BRIEFS

World's dependence on ME oil to rise

PARIS, May 2: The dependence of the world economy on oil from the Middle East will sharply increase by the year 2010 as the consumption by rich nations is expected to increase by 20 per cent by then, the International Energy Agency (IEA) said. With a drop of oil production in the 24 countries of the Organization for Economic Cooperation and Development (OECD), which started in 1986, oil imports in the OECD zone may at some time over the next 10 to 15 years exceed the 70 per cent of the registered consumption in the 70's, the IEA said in a report, reports

Villagers force plant to shut down

TAIPEI, May 2: About 500 villagers protesting pollution from a major petrochemical complex dumped mounds of sand outside entrances Sunday, forcing one plant to shut down and nine others to limit operations, police reported. We have tolerated the pollution for two decades (and) this petrochemical complex should be shut down, said Hsu Cheng-hsiung, chief of Tasheh village near Kaohsiung, 360 kilometers (223 miles) south o Taipei. The villagers, who have lived in the area for generations, say the 10 petrochemical plants have polluted the area with toxic fumes, says AP.

73,000 are rich among Swiss citizens

BERN, May 2: Nearly two per cent of Swiss citizens (73,000) declared themselves millionaires in 1991 while one-third of tax payers said they had nothing to declare, according to new official figures. The figures, released by the federal government, take into account those living in Switzerland, including their overseas carnings, as well as taxpayers living abroad. On average, Swiss citizens last year had a per capita income of 140,000 Swiss franc (98,000 dollar) according to the figures teparts AFP

Brazilian currency down against US \$

SAO PAULO, May 02 Brazil's cruzeiro fell by 1.3 per cent against the US dollar in moderate trade to close at 3,449.30 cruzeiro as the central bank intervened once to underpin the local currency, brokers said. The central bank sold dollar early on the day at 31,449.30 cruzetro in the commercial forex market, which is used by banks for import and export operations. The markets forecast for the cruzeiro devaluation in April ended Wednesday's session at 28.56 per cent against 28.60 per cent, reports Reuter.

Most of 6 currencies worthless in Bosnia

SARAJEVO, Bosnia-Herzegovina, May 2: The fragmentation of Bosnia-Herzegovina extends to the pocketbook. At least six currencies most of them worthless freely circulate through the country. Want to buy fuel in Kiseljak, headquarters of the UN Protection Force and nominally under Croat militia control? It will cost 60,000 Bosnian dinar per liter (0.25 gallons). Since 10,000 dinar notes are the largest printed, that means filling every pocket with a wad of cash, reports AP.

Indian reforms to be on right track'

NEW DELHI, May 2 Indian Prime Minister PV Narasimha Rao pronounced his economic reforms to be on the right track Saturday and pledged to continue the move towards an open market. We mean business, "the 71-year-old Premier said at trade union conference in the eastern city of Cuttack, the Press Trust of India (PTI) reported, reports AFP.

Number of tourists to double by 2010

PARIS, May 2: The number of tourists holidaying outside their home countries will more than double over two decades to reach 935 million in 2010 compared to 456 million in 1990, the World Tourism Organisation said here. In half a century, the number of international tourists will have been more than squared, the body said. with an expected 660 million in 2000, compared to 25 million in 1950, reports AFP.

G-7 to work for global growth

WASHINGTON, May 2. The Group of Seven industrial nations pledged Thursday to work together to spur global economic growth, reports

In a communique their talks, the G7 finance ministers and central bankers also came out against excessive volatility in currency rates.

"We agreed that exchange rates should reflect economic fundamentals and that excessive volatility is undesirable, the G7 communique said. "We reviewed recent developments in foreign exchange markets and affirmed our continued commitment to close cooperation in exchange markets."

That language represented somewhat of a victory for Tokyo, which has complained

that the steep rise of the Japanese ven in recent weeks has hurt its economy.

But the communique made no specific reference to the Japanese currency.

The G7 communique basically put forward a three-part strategy for global economic growth that combines interest rate cuts in Europe, higher government outlays in Japan and budget deficit cuts in North America.

Nothing that private demand is weak and unemployment is rising in some European countries, the G7 saw room for further interest rate cuts in the region to spur

growth. "The implementation of medium-term budget consoli-

dation plans and contained of labour costs and inflation pressures will create room for a further decline in interest rates that should make a substantial contribution to growth, the communique said.

In contrast to Europe, the United States and Canada are already experiencing an economic recovery, with inflation under control, the G7 said. Action by both countries to

substantially reduce their government budget deficits are already bearing fruit, with interest rates down significantly. the group added.

The G7 also welcomed Japan's recent 13.2 trillion yen fiscal stimulus package. These measures represent a welcome contribution toward the important goal of ... increased domestic demand, which will contribute to reducing the large external imbalance, it

The G7 also said it welcomed the results of the Russian referendum, saying it represented a major endorsement of President Yeltsin and his governments' commitment to democracy and economic

It is our strong hope that Russia will now implement farreaching measures to stabilise prices and promote private enterprises. Such steps would allow Russia to fully utilise the multilateral support package for Russian reform announced by the G7 in Tokyo earlier this month, the communique said.

G7 takes first steps toward global recovery, says Bensten WASHINGTON, May 2: Unit-

ed States Treasury Secretary Leoyd Bentsen told top world finance officials the Group of Seven (G7) countries have made first steps toward world economic recovery, reports

He recognised that US recovery would be modest and said achieving a stronger world economy would depend on efforts by industrial surplus countries to boost their domestic demand, while the US was seeking to cut its twin budget and trade deficits.

Addressing a key monetary panel, he called for G7 agreement on the Principal market access issues in the Uruguay Round at next July's G7 summit in Tokyo, as part of efforts to boost world growth.

Bentsen said early conclusion on the basis of a balanced and fair agreement was essential and urged a mid-December final deadline for the Geneva world trade negotiations.

In a strong plea for more growth and jobs, he told the interim committee of the International Monetary Fund (IMF) a revived G7 policy coordination process was placing the leading industrial countries on a path toward increased growth and sustained recovery.

Meet on buy, sell of Asia-Pacific tourist attractions

NEW DELHI, Mar 2: Some 500 travel executives from across the world launched four days of hard bargaining here on Saturday aiming to buy and sell Asia-Pacific tourist attractions, says AFP.

Indian Minister of Tourism Ghulam Nabi Azad opened the annual Pacific Asia travel mart by making a pitch for his country, whose tourism has suffered because of religious turmoil, bombings and aviation hazards in recent months.

Azad said India, which welcomed 1.86 million tourists in 1992, was prone like any part of the world to "minor aberrations" but was a safe holiday

"India is a year-round destination with a spectrum of tourism products which is unique as it is comprehensive, the minister told delegates, who include travel agents, tour operators, airline representatives and hoteliers.

"It embraces everything from historical-cultural tours to wildlife, trekking, skiing, water sports, scuba diving or just lying on the beach.

"The setting is fascinating and colourful with a brilliant mix of cultures," he said.

Political parties in Japan collected \$ 1.6b in '91

TOKYO, May 2: Funds collected by Japanese political organisations in 1991 hit a record high of 173.4 billion yen (1.6 billion dollar) up 12.8 per cent from 1990, an official report showed Saturday, reports AFP.

The report by the home affairs ministry was based on funds reported by political parties and similar groups to election management committees in Japan's 47 prefectures.

It said the opposition Japan communist party received 30.2 billion yen to become the largest political fund collector in 1991.

The ruling Liberal Democratic Party was second with 27.2 billion yen, followed by the largest opposition Social Democratic Party with seven billion yen.

The centrist Komeito party, the second biggest opposition party, was fourth with 3.2 billion yen, while the moderate democratic socialist party was fifth with 2.9 billion yen, the ministry report said.

China now leading site for Taiwan's investment

TAIPEI, May 2: China has become the leading investment site for Taiwan en-trepreneurs, absorbing 21.7 per cent of the island's approved outbound investment last year, Economic Minister Chang Ping-Kun said yesterday, says AFP.

Chiang also said the mainland has contributed 1.75 per cent to the 10 per cent gross national product growth that Taiwan enjoyed in 1992 as business and investment activities across the Taiwan strait

The investment commission under Taiwan's economic ministry approved 246.9 mil lion US dollar for 264 main land-bound investment projects last year.

The investment figure accounted for 21.7 per cent of the total approved overseas investment of 1.134 billion dellar, which also covered projects in the United States and South East Asian countries.

China was only the island s fourth largest investment site in 1991, with a 9.5 per cent share of overseas investment that totaled 1.830 billion dol-

The ruling Muomintang (KMT), or nationalist party, permitted investment on the mainland through third countries in late 1990 to meet de mands by local manufacturers seeking cheaper production costs and bigger markets.

Observers estimate that a minimum 3.8 billion dollar have been pumped into China for various investment projects, with or without government approval, in the past several years.

Indirect trade, mainly transhipped in Hong Kong, recorded 7.41 billion dollar in 1992, a 27.86 per cent rise over the previous year, with Talwan enjoying a 5.17 billion dollar surplus.

The KMT, driven off the mainland by the Chinese communists in 1949, has banned direct business contacts across the Taiwan strait.

Japan's party leader for opening rice market

TOKYO, May 2: The head of the Japan New Party (JNP) the country's second-most popular political group, said yesterday he favoured opening Japan's markets to rice imports, says Reuter.

Morthiro Hosokawa, a rene gade from the ruling Liberal Democratic Party (LDP), told business leaders in Tokyo the country's closed farm sector should be open for imports while maintaining safeguards for producers.

"We're an island nation, like Britain, and our survival is linked to a free market system," said Hosokawa, regarded as the biggest threat to the long-entrenched LDP.

"We should support the Uruguay round (of global farm trade reform talks) and keep our markets open". Japan refuses to accept a

proposal by the Genera Agreement on Tariffs and Trade (CATT) that all farm import barriers become tariffs. To comply, Japan would

have to drop an almost total ban on foreign rice imports, a politically sensitive issue. "I'm not saying that we

should sacrifice our rice farm ers for the Uruguay round but we must find a middle group where farmers could expect some help from the government," he said. One year after unveiling

plans for the reformist JNP, the 55-year-old Hosokawa has seen his approval rating soar. An opinion poll in the

Mainichi Shimbun newspaper on Friday said the JNP, with a 10 per cent support level. trailed only the LDP in popularity at 29 per cent.

"Our support rate is rising and this year alone we've won six regional elections," he said. This is a clear indication of

the high expectations the people have of my party," said The former regional governor, regarded as a star within

the LDP before he broke ranks. also said he supported a bigger United Nations peacekeeping role for Japan without amending a constitution that prohibits troops from involvement in overseas conflicts. LDP hawks are seeing sup-

port for a constitutional revision to allow Japan to send combat troops overseas for the first time since World War

"I think the best solution would be to follow the example of other neutral countries and create a peacekeeping force separate from the army with a civilian in charge," said Hosokawa.



BOSNIA: A father holds his youngest son while other members of his Muslim family wait for the release from the local school where they have been detained by ethnic Croats after recent fierce fightings leaving hundreds dead on May 01. Civilian detainees were released afterwards and taken to Muslim enclave around central Bosnian town Zenica. - AFP/UNB photo

Paddies, woodlands giving way to golf courses in China

HONG KONG, May 2: Rice paddies and woodlands in China are giving way to golf courses as foreign investors pour money into developing putting greens, reports IPS.

The number of golf courses is expected to double to 22 in the next five years. Investments are likely to exceed 500 million US dollar, mostly from golf-crazy countries like Japan, Taiwan and Hong Kong where land is sold at a

Golf has come to signify power and money, and is fast becoming the symbol of China's "open door" policy. State television often shows foreign investors at a game of

Taiwan regrets

US threat of

trade retaliation

TAIPEI, May 2: The govern-

ment expressed regret Sat-

urday over an American warn-

ing Taiwan could face trade

retaliation for failing to protect

intellectual property rights,

States still puts us on the list

after all our efforts," said Vin-

cent Siew, chairman of the

Council for Economic Planning

The Clinton administration

on Friday put Taiwan and nine

other countries on a "priority

watch list" and said it would

initiate action to resolve any

failures by these countries to

protect intellectual property

Bowing to US pressure,

Taiwan's parliament last week

passed copyright law revisions

that require Taiwanese to ob-

tain permits from US copy-

right holders for any imports

of copyrighted works. Many

lawmakers claimed the pas-

sage was an insult to Taiwan's

However, Siew said Taipei

would continue to improve

copyright protection to cope

The United States has asked

Taiwan to introduce laws

against the island's illegal cable

television stations by the end

of July to avert any trade retal-

"We regret that the United

reports AP.

rights.

sovereignty.

with US requests.

iation, he said.

and Development.

golf with top Chinese officials as they supposedly sign million dollar business deals."

Most of the new golf courses will be built in Guangdong and Fujian provinces which cater to Hong Kong and Taiwanese investors.

Apart from being a marketable tourist asset, the propaganda hype surrounding golf courses has convinced city authorities in China that they have to have their own greens or businessmen will think they are not ready to do business.

The golf-course boom has reached such dimensions that the Guangdong provincial government set a limit of two courses per city in February. The idea is to avoid over-

supply, which would lower the asset value of the golf courses. Thailand and Taiwan both encountered such a problem in the 1980s when hundreds of golf courses were developed to cater to the golf craze sparked off by the Japanese.

City authorities have found the golf courses to be a money spinner by turning them into exclusive clubs, charging membership fees as high as 60,000 US dollar a year. Top city officials, however, 'award themselves free memberships as a perk.

Communist Party secretaries in four counties were

the Zhaoqing municipal govcrnment itself received a 12 per cent share in the venture as a reward for acquiring the Doing business on a golf

named 'directors' of the

Zhaoqing Development while

course has its merits in China where political controls remain tight despite the economic liberalisation. Says Chan: there is no eavesdropping on a golf course."

Some 12 million US dollar was reportedly paid in compensation to farmers who were forced to move in less than six months so that the project could get under way.

Premadasa's death major blow to Lanka's economic aspirations

COLOMBO, May 2: The assassination of Shri Lankan President Ranasinghe Premadasa here Saturday is a serious blow to the nation's bid to become South Asia's economic power house, analysts say, says AFP.

The killing carried out by a suspected suicide bomber could not have come at a worst time for the government which was trying to recover from the violent backlash of the April 23 assassination here of key opposition leader Lalith Athulathmudali. "Both foreign and local in-

vestors will now have to recon-

sider their entire policy here,

a stock market analyst said. expressing fears that there may be panic when trading the Colombo stock exchange is scheduled to open Monday. Premadasa, 68, had launched an ambitious investment promotion drive, reconstituting the country's two

main investment control agencies into a single entity geared to help speed up foreign investment approvals. Tax holidays ranging from five to 10 years were offered by the government under a policy

initiated by Premadasa and

aimed at expanding industry to

remote areas of the island in a bid to jumpstart rural economies.

But his death has left a political vacuum in the ruling United National Party (UNP), which now has no strong candidate to hold the presidency held by Premadasa since January 2, 1989.

Premadasa's replacement, 71-year-old Prime Minister Dingiri Banda Wijetunga, is regarded as a political lightweight and practises a casual style of politics in sharp contrast to Premadasa's aggressive governing.

The late president had also been pushing for greater regional trade and was responsible for initiating the South Asian Preferential Trade Agreement (SAPTA), which was adopted by members of the South Asian Association for Regional Cooperation (SAARC) at a summit in Bangladesh last month.

SAARC groups Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Shri Lanka.

Premadasa was said to have hoped that free trade in South Asia would people Shri Lanka to a similar position enjoyed by Singapore in South East Asia. Shri Lanka was the first South

Asian country to liberalise its trade and foreign exchange policies.

Scores of influential development bankers from about 30 countries in the Asia-Pacific region were still in the Shri Lankan capital when Premadasa was blown up as he directed a UNP May Day procession here.

The 16th annual conference of the Association of Development Institutions in Asia and the Pacific (ADFIAP) opened here Wednesday, the day rioting broke out at the funeral of Athulathmudali.

The Central Bank of Shri

Lanka on Friday said the country recorded a 4.3 per cent growth in 1993, compared to 4.6 per cent the previous year and projected better times ahead with increased foreign investment. However, upbeat estimates

for greater foreign interest in the economy may have to be revised in the wake of the latest assassination that has caused political uncertainty, foreign ministry officials said.

"As far as investment promotion is concerned, we are back at square one," one official said.

ADB trying to double its capital

Development Bank (ADB) members meet here Tuesday to discuss plans to double its capital to address the burgeoning financial needs of the world's fastest-growing region, but Washington is balking, reports AFP.

The three-day, 52-nation annual financial jamboree will also consider membership bids from six Central Asian republics of the former Soviet Union, whose admission would put further pressure on ADB resources. "The early completion of

negotiations is very critical,"

ADB President Kimimasa

Tarumizu told AFP, warning that lending, which topped five billion dollar last year, could be slashed in 1994 unless new money is made avail-

The management of the Mantla-based bank is pushing for a 100 per cent increase in the ADB's authorised capital of 23.2 billion dollar to meet the anticipated funding needs of current and future members.

"China and India's requirements alone are huge," an official said. While refusing to single out

the United States, Tarumizu

said "some member states are

scared of budgetary problems"

and have different priorities. ADB sources however said that budgetary problems aside, the United States feels the ban may have gone too far too fast in lending money, without sufficiently monitoring the quality

of its loans. The ADB has lent more than 42 billion dollar since its founding in 1966, more than half of which has been approved in the past five years.

Japan is, by a small margin over the United States, the top shareholder of the ADB. Each has about 13 per cent of voting rights, but Japan has always held the bank presidency, with

the United States holding veto

The ADB has 36 regional and 16 non-regional members, including western European nations.

Former Finance Minister Vicente Jayme, who represents the Philippines on the ADB Board of Directors, said developing countries supported the capital increase.

The ADB conference comes amid continued optimism that Asia will outperform the rest of the world in economic growth, with China as the new rising star following the success of the "dragon" economies of East

Reforms bring colour, but life remains cheerless in Russia MOSCOW, May 2: Economic ployment, an evil officially Yeltsin has admitted his "In many ways life is more reforms while industrial pro-

reforms have brought a splash of colour into Russia's drab ciues, but life remains grey and cheerless for many of its 150 million people, says Reuter.

time, they get a chance to say what they think of it all.

January 1992 in an effort to propel the Stalinist economic system towards a free market, have filled shops and small commercial kiosks with colourful but expensive imported goods. Neon lights glow where

posters once exhorted workers to cooperate for world peace and socialist ideals. Factories are being split up and sold to a doubting public. At the same time spiralling prices mean millions are

struggling to survive. Unem-

unheard of in the Soviet era, is expected to soar once new laws on bankruptcy drive inefficient firms to the wall. "Preliminary data show that

"This has not changed very much since autumn 1992 although it is not as bad now as it was in January last year." Russians, including those

living below the poverty line of 8,500 rouble (10.90 US dollar) per month, will give their assessment of the reforms on Sunday in a referendum which also includes a vote of confidence in President Boris

government made mistakes. But he insists its general course is the only way to drag Russia into the 21st century.

The reform programme started with bold attempts to scrap decades of price controls which had subsidised food, rent and household goods at levels well below cost.

lives, Russians were forced to shop around for the best prices. Shop shelves - almost bare for years-filled with goods which millions could not afdifficult now than it was before," said Natasha Solovyova, a music teacher living in muddy north Moscow suburb.

vouchers to the people. Several share auctions have already been held and investment funds have been set up to

vouchers with deep suspicion. A well-publicised investment fund was told to stop advertisThe vouchers can be

shares in state-owned firms, but a network of exchanges were the shares can be bought or sold is developing only slowly.

Yeltsin has said the economic programme has already been changed to give the reforms a more human face. "With the answer" Yes "we will continue with economic

pening again," he said last week. He said Russia's main problem was the struggle against inflation, but lower march rates indicated that even that was heading in the right di-

mistakes and stop them hap-

Russian prices rose 2,600 per cent in the first year of the

duction fell about 20 per cent, swapped for property or but the monthly inflation rate has eased this year from 28 per cent in January to 25 per cent in February and 16 per cent in March.

The unemployment figure stands officially at 730,000 in a workforce of 70 million. But the true total could be far higher and even the head of the federal employment service said this month it could rise to five million by the end reforms, learn something from of the year.

But Yeltsin said last week he thought Russia's ailing economy would stabilise in

993. This year will be a crucial year of stabilisation," he said Inflation has been falling steadily over the last three months and production is gradually getting back on its

13 more firms for trading with Israel DAMASCUS, May 2: The

Arabs blacklist

Arab special Bureau for Boycotting Israel (BBI) has added 13 new firms, most of the Western-owned, to its list of companies ostracized by Arab nations because they have done business with Israel, reports The BBI based in Damascus said Friday after a meeting that

the 13 included the US companies Rubbermaid Inc and General Dynamics Corp. four Belgian firms including the arms manufacturer Fabrique Nationale Des Armes De Guerre, Ytong AG of Germany, plus two from Yugoslavia, two from India, one from the Netherlands and one from Luxembourg.

His rivals in parliament say "Before we had money but On Sunday, for the first just under one third of the the reforms have destroyed there was nothing to buy. Now population now lives below the there are goods in the shops Russia's industrial base and poverty line," said Valery impoverished the people. but prices are rising all the The reforms, launched in Yanvaryov, head of the depart-Opinion polls published at ment for living standards and the weekend showed the out-The second stage of the resocial protection at the come of the vote on economic forms came in the second half Russian labour ministry. reforms was too close to call. of last year, when Russia began distributing free privatisation

help the small investor. But many Russians view the For the first time in their

ing earlier this year after reports that it had failed to deliver on promises of hefty re-

rection.