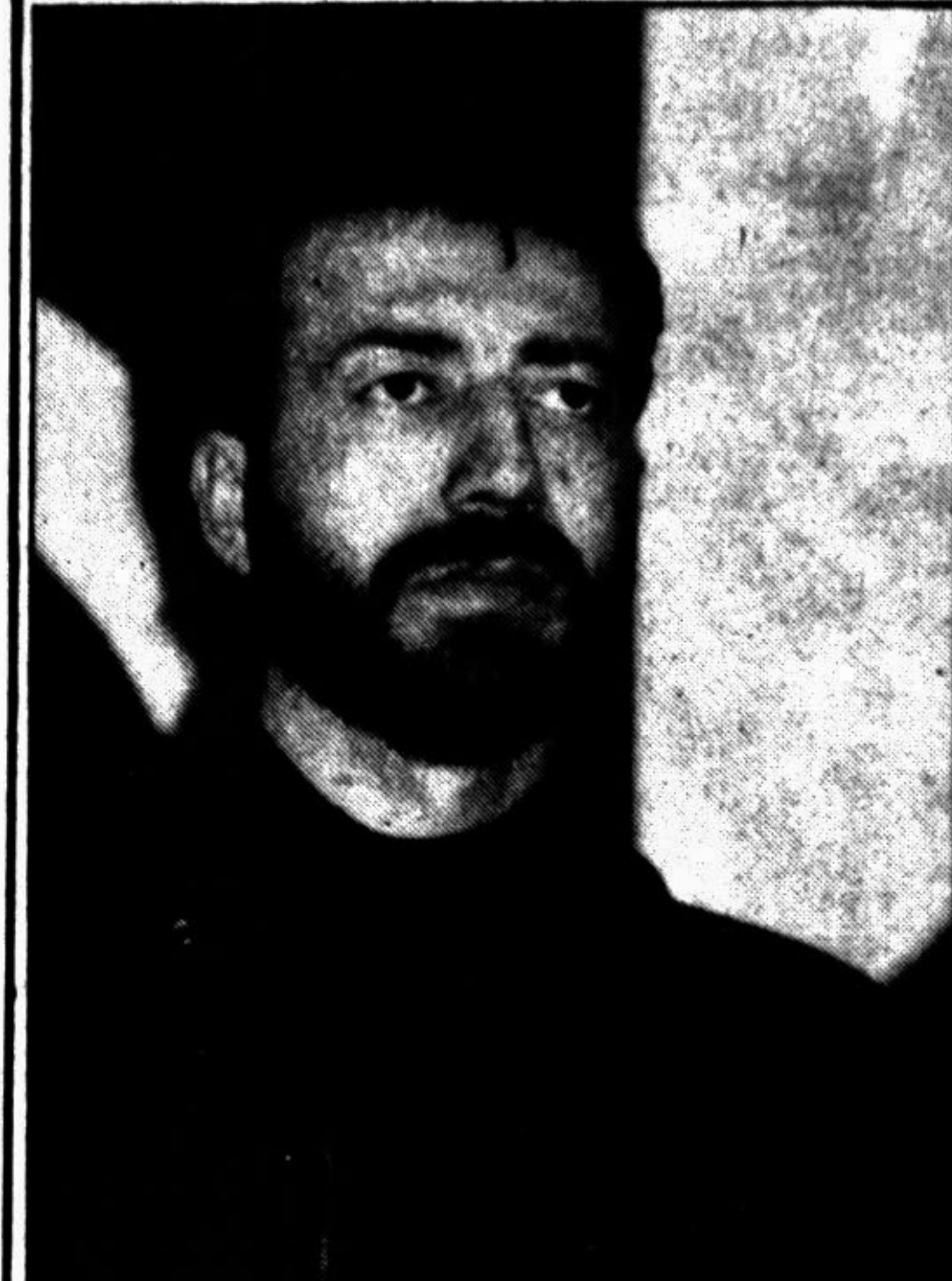


BRIEFLY



**Rama Rao's widow elected chief of his party faction**  
HYDERABAD, India, Jan 22: The widow of film-star politician NT Rama Rao has been elected president of his faction of the bitterly-divided regional Telugu Desam party in the Indian state of Andhra Pradesh, officials said today, reports Reuters.

Rama Rao's second wife Lakshmi Parvati, elected on Sunday, was the cause of a split that made a majority of the southern state's legislators defy strongman Rama Rao and form a rival Telugu Desam which ousted him as chief minister last year.

The 41-year-old widow of the 73-year-old Rama Rao, who died last week of heart attack in the state capital, Hyderabad, staged a protest fast at the funeral site after her step-sons said she could not participate in the Hindu funeral rites.

Rama Rao's son-in-law Venkateshwar Rao was chosen working president of the late leader's group. Party leaders ruled out a patch-up with chief minister Chandrababu Naidu, another of Rama Rao's sons-in-law, who founded the rival party.

The widow's party hopes to strike back at their rivals and the ruling Congress party in the general elections. Party officials announced an elaborate programme beginning this week all over the state to mark Rama Rao's memory.

The step-sons of the late leader had objected to interference and the political ambitions of Lakshmi Parvati, a former folk drama performer and Rama Rao's biographer.

Rama Rao used his numerous screen roles in which he played Hindu gods to win power for the party he launched, and ruled the state in the early 1980s before the Congress party ousted him.

He swept back to power in 1994 as the state's chief minister, and would have been the key challenger to Prime Minister Rao's Congress.

**Chinese films get award in Int'l Film Festival in India**  
NEW DELHI, Jan 22: Two Chinese films swept top honours at the International Film Festival of India at the end of a 10-day competition which critics said lacked glitz, reports Reuters.

'Blush', directed by Li Shaohong, won the Golden Peacock Award for best film at weekend ceremonies which capped the 27th edition of the periodic festival.

The competition section was limited to films directed by Asian women. Based on a novel, 'Blush' depicts two prostitutes in a society which harshly discourages social deviancy. The film had previously been shown at festivals in Fukuoka, Montreal and Berlin, where it won a silver award.

BJP to try to pursue CBI to file charges of graft against Rao

NEW DELHI, Jan 22: Leaders of India's main opposition party and other top politicians have turned up the heat under Prime Minister PV Narasimha Rao to respond to charges of involvement in a giant bribery scandal, reports AFP.

There is a prime face case that the Jain brothers (key suspects in the scandal) made payments to the prime minister to win favours, said Sushma Swaraaj, spokeswoman of the Bharatiya Janata Party (India People's Party, BJP).

Swaraj, in comments published today in the Times of India daily, said her party would try to have federal investigators file charges of graft against Rao.

Her accusations were echoed by veteran communist leader Jyoti Basu, Chief Minister of West Bengal state since June 1977, who said Rao had 'lost the moral right to continue in power.'

"Should we not expect a bit more prompt action and alertness from our prime minister especially when allegations of corruption are levelled against him too?" he said. "The country is unsafe in the hands of the Rao government."

Three ministers quit Rao's cabinet last week after the Central Bureau of Investigation (CBI) sought presidential assent to prosecute them for alleged corruption.

The CBI also filed charges against BJP president Lal Krishna Advani, who resigned from parliament. Advani has declared his innocence and claimed the move was a ploy by Rao to smear his party ahead of general elections.

BJP leader Atal Behari Vajpayee has also accused the prime minister of accepting money from New Delhi businessman Surendra Jain.

Vajpayee claimed to have seen evidence that Rao had accepted 1.1 million dollars

from Jain to win over lawmakers from the centrist Janata Dal (People's Party) to the ruling Congress (I) Party.

Vajpayee said the money had been routed to the prime minister through a controversial Hindu holy man, Chandraswami, a shadowy figure who reportedly has kings, presidents and prime ministers among his acolytes, including Rao.

Congress Party spokesman Vithal Nath Gadgil has denied any involvement of the prime minister in the snowballing scandal, dubbing the 74-year-old the "Mr Clean" of Indian politics.

The statement, however, failed to stem calls for Rao to reveal all the knows about the payoff scandal.

Prime Minister Rao needs to clear the air in the context of the accusation against him from none other than the leaders of the opposition," the respected Economic Times said in an editorial titled "A Response in Order."

Prosecutions will not happen if the person who presides over the prosecuting agency is himself vulnerable to prosecution," it said.

Hence in order to generate public confidence that the law will take its course, Rao must respond to Vajpayee," the newspaper said.

The scandal surfaced more than four years ago when a raid on Jain's office revealed a diary containing records of payments allegedly made to 115 politicians and bureaucrats between 1988 and 1991.

Charges were filed against BJP president Advani, the three ministers and six other former politicians last week and more indictments are expected, according to officials.

Most of the funds were transferred abroad in a complicated and covert system of foreign exchange known as "Hawala" in the Hindi.

GCC ready to help Bahrain face unrest

MANAMA, Bahrain, Jan 22: Gulf Cooperation Council (GCC) members have indicated they are ready to help Bahrain as it tries to quell a wave of political unrest, reports AP.

The support by Saudi Arabia, Kuwait, the United Arab Emirates, Oman and Qatar was contained in a GCC statement issued on Saturday and carried by the Saudi Press Agency on Sunday. The GCC is a security and political alliance with headquarters in Riyadh, the Saudi capital.

The statement noted member's determination "to collectively confront all acts of violence and crimes of terrorism."

The army in Bahrain, a key financial hub in the Gulf, warned earlier Saturday that it was prepared to intervene to crush the unrest. Over the weekend, protesters clashed with police and burned homes and cars in villages around Manama.

Rival Karen factions clashes leave 20 dead

MAE SOT, Thailand, Jan 22: Twenty people were killed in clashes between rival factions of Karens in southeastern Myanmar at the weekend, Thai border police said today, reports Reuters.

About 150 Karen National Union (KNU) troops launched a surprise attack on a camp belonging to the Democratic Karen Buddhist Army (DKBA) on Saturday, police said.

Thai border police, monitoring field radio communications from the area, said 15 DKBA members were killed and more than two dozen were wounded in the attack.

Five KNU guerrillas were killed police said.

The DKBA was formed by Karen rebels who broke away from the anti-Rangoon KNU in December 1994.

Rebels plan to free hostages today  
Chechens attack Russian troops in Grozny

GROZNY, Jan 22: Chechen rebels fired a grenade launcher at a convoy of Russian troops, wounding three, and hundreds of Chechens rallied to demand that federal forces leave their separatist republic, news reports said Monday, says AP.

The attack Sunday came three days after Russian troops crushed rebel gunmen holding scores of hostages in Pervomayskaya, a village in the southern republic of Dagestan just across the border from Chechnya.

Some of the gunmen escaped back to Chechnya with a group of hostages, and they planned to free most of them on Tuesday, Russian news reports said, citing an unidentified spokesman for separatist leader Dzhokhar Dudayev.

The NTV independent television network said Sunday the rebels would unconditionally hand over about 60 hostages, including 20 or 30 people they took with them when they fled the Russian assault.

The hostages would be turned over to Dagestani officials in the Chechen village of Novogrozny, the report said.

The ITAR-Tass news agency said the rebels would not free 17 police officers from Novosibirsk along with the other hostages but would try to swap them for Chechen fighters being held as prisoners of war by the Russians.

Russian officials say they captured about 30 Chechen guerrillas during the battle in Pervomayskaya.

It was unclear if the group of hostages to be freed Tuesday included 29 Russian construction workers kidnapped more than a month ago or 30 workers seized at a power plant in the Chechen capital during the standoff in Pervomayskaya.

While NTV said about 60 hostages would be let go, ITAR-Tass said it would only be the civilians taken from Pervomayskaya.

The gunmen's leader, Salman Raduyev, was among the Chechen fighters who escaped the Russian attack. Dudayev, however, reportedly has said Raduyev overstepped orders by taking hostages and would be court-martialed.

Labour Party chooses Peres as PM candidate

Peres dismisses early polls

JERUSALEM, Jan 22: Prime Minister Shimon Peres on Monday dismissed speculation he intends to call early elections — but left open the possibility he may change his mind, reports AP.

"I don't intend to call for an early election. I would like to see the elections taking place on the (prescribed) date, and unless there will be an unforeseen reason, I hope they will be duly conducted in accordance with the law," Peres told Israel radio.

The elections are scheduled for October 29, but leading figures in Peres' Labour Party had pushed for an earlier date, May 15.

Peres said earlier this month that he might call early elections if it became difficult to maintain his narrow majority in parliament.

Peres has instructed Labour's secretary general, Nissim Zivli, to make preparations for moving up party primaries, from April to March, just in case the election date is brought forward.

Since the November 4 assassination of Prime Minister Yitzhak Rabin, Labour has been leading in opinion polls and some party leaders have been advocating early elections to take advantage of this.

Meanwhile, Win-ni's support to continue as Israel's leader, Prime Minister Shimon Peres was named the Labour Party candidate for elections slated for later this year, reports AP.

Only three of the ruling party's 1,296 central committee members voted against Peres, who ran unopposed.

In a subdued acceptance speech Sunday, Peres acknowledged that his candidacy resulted from the November 4 assassination of Yitzhak Rabin by a right-wing Jewish nationalist. Peres, who succeeded Rabin, noted confessed gunman Yigal Amir had hoped to kill him as well.

"What brought me here was a bullet, which by chance did not hit me. It did hit Yitzhak," he said. "That's the truth and there's no point in pretending, and there is no point in silencing the fact. It's an exceptional case."

The elections are scheduled for October, but there are signs Peres might call an early vote in May or June. In the wake of the assassination, Peres and the Labour Party are far ahead of the right-wing opposition in public opinion polls.

Three survivors (from L to R): Caroline Harrison, Steve Nicholson both from the UK, and Margaret Crotty from the US of a ferry disaster read the latest news in a local paper at the emergency ward of Zainul Abidin Hospital, after being brought from Sabang to Banda Aceh on Sunday. At least 50 people died, including two foreigners, when a ferry hit rocks outside Sabang on Friday.



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Off the Record



Sharon Stone reacts to winning the Golden Globe Award on Sunday for Best Actress: Motion Picture-Drama for her role in "Casino" at the 53rd annual Golden Awards in Beverly Hills, California.

Freak mistake of a president

RIO DE JANEIRO: President Fernando Henrique Cardoso forgot to check with his wife before vetoing legislation that would legalise voluntary sterilisation, reports AP.

"I made a mistake," Cardoso was quoted Sunday as telling the weekly newsmagazine *Vega*.

"He forgot to talk to me," his wife Ruth Cardoso, a sociologist, told the Rio newspaper *O Globo*. "We have the obligation to guarantee women the right to choose from all methods of family planning."

Sterilisation is the second most common form of birth control in Brazil after the birth control pill. Cardoso last week vetoed legislation that would permit voluntary sterilisation of people over 25 who have two or more children.

His veto came as a surprise not only to his wife, but to Health Minister Adib Jatene who had given the bill technical approval. Aides said the president misunderstood a government legal analysis that suggested part of the legislation conflicted with criminal law.

Brazil is a predominantly Roman Catholic country and the church opposes sterilisations. However, Health Ministry statistics show that 27 per cent of Brazilian women of child-bearing age have been sterilised, many after giving birth by Caesarean.

Cardoso's problem now is how to correct his mistake. The president cannot reverse his own veto, and it's doubtful whether he can rally the necessary two-third vote in Congress.

Classic snatching

NAPLES, Italy: In a classic purse snatching, the protagonist was actress Claudia Cardinale, reports AP.

Cardinale and her husband, movie director and right-wing senator Pasquale Squitieri, were stopped at a red light Friday night when a youth ripped a Rolex watch off his wrist while another opened the passenger door and stole Cardinale's purse.

The thieves vanished into the streets in a scenario familiar to many tourists and Neapolitans victimised by the "scippatori," as the young thieves are called.

"I didn't understand what was happening until they had fled," the Rome daily *La Repubblica* quoted the actress as saying.

The 56-year-old actress known for her roles in Fellini's "8 1/2" and "The Leopard" lost 425 dollars worth of lire and French francs, her identification, a credit card and a plane ticket to Paris, *Corriere Della Sera* of Milan said.

Australia urges world to halt nuclear arms race

SYDNEY, Jan 22: Australia, crusading to rid the world of nuclear weapons, today urged the international community to seize an historic pause in the nuclear weapons race to abolish nuclear arms, reports Reuters.

"We've got a fortuitous lapse in the nuclear arms race," Keating told Sydney Radio, before Tuesday's inaugural meeting of an Australian task force of prominent international figures formed to advise the United Nations on abolishing nuclear arms.

Keating said the end of the Cold War between the United States and the former Soviet Union offered a rare chance to rid the world of nuclear weapons.

"There's a window of opportunity... but what we have to be careful of is that we don't get into a multi-polar game, that is with many other countries, like Iraq, perhaps Iran, Pakistan, North Korea, and Israel developing nuclear weapons."

It may take decades to happen, but we have to make a beginning. This initiative is unlikely to come from the nuclear weapons states themselves," he said.

Members of the government's Canberra Commission, which includes former US defence secretary Robert McNamara, former French prime minister Michel Rocard and 1995 Nobel Peace Prize winner Joseph Rotblat, are meeting in Sydney before the commission's first official meeting in Canberra.

Earlier, McNamara told state-owned Australian Broadcasting Corporation radio that the commission had to move the five declared nuclear powers, Britain, China, France, Russia and the United States, towards accepting an end to nuclear weapons.

Chinese films get award in Int'l Film Festival in India

NEW DELHI, Jan 22: Two Chinese films swept top honours at the International Film Festival of India at the end of a 10-day competition which critics said lacked glitz, reports Reuters.

Arafat's victory shows Palestinians endorse peace

GAZA, Jan 22: Palestinians elected Yasser Arafat as their first President by a crushing majority, a result widely seen as endorsing his decision to make peace with Israel, reports Reuters.

Election officials said preliminary results showed that Arafat, who spent almost 30 years spearheading a guerrilla struggle for a Palestinian homeland, won 88.1 per cent of the vote in Saturday's poll.

His only challenger, veteran woman activist Samiha Khalil, received 9.3 per cent and 2.6 per cent of votes were invalid, they said.

"I am very proud of this very important historical, democratic election," Arafat, 66, told reporters. "We hope it will be one of the most important platforms of our independent Palestinian state."

Final results were due to be announced later on Monday, along with those of a parallel election for a Palestinian legislative council to run the West Bank and Gaza Strip.

Members of Arafat's Fatah faction of the Palestine Liberation Organisation (PLO) were thought to have won many of the 88 seats.

The turnout of about 70 per cent of the one million eligible voters was hailed as an expression of support for Arafat's 1993 peace agreement with Israel which made the election possible.

Islamic groups and radical PLO factions boycotted the poll charging that the peace accord was a sell-out to Israel. But candidates once identified with the Muslim

movement stood and many individual Hamas sympathisers voted.

"What is important is the election in itself," Arafat said earlier, standing beside former US President Jimmy Carter, the most prominent of 600 foreign observers monitoring the polls.

The observers judged that voting was free and fair despite some reports of irregularities.

Many world leaders congratulated Arafat on his victory but Arab radicals said the poll was false because it excluded the millions of Palestinian refugees living in Syria, Lebanon and Jordan.

Arafat will rule areas of the West Bank and Gaza Strip freed of Israeli occupation while he negotiates a final settlement of the Israeli-Palestinian conflict in the coming three years.

He has described the 1993 Oslo Peace Accord as the first step on the road to a Palestinian state with Jerusalem as its capital. But Israel says it will never relinquish control of the holy city.

Arafat is now expected to convene the Palestinian parliament-in-exile, the Palestine National Council, in the self-rule areas once Israel allows in the rest of its members, who include some of Israel's bitterest opponents.

One of them, George Habash, head of the Popular Front for the Liberation of Palestine, spurned an Israeli invitation to return as a tactic to help the PLO to amend its constitution to calling for Israel's destruction.

AP adds: Congratulations for Yasser Arafat poured in from across the world Sunday after a historic Palestinian election gave the PLO chief a solid mandate to continue his peace policies.

"It was an approval for the agreement between the Palestinians and ourselves by a very impressive majority of the Palestinian people," said Israeli Prime Minister Shimon Peres.

In Saturday's balloting, Arafat won 88.1 per cent of the vote for president and his supporters won a majority of the 88 seats on the national council.

United Nations Special Coordinator Terje Larsen, who helped broker the landmark 1993 Oslo agreement that launched the Israeli-Palestinian peace accords, called the elections "an essential element of the peace process."

French President Jacques Chirac phoned the Palestinian leader Sunday to compliment Arafat on the "brilliant election" and reaffirm France's recognition of the legitimate rights of the Palestinian people," the presidential palace said.

Clinton declares Pennsylvania disaster zone

WASHINGTON, Jan 22: US President Bill Clinton declared Pennsylvania a disaster area on Sunday because of floods that killed at least 17 people and drove thousands from their homes, reports Reuters.

John Conney, a spokesman for the Pennsylvania emergency management agency said the state is estimating more than 70 million dollar of damage to roads, bridges and homes, and said there were 17 flood-related deaths in the state's worst flooding in history.

The floods caused by melting snows and heavy rains in the past two weeks affected towns throughout the state, officials said.