

# Asia's urban population set to pass 2 b by 2020: UN

**BANGKOK, Oct 13:** Asia's urban population is set to pass the two billion by 2020 and unless radical reforms are put into effect 60 per cent of those will be living in squatter towns, according to the United Nations, reports AFP.

The situation poses several "major challenges to governments in the region" many of which are already "caught in a major policy impasse on the issue of urban infrastructure development," according to preliminary documents for the next UN Ministerial Conference on Urbanisation in the Asia-Pacific Region.

The Economic and Social

Commission for Asia and Pacific (ESCAP) conference is scheduled to be held October 27-30 in Bangkok, the Asian capital with the most serious infrastructural problems.

In the past 20 or 30 years, most Asian societies where agriculture and rural life dominated entered the industrial and urban age, allowing substantial economic growth but also unleashing exacerbating problems of poverty, public health, urbanisation and pollution, the preparatory documents released Tuesday say.

"By the year 2020, the urban population in the ESCAP region will have grown by more than

two billion people to reach a level of urbanisation of 55 per cent, they predict.

At the moment, more than half of Thailand's urban population is centered in Bangkok, while one third of city dwellers in Bangladesh, the Philippines and South Korea live in their capital cities.

The rate of urbanisation appears uncontrollable, as "all evidence suggests that increases in income and the level of education of rural populations accelerates migration" to urban areas, despite the implementation of policies aimed at slowing the process down.

A study cited by the United

Nations predicts that "60 per cent of the urban population of Asia would be living in slum and squatter settlements by the turn of the century unless drastic reforms were undertaken."

In South Korea, despite breathtaking economic growth between 1970 and 1986, "the official percentage of families living in substandard housing (in Seoul) remained at 17 per cent," the study showed.

Meanwhile, in Bombay more than half the population lives in slum housing, and in Hong Kong more than two million experience health problems because of pollution.

# EC move to launch Maastricht Treaty on Euro union

**BRUSSELS, Oct 13:** Belgium, the current EC president, announced yesterday the convening of a European Community summit on October 29 as member states applauded the German constitutional court's ruling in favour of the Maastricht Treaty, reports AFP.

The summit would be held in Brussels and was intended to launch the Maastricht Treaty on European Union, Belgian Prime Minister Jean-Luc Dehaene said in a statement.

The court's ruling earlier Tuesday removed the last hurdle for Maastricht's implementation, as the other 11 member states of the community had already ratified the pact.

In Bonn, German President Richard von Weizsaecker signed the treaty into German law shortly after the court decision, and Economics Minister Guenter Rexrodt said the pact would come into effect November 1.

Dehaene said the treaty's

launch would end a long period of scepticism about EC integration, and open the way to European recovery based on "economic growth, maintaining competitiveness and promoting employment."

The summit would deal particularly with the chief goals of the Maastricht Treaty — a single currency, joint foreign and security policies, and greater cooperation in justice and home affairs.

Dehaene said particular attention would be given to the launch on January 1 of phase two of the three-phase programme for a single currency by 1999. This involves creation of a European monetary institute and efforts to align EC economies in the pursuit of non-inflationary growth.

EC Commission President Jacques Delors said implementation of the treaty would give Europe a new driving force.

"It also permits the EC to

leave behind a period of waiting and pessimism. It gives a new elan to the fight against economic stagnation and unemployment, and will help to reinforce the security of the continent," Delors said.

In France, European Affairs Minister Alain Lamassoure said Germany's decision was both a guarantee and a challenge for the community.

"It is a guarantee because the treaty provides a legal framework in which we can work (for European integration) in the next five years. And it is a challenge because we are now faced with a gigantic problems which this framework leaves unsolved.

"Whether we win through depends on us," Lamassoure said.

**NATO DG hails Bonn court decision**

Reuter adds: NATO Secretary-General Manfred Woerner welcomed the German court

decision on Tuesday that allows the EC's Maastricht Treaty to go ahead, saying it was now time for Europe to act rather than indulge in rhetoric.

"I'm glad... because it's time to go forward," Woerner, a former Bonn defence minister, told the European parliament after the constitutional court cleared the way for the treaty on economic and political union to come into force next month.

But Woerner was critical of the way the European community had handled the crisis in former Yugoslavia, Maastricht he said, was a modest step towards developing a common EC foreign and security policy but one welcomed by NATO.

"The interest of this alliance is a stronger Europe, to have a more united Europe and to have a Europe that shows the will — not only the 'blah-blah' rhetoric, although the Europeans have always been found of that," Woerner said.



## EC agrees to negotiate new rubber pact

**KUALA LUMPUR, Oct 13:** The European Community and its member states have decided to negotiate a new International Natural Rubber Agreement (INRA), an EC spokesman said, reports Reuter.

"In view of recent events, in particular the return to normal operations of INRO buffer stock, the EC and its member states have decided in favour of negotiating a new INRA," the spokesman told Reuters in a telephone interview from Brussels.

The spokesman said the decision, reached on October 7, had been conveyed to the Kuala Lumpur-based International Natural Rubber Organisation (INRO), which administers the pact.

The decision has also been conveyed to the United States and Japan, which along with the EC are key INRO consumer members, he said.

The EC would follow a US decision late last month to renegotiate INRA, provided producers cut market intervention prices set by the current INRA.

# Indian brokers boycott trading

**BOMBAY, Oct 13:** Brokers boycotted India's four main stock markets today to protest a government refusal to protect genuine investors who may have unknowingly dealt with shares tainted in a huge securities fraud, reports AFP.

A brokers' forum here said that it was suspending trading for a day on the Bombay Stock Exchange (BSE), India's main bourse, and the Calcutta, New Delhi and Ahmedabad markets to protest the government action.

The four stock exchanges account for 90 per cent of the turnover on India's 22 bourses with the BSE attracting 70 per cent of the business.

BSE brokers forum Chief Madan Gopal Damani said the boycott was linked to last month's seizure by the income tax department of shares tainted by a 1.3 billion dollar securities fraud which surfaced in April 1992.

"The government does not seem to care about what happens to the capital market,"

Damani said, asking for protection for the "bonafide investor."

The income tax department last month charged some 300 people with dealing in the scam-tainted shares of 17 companies before seizing stocks worth hundreds of thousands of dollars. The crackdown stunned India's trading circles.

"How long can we go on committing ourselves in business when we are not sure of the shares we take possession of," Damani said. "It is impossible to trade in these conditions."

"We cannot keep taking money from our clients without being able to assure them of good delivery," he added. Damani said traders were "highly agitated over the issue and were in no mood to work."

"One day's stoppage of work is not enough," the forum president said, warning that brokers could suspend trading for a longer period if the government failed to extend client-protection guarantees.

# BRIEFS

**Indian bullion prices recover**  
**BOMBAY, Oct 13:** Gold and silver prices recovered lost ground following renewed consumer support ahead of coming Hindu festivals, dealers said. "Reports of an upswing in the international market also triggered speculative enquiries," said dealer Kishore Jain. "Looking at the poor inflow as well as increased enquiries from private festival coin manufacturers, the undercurrent of the market remains firm," he added.

**Zinc, lead output in Japan to fall**  
**TOKYO, Oct 13:** Production of zinc and lead by five major Japanese smelters is expected to fall lightly in the half year ending March 1994 from the previous half. Production plans, announced separately by the five firms, show zinc production will total 264,000 tonnes in the second half of fiscal 1993/94, compared with 268,000 in the half ended September. Lead production will fall to 152,000 tonnes from 158,000.

**Gold shares jump in South Africa**  
**JOHANNESBURG, Oct 13:** Gold shares jumped at the start and maintained momentum through early morning trade after strong overnight gold price gains, dealers said. But they said buying had so far been limited to jobbers and some small investors while foreigners and institutions had yet to show their hand.

**Coffee price depends on retention plan**  
**LONDON, Oct 13:** The price outlook for coffee depends to some extent on the prospects for success of the producers' export retention scheme, the latest industrial raw materials intelligence unit (EIU) said. In EIU's opinion, the chances are slim of the scheme achieving more than temporary success and of achieving its aim of reducing consumers' inventories by eight to ten million 60-kg bags to the "normal" pre-1989 level of ten to 12 million bags.

**Manila's soybean futures dip**  
**MANILA, Oct 13:** Manila soybean futures dipped for the third straight day over news of dry and clear weather in the US Midwest and promising yields in other growing areas. Concern over a lower USDA soybean production reports for Sept 93 compared to the previous month, which was scheduled for release today, provided a slight backdrop.

**Malaysian palm oil stocks to rise**  
**KUALA LUMPUR, Oct 13:** Malaysian palm oil stocks are estimated to have risen to a revised 1.05 million tonnes, an all-time high, (previously 1.04 million) at end-September from 835,768 in August, private crop forecaster Ivan Wong said. The revision reflected a higher than expected September output of 827,500 tonnes (822,500), also a record high, against 737,504 in August, said Wong, the executive director of (Palms Intelligence Services Sdn Bhd), in his latest report.

**Taiwan to sell 50,000 tonnes of rice**  
**TAIPEI, Oct 13:** Taiwan will sell 50,000 tonnes of rice in the international market, inviting bids from foreign buyers on October 21, the Taiwan Provincial Food Bureau said. May Hang-hsen, deputy head of the bureau, said state-run Central Trust of China would conduct the sale.

**Rubber futures close higher in Tokyo**  
**TOKYO, Oct 13:** Tokyo rubber futures closed higher as individual bargain-hunting outweighed profit-taking, but trading was quiet, traders said. Prices ranged from 1.1 yen to 1.8 yen per gram firmer with benchmark March closing 1.1 yen higher at 83.8 yen. Market focus is on the new International Natural Rubber Agreement (INRA) which the European Community and its member states have decided to negotiate, he added.

**Tin price rises in Kuala Lumpur**  
**KUALA LUMPUR, Oct 13:** Tin continued to find support from a higher LME and closed at a five-week high of 11.65 ringgit a kg after rising five cents, traders said. Further Malaysian and European covering also boosted sentiment. The market had earlier been supported by last week's news of a strike at Brazil's largest tin mine.

— Reuter business reports

## Koirala seeks US investment

**UNITED NATIONS, Oct 13:** Nepalese Prime Minister Gijra Prasad Koirala issued a call Tuesday for US investment in his Himalayan Kingdom, especially in energy, reports AFP.

"I invite American industrialists to come here," Koirala told reporters at UN headquarters, adding that developing the energy sector was a priority for his government.

On the subject of refugees from Bhutan, the Nepalese premier said the United Nations High Commissioner on Refugees had provided some assistance, but that his government planned to discuss the matter directly with Bhutan authorities.

Koirala said that he was the second elected Prime Minister of Nepal to visit the United Nations in 33 years. "The event has a deep personal overtone for me," he said.

He added that Nepal is "committed to human rights and democracy" as evidenced by its continuing participation in peacekeeping operations.



Somali - fight over corn flour during a food distribution in Mogadishu Monday. Some 2,000 supporters of Mohamed Farah Aidede demonstrated for peace Sunday, after the General's call for a total ceasefire. — AFP photo

## Tokyo's precious metals close sharply higher

**TOKYO, Oct 13:** Yen-dominated precious metals trading closed sharply higher tracking strong New York prices led by heavy fund buying, traders said, reports Reuter.

Gold futures prices closed 22 yen to 32 yen per gram higher, with benchmark August 22 yen higher at 1,267 yen.

"Gold prices are just trying to keep up with silver gains," a commodities house analyst said. "The surge is backed by technically motivated fund buying and not demand," he said. "This is making some traders worry."

Gold bullion was quoted at 366.20 dollar/366.60 dollar in late Tokyo trade, compared to 367.30 dollar/367.70 dollar in New York on Tuesday.

"I believe gold bullion will try to test a ceiling of 375 dollar after breaking resistance at 370 dollar," the analyst said.

"If so, we can expect a rise of about 30 yen in the domestic market," he said.

Palladium futures closed seven to 14 yen per gram higher, with strength seen in near-by contracts.

Benchmark August was seven yen higher at 444 yen.

Talk of Russia reducing nickel production by about 20 per cent should become a bullish factor as well as Nissan's announcement of a new car using a palladium-only catalytic converter, another analyst said.

Silver future prices were 2.5 yen to 7.2 yen per ten grams higher. Benchmark August closed six yen higher at 1,271 yen.

# French unions disrupt mail service, transport

**PARIS, Oct 13:** French unions disrupted mail service, air travel and public transport Tuesday, putting on their biggest show of force since conservatives won power in March, reports AP.

Tens of thousands of union members marched in Paris, Marseille, Lyon, Bordeaux and Toulouse, venting dissatisfaction with massive job cuts taking place at state-owned companies, as well as the government's privatisation plans.

They denounced a five-year employment law aimed at bringing down 11.7 per cent unemployment by creating more part-time jobs. The unions say that well-paid jobs and social benefits would be threatened.

The strikes coincided with the National Assembly opening debate on the 1.447 trillion-franc (250 billion dollar) budget for 1994. Economy Minister Edmond Alphandery predicted recession would end next year

and the jobless rate stabilise.

The 24-hour strike, called by two major unions and partially supported by others, hit the state-run railroad the hardest.

In most of France, only one of three trains was running as the strike began. Flagship high-speed trains operated almost normally in the north, but service was sharply reduced elsewhere.

At Charles de Gaulle airport, outside Paris, ground personnel of state-run Air France blocked access to one of two main terminals for several hours. Air France said it was operating its all its long-distance flights but only half its mid-range flights.

Police peacefully expelled several dozen union members who tried to occupy Air France's offices in Paris overnight.

Four of the 13 Paris subway lines were virtually shut down at midday, and only one line operated at more than 50 per cent of normal. Light disrupt-

ions continued into the evening.

Mail service was halted in many areas, but strikes by telephone and electric company workers had relatively little impact.

France Telecom, the telephone company which is targeted for privatisation, estimated that 74 per cent of its 155,000 workers joined the strike. The postal service said 40 per cent of its 300,000 workers struck.

"It's a victory," Louis Viannet, secretary general of the Communist-backed General Confederation of Labour, France's biggest union, declared at march of 20,000 to 30,000 protesters in Paris.

It was the first widespread strike by public-sector workers since Edouard Balladur took over as Prime Minister following the conservatives' rout of the Socialists in March parliamentary elections.

## S' pore's foreign reserves rise 1.2 pc in July

**SINGAPORE, Oct 13:** Singapore's total foreign reserves rose 1.2 per cent to 71.7 billion Singapore dollar (46 billion US) in July from 70.8 billion dollar (45.4 billion US) in June, the Monetary Authority of Singapore (MAS) said today, reports AFP.

MAS, the de-facto central bank, said Singapore's gold and foreign exchange reserves rose to 71.2 billion dollar in July from 70.3 billion dollar in June.

Its reserve position in the International Monetary Fund stood at 349.2 billion dollar compared with 355 billion dollar in June while its holding of Special Drawing Rights fell to 208.4 billion dollar from 211.7 billion dollar.

# US projects drop in global grains stock

**Global grains stocks are forecast to fall during the '93-94 crop year, partly because of projected production declines in the United States, Russia, Kazakhstan, Eastern Europe and Canada, says a USIS press release.**

The US Department of Agriculture, in its latest monthly estimate released October 12, projected global grain production at 1,705 million metric tons, 43 million tons less than estimated global consumption.

This would result in a drop in global stocks from the 347 million tons projected for the '92-93 crop year to 304 million

in '93-94, more than offsetting the 31-million-ton build up in stocks the prior year.

The department said that US crop production prospects continue to be reduced by effects of weather, disease and insects. It projected US '93-94 wheat production down about two million metric tons to 65.9 million tons from September's estimate and coarse grains production (maize, sorghum, barley, oats, rye, millet and mixed grains) off eight million tons from the prior month's estimate to 205 million tons.

However, the US production declines are partly offset by a projected decline in domestic use, it said.

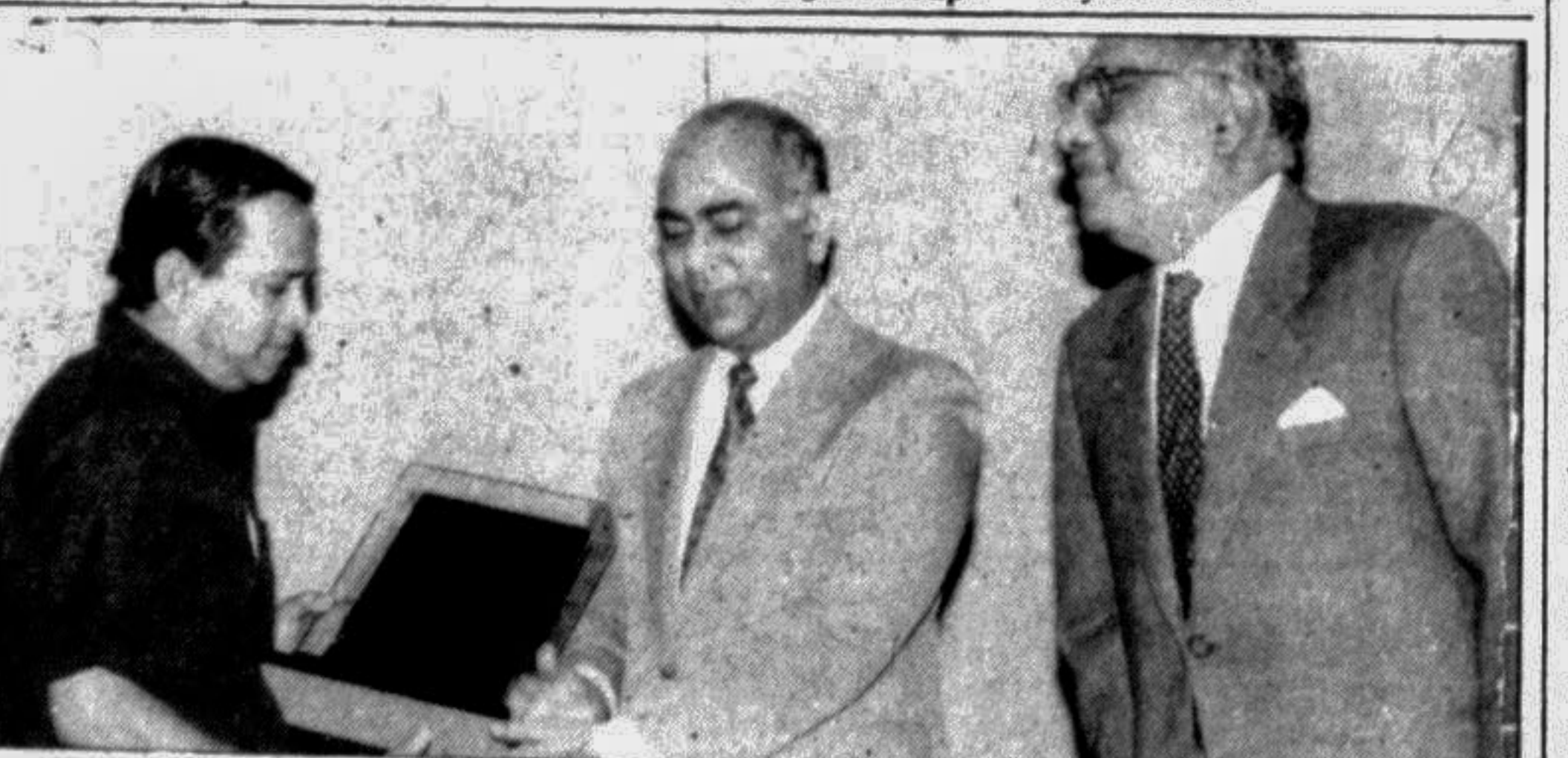
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Mahbubur Rahman (M), the newly elected President of National Bank Limited, being presented with a crest on behalf of the bank's Board of Directors yesterday. The outgoing President Dr AR Mallick looks on. — Star photo

## China's oil output may hit year-end targets

**BEIJING, Oct 13:** China's oil output in the first nine months of the year totalled 107.38 million tonnes, putting the industry on course to hit its year-end targets. The China daily reported today, reports AFP.

But the report did not explain the downward revision of the target for onshore oilfields from 140 million tonnes announced in August by China National Petroleum Corp (CNPC) head Wang Tao to 137.5 million tonnes.

The country's 21 onshore oilfields produced 104.08 million tonnes between January and September, fulfilling some 76 per cent of this lower goal, it quoted the CNPC as saying, adding only that the overseeing body hoped improved management may help boost the total to 140 million tonnes.

## Benazir vows to review Qureshi's reforms

**ISLAMABAD, Oct 13:** Benazir Bhutto vowed Tuesday to review tough economic reforms introduced by Pakistan's caretaker administration, reports AFP.

Confident her Pakistan People's Party (PPP) would form the next government rather than the Pakistan Muslim League (PML) of Nawaz Sharif, Bhutto said: "We will review all measures, endorsing those we agree with and dropping others."

She made the comments arriving in the capital to meet newly elected PPP MPs.

Citing last month's devaluation of Pakistani rupee by caretaker Premier Moeen Qureshi, she told reporters the move had reduced cotton exports instead of boosting them.

The country's import bill had also gone up as a result of the near-10 per cent devaluation, she said, pointing out that foreign exchange reserves were reportedly under 250 million dollar.

Qureshi, a former World Bank executive, has successfully negotiated 1.2 billion dollar in aid to be made available by the World Bank and the International Monetary Fund this year.



## Myanmar jute industries buy 13,366 tons in '93

**YANGON, Oct 13:** Total of 13,366 tons of jute had been purchased by Myanmar jute industries as of October 11 this year, an official report said here today, according to Xinhua.

Among the jute purchased was 12,550 tons from southwest Myanmar's Ayeayawady division, major jute-producing area of the country, and other jute were from middle Myanmar's Bago and Yangon divisions.

More jute will be purchased in later October and coming November.

According to an official provisional statistics, Myanmar produced 39,000 tons of jute in the 1992-93 fiscal year ending on March 31 this year.

The country has targeted to produce about 44,000 tons of jute in the 1993-94 financial year.

## Exchange Rates

The following are the Sonali Bank's dealing rates (Bangladesh Taka for one unit of foreign currency) to public for some selected foreign currencies effective as on Oct 13. (Figures in Taka)

Currency	Selling		Buying
	B. C.	T. T. (C)	
US Dollar	39.9800	39.7300	39.4900
Pound Sterling	61.2494	60.0859	59.7229
DM	25.1833	24.7612	24.6117
FF	7.1711	7.0516	7.0090
Indian Rupee (AMU)	1.2757	1.2670	1.2545
Pak Rupee (AMU)	1.3284	1.3193	1.3062

Indicative Rates	Selling		Buying
	T. T. & O. D.	O. D Transfer	
S Riyal	10.6600	10.5200	
D Guilders	21.7100	21.4400	
S Kroner	4.8600	4.7900	
Singapore Dollar	25.0600	24.7400	
UAE Dirham	10.8800	10.7400	
Kuwait Dinar	133.7100	131.9100	

Note: AMU—Asian Monetary Union.