

on Wednesday it was setting up

a panel to help resolve the

electricity shortage after

blockouts which industry offi-

cials said had disrupted pro-

Officials of the state-con-

trolled power firm Tenage

National BHD said normal sup-

ply could be fully restored in

industries to change operating

schedules to aid effective

power supply but many indus-

try officials say this is not fea-

As part of emergency mea-

sures, Tenage plans to buy up

to 200 megawatts of electricity

each from Thailand and

Singapore, and to buy or lease

electricity-generating barges

from Britain and Japan which

could each generate 200 to

about 5,000 megawatts of

power while Malaysia's con-

sumption is about 4,800

megawatts, leaving a marginal

reserve, by the year 2000,

Malaysia's energy requirement

would rise to an estimated

13,000 megawatts, officials

Tenage currently produces

300 megawatts.

The government has asked

The government announced

"If (the crisis) does not re-

Manufacturers (FMM).

start- up dates."

duction.

12 months.

There has been widespread

Diplomats said it was almost

The commission and the

energy networks.

panies.

five months.

eye of the storm.

higher, delegates said.

But Kuwait was bargaining on what ceiling it would accept. That made it difficult to fix how many barrels of output other producers would have to forego to bring total OPEC volume low enough to mop up the

latest market glut. Kuwaiti Oil Minister Ali Ahmed Al-Baghli said he had not budged from the tough stance he took as talks got under way on Saturday.

"Up until now our position has not changed, " he said.

At stake are oil prices that all members want higher to raise more badly needed rev-

Traders say a convincing OPEC deal could edge them higher. But failure to reach a solid accord would send them spiralling lower, especially if markets think United Nations economic sanctions bottling up Iraqi exports could soon be

international forest body

KUALA LUMPUR, Feb 15: Malaysia, Indonesia, India and China are lobbying for the setting up an international body to specifically address forestry issues, an official in Kuala Lumpur said Sunday, according

This will be a joint action by developing countries to push back all arguments (against them) and to show the developed world that we are very serious about forestry issues," the Bernama news

US, Japan will avoid manipulation of currency rates

the United States are still at loggerheads over their huge trade imbalance but rule out artificial manipulation of foreign exchange rates, two senior ministers said on their return from Washington, reports

spokesman meanwhile said that the 3.3 per cent target for Japan's economic growth this year was not a pledge to other countries.

said we might have to

UN to continue aid supplies to Sarajevo

The Bosnian government's decision to boycott aid in an attempt to draw attention to the plight of starving Muslims blockaded by rebel Serbs in east Bosnía, has forced the UN to close Sarajevo airport because storage space is running

Call to form

The International Forest Organisation could be a platform to further discuss global forestry rules and a channel to hit back at criticism on timber policies of developing countries, said Malaysia's Primary Industry Minister Lim Keng

agency quoted Lim as saying.

TOKYO, Feb 15: Japan and

The governments chief

Foreign Minister Michio Watanabe, who met with Present Bill Clinton at the end of last week, reiterated that Japan would retaliate against the United States if it enacted a controversial provision of its omnibus trade law.

take proper counter mea sures," Watanabe told a parliamentary budget committed. Japan has strongly opposed the provision which allows sanctions to be imposed on counters deemed to be "unfair"

SARAJEVO, Feb 15: UN peace-keepers said they would continue hauling relief supplies to Sarajevo by road even though authorities in the besieged Bosnian capital have refused to distribute the aid. says Reuter.

General Philippe Morillon, Commander of UN forces in Bosnia, told reporters, "the road convoys will continue to enter the city and we will continue to provide supplies to the main distribution centre."

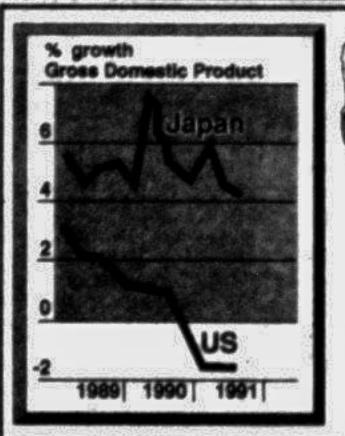
economic recovery ment programme that supplies health care for 35 million elderly and disabled American.

WASHINGTON, Feb 15: President Clinton will give his first televised address to the nation Monday night, promoting an economic programme that top administration offictals said Sunday would ask for sacrifices from all Americans.

reports AP. The administration said the president's plan would propose close to 150 specific Officials said that Clinton

was still making final decisions on the outlines of the huge package. But based on a variety of comments, the economic plan was shaping up to be the largest deficit-cutting package in history, proposing about 250 billion dollar in spending

Fall and fall of the US economy



% growth Annual average real Gross **National Product GNP** growth records of **US Presidents**

spending cuts to save money, while a top Democrat in Congress said that middle class would be most affected by a new broad-based tax on en-

The White House confirmed that in its effort to control the deficit, it was considering limits on the payments received by doctors and hospitals under medicare, the giant governcuts over five years and what, one Republican said would be 250 billion dollar in tax increases over that same time

White House officials conceded Sunday that virtually every American would be asked to contribute to the plan, either through benefit cuts or higher taxes.

Rumour on UN sanctions

Prices fall, dinar gains in Baghdad

BAGHDAD, Feb 15: Prices in Iraq are falling and the dinar is gathering strength on speculation that economic sanctions imposed after its 1990 invasion of Kuwait will be lifted soon, traders say, reports

The Iraqi market was ripe with all kind of rumour. People listen to the news and they expect a rapprochement with the west," said Abdul Sattar al-Bayati, a leading Baghdad trader.

Figures published by the Baghdad Chamber of Commerce on Sunday showed an almost daily drop in the price of sugar, rice, cooking oil and flour. Cars have lost about a quarter of their value. The dinar is steadily firming against the dollar.

The highway to Turkey is busy again with food trucks and some traders in Baghdad say Syria has eased up on policing its border with Iraq. "lraq's economy, battered

by 30 months of a blanket embargo reacts quickly to rumours and news that Baghdad is looking for an accommodation with (US President Bill) Clinton," said Haj Mohammad al-Qazaz, a Baghdad trader and member of the Chamber of Commerce.

Since Clinton took office last month, Iraq has been sending signals that it hopes for better relations with the new administration.

President Saddam Hussein has ordered his air defences to stop challenging US and allied planes in the air exclusion zones setup by the west to protect Kurds in northern Iraq and Shi'ite Muslim dissidents in the south.

"Relaxation in the political atmosphere leads to relaxation in trade and prices," one Baghdad trader said.

Nepalis can bring 10kg gold after a month stay abroad

KATHMANDU, Feb 15: Easing a ban on bullion, Nepal announced on Sunday it is allowing Nepalis returning home from abroad to bring in gold and silver from foreign exchange earned outside the country, reports Reuter.

Nepalis returning after a month's stay abroad can bring back up to 10 kg (22 LBS) of gold and 150 kg (330 LBS) of silver on payment of 5.0 per cent customs duty, the government announced. "This measure is expected

to discourage gold smuggling," Finance Secretary Thakur Nath Panta told Reuters. Panta said Gurkha serving

in the British army and in the armed forces of Singapore and Brunei will be the main beneficiaries of the new bullion import policy.

It was Nepal's second major announcement about the economy this weekend. On Friday, the government declared that it was making the rupee fully

convertible on the trade account against foreign curren-

"We have now entered the mainstream of the international economy," said Ram Sharan Mahat, senior economic advisor to the Nepal Government.

Nepal's foreign exchange reserves were comfortable enough to deal with full convertibility now, he said in an interview.

Nepal last year made the rupee partly convertible, allowing exporters to exchange 75 per cent of their foreign earning at a floating market rate, while surrendering the remainder to the central bank at a lower official rate.

Nepal's economy is closely tied to its giant neighbour to the south and the easing of the ban on silver and gold imports followed similar measures by

US dollar down in mixed trading against major Asian currencies yen should be allowed to ap-HONG KONG, Feb 15: The (15.49).

US dollar was generally down in mixed trading against major Asian currencies, as local factors mixed with growing speculation of a US and European call for a yen appre-

ciation, reports AFP. The yen move dup sharply while the Taiwan dollar continued to fall.

JAPANESE YEN: Sharply up to close a holiday-shortened week at 120.45 yen to the dollar Wednesday, up 4.28 yen from the previous Fridays 124.73 yen.

The yen rose on reports that Europe and the United States were seeking a major appreciation of the Japanese currency to counter growing trade imbalances.

An economic advisor to US President Bill Clinton said the preciated by as much as 20 per cent against the dollar to around the 100-110 yen level. Dealers predicted the yen

to keep rising to the 119-perdollar level this week. TAIWAN DOLLAR: Slipped further to close Friday at 25.935 to the US dollar, down 20 Tatwan cents from the pre-

vious weeks 25.735. The local unit hit a 15month low at 26.01 Monday, but stabilised amid central bank intervention, currency

dealers said. The Taiwan dollar ended mixed against European currencies, closing at 36.86 to the British pound against 37.1 the previous week, 4.63 to the French franc (4.58), 0.01685 to Italian lira (0.0167) and 15.68 to German mark

AUSTRALIAN DOLLAR: Finished down at 67.48 US cents on Friday from the previous weeks 68.30.

The currency fell as low as 67.07 cents in response to the announcement of a general election and Tuesday's economic statement by Prime Minister Paul Keating.

His proposal to cut company taxes from 39 per cent to 33 per cent as part of an attempt to revamp the economy failed to move the dollar. But later in the week it

the US dollar coming under strong pressure from the yen. HONG KONG DOLLAR: Finished fractionally higher Friday at 7.733 -7.734 to the

greenback from 7.734-7.735 a

moved upwards as a result of

The effective exchange rate index finished at 114.8 down half a point. The Hong Kong dollar has been pegged to its US counterpart since 1983.

INDONESIAN RUPIAH: Closed Friday up at 2,067 per dollar one rupiah higher than the previous weeks finish. MALAYSIAN RINGGIT:

Down at 2.6340 to the dollar from 2.6300 the previous Dealers said the ringgit was locked in a tight band due to

lack of fresh initiatives. But it moved substantially higher against sterling, closing Friday at 3.7350 from 3,8030 a week earlier amid talk of an impending interest rate cut in Britain. **NEW ZEALAND DOLLAR: Up**

to close Friday at 51.20 US cents from 51.40 a week ear-

Most interest focused on the falling trade weighted index and the impact that a sharply rising yen had on it.

The reserve bank did not act to protect the local dollar, and the index, according to dealers, assumed some upward momentum by Friday.

SINGAPORE DOLLAR: Marginally stronger at 1.6535 to the US dollar compared to the previous Friday's 1.6545. The local currency was firmer against sterling at 2.3750 (2.4180), but fell to

1.3690 yen (1.330). SOUTH KOREAN WON: Slightly higher to close Saturday at 796.60 to the dollar, up 0.80 won from the previous week,s 797.40.

Dealers called the rise a reaction to its sharp fall the

Experts have said the won would go as low as 800 against

the greenback by next months. THAI BATH: Up Friday at 25.50 to the dollar from the previous week's 25.57, reflecting the US units decline against the yen.

PHILIPPINE PESO: Down slightly from 25.21 pesos to the dollar on February 6 to 25.35 pesos on Friday, amid calls on the government to modify its previous assumption that the peso would fall to 27.50 pesos this year.

The pesos failure to fall to the governments assumed level of 30 pesos last year has been partly blamed for the Philippines failure to post more than 0.6 per cent economic growth in 1992.

Arabs may buy used satellite ABU DHABI, Feb 15 : Arab

states are considering buying a used satclitte to face growing demand, the Chairman of the official Arab Space Agency said on Sunday, reports AFP.

in Dubai Saturday by the Board the Arab Space Communication Corporation (Arabsat), Faisal Zeidan told AFP by telephone. "There has been a sharp

The project was discussed

increase in demand for leasing channels in our satellites. This has prompted plans to buy a used satellite pending the launch of the first satellite of the second generation," he