Gulf working on

currency union KUW AIT Mar 28: Kuwait s central bank governor said in remarks published on Saturday Gulf countries were working hard to tie their currencies to a common bas ket of foreign currencies in preparation for eventual monetary union. Financial

institutions and central banks are making big efforts to support the financial and economic coordination nec essary took tie their currencies to one banket. Sheikh Salem Abdulasts Al-Sabah said in an interview with Al-Seyassch newspaper, says Reuter

Foreign investment triples in Israel

JERUSALEM, Mar 28 Foreigners nearly tripled in vestments in Israel to 589 milion deliars in 1992 rom 210 million the previous year, the Bank of Israel reported here At the same time Israeli investment abroad jumped to 2 375 bilhon dollar from 1 873 billion as the government lifted some foreign currency restrictions Most of the foreign investment was in Israeli stock on Wall Street, 213 million dollar, and in real es tate in Israel, 128 million dollar, reports AFP.

Japanese team to study feasibility of oil uplift

TOKYO, Mar 28: Japan National Off Corp is to send a mission to China next month to study the feasibility of oil development in the Tarim Basin, a spokesman for the government-owned corporation said yesterday. The 10member mission will include representatives from private comparites and is expected to meet with officials from China National Petroleum and Natural Gas Corp, the spohesman said. He said the mission planned to examine the present state of development in the area including infrastructure, reports AFP.

Inflation, strikes hit Yugoslavia

BELORADE. Mar 28: As Serbian President Slobodan Milisevic tries to broker and persuade the not to impose new sanctions, he is grappling with soaring inflation and atrikes by state-sponsored The Tanjug news agency reported Saturday that the inflation rate last month rose an all-time high of 225 8 per cent, another increase from the previous month's 211 per cent. In the first quarter of 1993, prices were 80 times higher than a year ago, reports AP

Production falls in UAE in '92

ABU DHABI, Mar 28: The United Arab Emirates target ing fion-oil sectors to diver sily its economy, said manufacturing rebounded in 1992 after an output fall in 1992. The Ministry of Planning said manufacturing contributed 9.7 billion dirham to the UAE's Gross Domestic Product after 9.4 billion dirham in 1991 when it was the only economic sector to register a decline. The ministry said the manufacturing. consisting mostly of oil based products, composed about eight per cent, says a Reuter

Pay rise for armed forces in Myanmar

BANGKOK, Mar 28: Burma's military rulers have announced large pay in creases for the armed forces and government employees. Officials Rangoon radio reported the increases on Friday night and said they were intended to help living conditions and increase productivity. Ail soldiers, naval and air force personnel would receive a pay rise of al least 25 per cent with immediate effect, said the report monitored in Bangkok, writes Reuter.

Steelworkers press to save jobs

BONN, Mar 27: Tens of thousands of steelworkers rallied in Bonn on Friday to press demands to save 40,000 jobs threatened with the axe, but the show of strength drew a cool response from the government. Less than two weeks after Cermany seemed heading for camper economic waters, 75.000 protestors thronged the Born streets, according to the IC Metall Union, while police gave an estimate of 60,000, reports AFP.

Fujian — example of China- Taiwan trade link

HONG RONG: For 40 years, instead of bright clippers and coasters running in and out of the coastline, Foochow heard the thunder of guns and the crackle of propaganda loudspeakers.

Now, in the last decade of a troubled century. Fookien is being lifted back into life and with speed and joy.

The names have changed their orthography in Roman letters. At the peak of its fortunes in the tea trade, it was called Foochow, the capital city of Fookien province. The capital is now Fuzhou, the province Fujian.

But to millions of overseas Chinese, they are still Fookiense with a language called Hokkien.

Second in numbers to the Cantonese, the Fookierese are spread widely around the world. About ten million people from the province still live abroad, some of them having done so for many centuries. Most of the Chinese families in the Philipines (including those

of Cardinal Sin of Manile former President Corazon Aquinol are from Pookien, and the same goes for Indonesta

For years, the Fujian coast was a bamboo curtain between the capitalist Taiwan island and the communist mainland Now Fujian has joined China's highgrowth provinces, although it was slow to catch up in the beginning.

in autput per person, Guangdong in the south and Liaoning in the north are the league leaders, around US \$ 450 a year; then come Zhejiang (next to Shanghai) at 400 US dollar and Fujian at 300 US dollar

Those figures will be out of date in a few months, because the rate of growth in Fujian has now taken off. Industrial output has been rising by more than 20 per cent during 1992, mainly owing to foreign tovestment totalling about five billion US dellar since 1979. This is the second highest inflow among the provinces,



after Guangdong. Much of this inflow is from Taiwan, where the people have a culture and language similar to that of Fujian. Because of the split between Beijing and Taipei, both the investment funds and the trade between Taiwan and China have to go through third parties. About two-thirds of the trade and

nearly all of the investment moves in via Hong Kong (the trade alone is estimated to be worth 1.7 billion US dollar during 1992). Thus Pujian is an example of

the two-faced nature of China Taiwan relations. Legally speaking, neither side allows trade, travel or capital movement except under the most stringent controls. In practice, goods, people and funds are streaming in both directions. although tourism from the mainland to the island is still

New development first began in the Port of Xiamen. where an island was declared a Special Economic Zone nearly

eight years ago. But unlike the zones next to Macau and Hong Kong, which have soured into almost frenzied activity within a few years, the Xiamen zone has until now lacked a well-organised hinterland and a modernised harbour.

However, the very first joint-venture bank in post-World War China was established, with Hong Kong and Indonesian backing, in Xiamen and in recent years investment has accelerated. The size of the zone is being quardrupled. by taking in neighbouring districts of Hetchang, and the port facilities are much improved now.

Will Fujian's pace of economic growth threaten a new bout of inflation? Some analysts in Beijing worry that this

But in Fujian, they say that the development potential is so great that double digit growth can be financed from already existing big savings, so runaway prices are not expected. - Depthnews Asta

US protests Iraqi oil shipment to Iran

WASHINGTON, Mar 28: The Clinton administration secretly protested to Iran last week about a large oil shipment it received from Iraq in apparent violation of UN trade sanc tions, The Washington Post reported, says AP.

The paper said senior US officials, who were not identified by name, expressed concern that the shipment could signal an agreement between Iran and Iraq to flout the trade sanctions imposed on Iraq by the United Nations Security Council after the 1990 invasion of Iraq.

The report in the paper's Sunday editions quotes US of ficials as saying Iraq re sponded to the US protest by insisting it was respecting the trade embargo.

But the Post said US intelligence sources are convinced the shipment was too large to have taken place without the Iranian government's knowl

US trade representative aims for

WASHINGTON, Mar 28: US trade representative Mickey Kantor embarks on his first of ficial overseas trip on Monday. hoping two months of on-andoff US trade threats will wring concessions out of the European Community, reports

Kantor is travelling with a sanctions threat tucked under his belt and, EC officials say, an infuriating tendency to send confusing signals at each and every turn.

Whatever signals we sent." Kantor said recently, "We sent on purpose.

Fiji may become

oil producing

country

become an oil producing coun-

try within two years if recently

located sites with a multi-bil-

iton dollar potential are con-

firmed, the South Pacific

Applied Geo-science Commis-

sion (SOPAC) said Friday.

SOPAC petroleum coordina-

tor Jonathan Rodd told AFP his

team had identified 20 possi-

ble oil source sites in Bligh

water, about 100 kilometres

(60 miles) northeast of here

and at Bau waters about 35

kilometres (22 miles) east of

A report had been submit

ted to the Fiji government

which has to decide whether

to establish joint ventures with

overseas oil companies to ex-

SURAJKUND, Mar 28: The

Prime Minister, PV Narastmha

Rao, yesterday said that the

flow of foreign investment in

India had been affected by the

recent violent incidents in

cluding the Bombay explosions

and asked partymen to see

that such incidents did nor

cripple the country's economic

the the AICC-I session, the

Prime Minister said that those

who were willing to make in-

vestments in India were now

hesitant and were 'dragging

In his opening remarks at

process, reports PTI.

plore the finds.

reports AFP.

SUVA, Mar 28: Fiji could

Although the three days of talks in Brussels and London will be his first overseas trip as the United States' top trade negotiator, the 53-year-old lawyer is expected to more than hold his own in meetings.

This is not great loss of virginity for him, I'm sure," said a European government official who asked not to be named.

"Some of the toughest negotiations the US faces are with the EC and vice versa. Kantor meets European

trade commissioner Sir Leon

Britian in Brussels on Mon-

day-the two men sat down together once before in Washington-when they will try and unravel a knot of fractious disputes. With all the pressures

extremely important trip," said a European Community offi-I don't know how much international experience Kant or's had and this will let him see the importance of the

we've all been under, this is an

we're about. Two key areas for talks are:

WASHINGTON: Bosnian President Alija Izetbegovic (C) looks on as German Chancellor

Helmut Kohl (L) and US President Bill Clinton (R) share a joke, as they pose for

liberalisation policy fullsteam

and convent rate on the agri-

culture sector in order to gen-

érate surplus and achieve a

near-full employment scenario

by the turn of the century, re-

The economic policy reso-

lution, which was unanimously

approved by the AICC session

here, set the immediate tasks

and long-term policies needed

not only to make India eco-

nomically powerful but also to

improve the health of its fi-

photographers prior to their meeting at White House March 26.

Rao asks partymen to help maintain

investment atmosphere

ports PII.

nancial sector.

(EC's executive) commission

so he better understands what

- A list of bilateral disputes, from public contracts to steel dumping to aircraft subsidies.

- The long-statled Uruguay Round of multinational trade reforms talks under the General Agreement on Tartifs and Trade.

Most immediate is a dispute over an EC procurement rule that Washington believes gives unfair preference to member states in winning community public contracts

Negotiators met in Washington this week, but an EC spokeswoman said sanc tions still remained likely.

Yeltsin accepts invitation to G-7 summit

MOSCOW, Mar 28: Presi dent Boris Yeltsin Saturday accepted an invitation from the Japanese Prime Minister to attend the July summit of the Group of Seven, the world's most industrialised countries, officials announced, reports AFP.

A statement from the pres idency said a Japanese envoy gave the invitation to Yeltsin in the form of a letter from Prime Minister Klichi Miyazawa in a meeting at the Kremlin.

Yeltsin thanked the envoy Noburo Matsunaga, for the invitation and said he would at tend the Tokyo summit, the statement added.

The decision to invite Yeltsin followed several days consultation among the leaders of the G-7 states - Japan, Britain, the United States, Canada, France, Italy, and Germany - on ways of assisting the Russian President in his power struggle with the conservative-dominated parliament over his programme for market-oriented, economic reform.

Clinton-seeks help for economic recovery

WASHINGTON, Mar 28 President Clinton defended his 16.3 billion dollar jobs bill against critics who think it would unnecessarily increase the deficit, saying America's "Jobless economic recovery" needs help, writes AP.

If were short-sighted today, we'll be blindsided tomorrow," Clinton said in his weekly radio address Saturday.

The President complained that "friends of the status quo have tried everything in recent days to show that we don't need new investment."

He urged Congress to quickly finish work on the jobs bill and broader budget legislation before its Easter recess in April, calling the proposals "the heart of our bold economic plan for new directions - to create jobs, to increase incomes, to bring down our terrible national debt."

Both chambers have passed versions of the budget bill and the House has approved the jobs bill, which includes 16.3 billion dollar for summer youth jobs, unemployment insurance, highway projects, and various other civic improvements.

Japan's economy will improve this year an estimated 0.9 per cent in

TOKYO, Mar 28: Japan's economy will improve in the fiscal year starting in April, but the recovery will add to its trade surplus and increase international conflict, a research group said Saturday, reports

The Japan Center for Economic Research, the research unit of the Nihon Ketzai, Shimbun, said the economy hit bottom in the current January-March period.

It cited steady progress in inventory reduction, the effects of the government's economic stimulation measures, and higher exports due to a recovery of the global economy as reasons for the expected improvement.

Economic growth in the next fiscal year will remain weak due to slow growth in domestic consumer spending and negative growth in corporate investment on plants and equipment, the center said.

Japan's Gross National Product (GNP)—the nation's total output of goods and services-will grow 2.1 per cent in fiscal 1993, compared with

GNP would grow at an annualised rate of about three per cent in the March quarter and in the early months of fiscal 1993, it said.

this month, it said.

the current fiscal year ending

The economic planning agency announced earlier this month that Japan's ONP grew 1.5 per cent last year, the slowest expansion in 18 years. In the December quarter, it grew at an annualised rate of 0.5 per cent.

The Japanese government set a target of 3.3 per cent GNP growth in fiscal 1993. It revised an estimated GNP growth rate from 3.5 per cent to 1.6 cont for the current fiscal year.

The daily said exports are expected to expand 4.8 per cent while imports would grow 2.1 per cent. Japan's current account

surplus would reach 149.8 billion dellar in fiscal 1993. compared with an estimated 124.7 billion dollar in the current fiscal year, it said.

China needs to speed up legislation for socialist market economy

BEIJING, Mar 28: The Chinese legislature should speed up economic legislation for the establishment of a socialist market economy in China, according to the country's top lawmaker, reports

Qiao Shi, the newly-elected Chairman of the Standing Committee of the eighth NPC, China's parliament, made the remark in an interview with Xtnhua here today.

The eighth National People's Congress (NPC) and its standing committee have much to do to improve the People's Congress system and continue to improve the country's socialist legal system, he

China has quickened its pace of economic development in line with Deng Xiaoping's advice made early last year and the guidelines mapped out by the Chinese Communist Party's 14th national congress last

autumn, he said. market economy will be engoal of China's economic restructuring, and this mean reform will quicken and go

Establishment of a socialist shrined in the constitution as a

deeper, he said. He noted the ongoing NPC session is expected to approve the government's blueprint for economic development in the next five years. To seize opportunities and speed up economic developments now the

common wish of the nation, he This situation sets new demands on developing socialist democracy and a socialist

legals system, Qiao said. He said the eighth NPC standing committee will speed up legislation to provide legal guarantees for the country's modernisation drive.

In the past decade and more, he said, China has made much progress in enacting laws and regulations and in their enforcement, but many laws need to be drafted. Also, some laws and regulations, which have become outdated, should be revised or replaced by new ones.

Power struggle in Russia pushes commodities up in world markets

- AFP/UNB photo

By participating in the de-

bate on the resolution move

member Narain Dutt Tiwari

and seconded by Finance

Minister Dr Manmohan Singh.

various speakers endorsed that

the immediate tasks were

evolving of national employ-

ment strategy plan by the

Planning Commission, and ac-

tion plan to achieve higher ex-

ports and effective import

substitution, reforms in the

banking sector, increased

credit limit for farmers and

updating of land records.

LONDON, Mar 28: The world's commodity markets were shaken this week by the battle between Russian President Boris Yeltsin and his critics in parliament, with prices rising on fears of a disruption to supplies, reports

Gold and silver prices rose to their highest levels for hree months on fears the dispute would slow Russian exports and following speculative buying after prices fell at the start of the year.

Platinum rose, helped both by the Russian troubles and by a cut in South African production, sources of 70 per cent of the world's platinum, when the world's leading platinum company said it was closing a mine because of low prices.

On the London Metal Exchange (LME), the worsening situation in Moscow pushed copper and nickel prices higher while the continual rise in stocks made the lead price fall to its lowest level for six years.

Among the soft goods, sugar price fell after dealers decided that recent price increases had been too sharp and production would be higher than

had been estimated. Coffee prices rose slightly

after the start of the London

meeting of the International

Coffee Organisation, where delegates were to try to agree on a new accord on coffee

their feet' in view of the recent

money in a country where

there was disorder and insta-

bility, the party president said.

tions that there would be sta-

bility in the country and that

the reform process would

Party for carrying out

liberalisation policy

Congress (I) today asked the

government to carry out its

Another report adds: The

Referring to the assump-

Nobody would like to invest

disturbing events.

continue, he said.

Cocoa also rose, benefiting from signs of a larger than expected deficit in world cocoa production in 1992/93.

Brent North Sea crude oil remained calm with dealers still awaiting the first statistics on March's oil production after and OPEC meeting in February agreed to a reduction in out-

Gold: Higher. The price of gold rose to its highest level for three months, with dealers buying heavily as the situation in Russia deteriorated. The weakening of the dollar

and the chaos in Russia has boosted gold over the past three weeks after prices fell to their lowest level for seven Platinum: Higher. Platinum also rose, pushed higher by

Russian platinum mines, which

fears over supply from the produce 20 per cent of the world supply, but also following the announcement of a mine closure in South Africa. The announcement that the Rustenburg Platinum Group, the world's leading platinum

producers, was to close its

mine at Boschiontein, sur-

prised dealers and left them

fearing other shutdowns in the

South African mining complex Silver: Higher. The price of silver rose to its highest level in three months, benefiting from signs of recovery in the United States and the instabil-Ity in Russia.

Russia is the world's second largest silver producer after Mexico.

Copper: Higher. The price of copper edged slightly higher over the week with dealers concerned that the events in Russia could lead to a disruption of supply from the

country's mining regions. Russian miners have threat ened to go on strike if Russian President Boris Yeltsin is impeached, postng a threat to a major part of Russia's cooper exports.

Lead: Lower. Lead price fell to its lowest point for over six years during the week. In real terms, the price had never been so low, analysts said.

According to Stephen Briggs, analysts at metals and minerals research services in London, not one lead producer in the world is making a profit at current prices. Zine: Unchanged. The price

of zine remained unchanged over the week, hardly varying in exceptionally quiet trading. On the LME, zinc stocks rose 2,375 tonnes to 595,825

Aluminium: Unchanged. The price of aluminium jumped on concern linked to events in Russia and following reports of an explosion at the giant Bratsk aluminium smelter in eastern Siberia, but then fell back when supply appeared unchanged. Fears over supply eased and

Bratsk explosion had occurred away from the primary aluminium production facilities suggesting that output would be unaffected. Nickel: Sharply higher. Nickel price jumped sharply in trading on heavy buying

reports emerged that the

sparked by fears that supply from Russia could face delays if the political situation there de teriorates. Nickel exports are already under threat of delay because of changes in Russia's export

ally cold weather in nickel production regions of Siberia. Tin: Lower. Tin price fell sharply lower over the week with little news of improved demand to bolster the market. There looks to be no stop-

licensing policies and unusu

ping tin's fall," one dealer said Coffee: Slightly higher. The price of collee strengthened slightly, recovering from its recent heavy falls, after delegates re-opened negotiation on a new international coffee ac

cord designed to lift prices. However, the producer and consumer countries, meeting until March 31 to try to agree. made little progress in the first week, dealers said,

Cocoa: Recovering after a weakstart. After falling to their lowest level for four months, cocoa prices recovered following signs of a higher than predicted deficit in production in

According to London broker E D and F Man, the world production deficit will reach 118,000 tonnes in 1992/93 instead of the 110,000 tonnes previously estimated. Sugar: Lower after firm

start. Sugar price started the week at its highest point in three years, but fell back after profit-taking and signs that production had not fallen as far as previously thought. The market rose initially on

fears that the storm which rav aged Cuba and the US east coast last week had caused heavy damage to Cuban har vests. The Thai harvest was also thought to have fallen due to drought.

Vegetable oils: Steady. The price of vegetable oils were largely steady, though dealers were uncertain over the future of trade with Russia and unset tled by an increase in tension between the European Community and the United States over the GATT agree-

The possibility that France's new government will demand a re-negotiation of the agreement signed last November between the EC and United States on agricultural trade heightened the market's fears

Oil: Steady. Oil prices were steady, with dealers still awaiting the first statistics on oil production since OPEC ministers agreed in February to reduce OPEC's oil production in a bid to lift world prices.

During their meeting, the 12 OPEC countries agreed to fix a ceiling of 23.6 million barrels a day from March 1.5 million barrels a day below the level of production in February.

Rubber: Lower. The price of natural rubber fell back to its lowest level for three months, affected by speculative sales and the lack of strong industrial demand

The fact that production in Malaysia and Thailand had slowed less than previously thought also weighed on sentiment.

Grain: Firm. The price of wheat and barley was firm over the week with dealers optimistic about a renewal of US

grain exports to Russia after

US President Bill Clinton reaffirmed his support for Russian counterpart Boris Yeltsin.

However, the gains were limited by signs of a growing surplus of wheat production in 1993/94

Tea: Lower. The price of tea fell in weekly London sales

Liverpool market, supported by signs of a fall in the Paki stani, Chinese and Brazilian harvests and a slight increase in world consumption in 1992/93

flowever, the high level of stocks, equivalent to six months of demand, limited the increase. Since September 1992, prices have risen by more than 12 per cent on signs of lower supply and following the fall in the pound.

with prices down to 150 from to 160 pence per kilo for higher grade, to 132 from 135 pence per kilo for medium grade and to 102 from 105 pence per kilo for lower grade Prices fell to their lowest level for four months, pushed lower by profit taking, poor indicators of Russian buying and a feeling that the recent surge in prices had been exag-

Cotton: Quite. The price of

cotton was steady on the