

Sen calls for anti-poverty blue-print

NEW DELHI, Jan 2: Indian Nobel Laureate Amartya Sen called yesterday for a long-term national blueprint to combat poverty and make education a fundamental human right, says AFP.

"There is no instant solution to these problems when there has been a history of neglect of these issues," Sen said during a meeting with Indian Finance Minister Yashwant Sinha.

About 320 million Indians, or one third of the country's population, live below the poverty line.

The 64-year-old Sen, who has devoted his life to the study of welfare economics and poverty, won the 1998 Nobel prize for economics — the first Asian to receive the award.

Following his hour-long meeting with Sinha, Sen told reporters that education should be labelled a fundamental right as part of an overall commitment towards achieving a higher literacy rate.

India's ruling Bharatiya Janata Party (BJP, India people's party) was forced to distance itself this week from a Hindu fundamentalist ally that accused Sen of belonging to a Christian conspiracy to undermine Hinduism.

Delhi airport upgrades traffic control system

NEW DELHI, Jan 2: The international airport in New Delhi has begun operating on a sophisticated air traffic control system, more than two years after it witnessed one of the worst midair aircraft collisions, an official said Saturday, reports AP.

The new system by US-based manufacturer Raytheon was put in use on New Year's Day and is expected to make plane landings and takeoffs safer. "It worked more or less all right on the first day," said Brijendra Shekhar, general secretary of the Air Traffic Controllers Guild.

The system includes advanced radar and flight data processing that identifies aircraft and provides warnings of possible collisions or dangerously low altitudes.

India's outdated air traffic control system came in for sharp criticism after the midair collision of a Saudi Jelliner and a Kazak cargo plane over New Delhi killed 349 people in November 1996.

The sophisticated system is expected to become operational at the international airport in Bombay in six months' time, Shekhar told The Associated Press.

But the new system was of little help to flights badly disrupted by a dense fog over New Delhi for the past two weeks. The airport doesn't have an upgraded version of the instrument landing system which pilots rely on when visibility is low.

India's Civil Aviation Minister Ananth Kumar earlier this week promised that the upgraded version would be in place by November.

The current system permits landing when runway visibility is at least 600 meters (660 yards). In recent days, fog has reduced visibility at New Delhi to well below that.

Indian newspapers that obtained leaked copies of a judicial investigation said the report found that the Kazak Ilyushin-76 ignored air traffic controller's orders and descended 1,000 feet (300 meters) to 14,000 feet (4,240 meters) before colliding with the Saudi Boeing 747 that had taken off from New Delhi in November 1996.

Kazak officials blamed the crash on obsolete navigational aids and the use of a single corridor for both landing and departing flights at New Delhi's international airport, one of the busiest in the world.

Prices shoot up as Vietnam implements VAT

HO CHI MINH CITY, Jan 2: Most prices in Vietnam jumped between five and 10 per cent yesterday with the implementation of value added tax (VAT), reports AFP.

And while most large multinationals and hotels could afford accountants to help them prepare for the new tax, for the majority of small businesses in Vietnam, the VAT has created plenty of confusion, sources said.

One reason was the government failed to issue written instructions until less than two weeks before the VAT was implemented, and verbal instructions were confusing a best, they said.

"There is going to be a lot of uncertainty. It's very strange, these things should have been in place a long time ago," said one accountant with an international accounting firm.

Part of the problem is most small Vietnamese businesses don't keep proper invoices or expense records.

To get around this problem, the government has a so-called direct method, with the tax liabilities of business being calculated by subtracting total purchases from total sales.

Normally businesses keep VAT invoices at every transaction level, and may deduct the amount of VAT they paid to their suppliers from the total assessed tax bill.

The price of hotels and airline travel was unchanged as a result of the introduction of the VAT, which substituted 10 per cent surcharges already in place.

Competition to prove consumers' boon
Euro gives birth to price differences in Europe

PARIS, Jan 2: The launch yesterday of the single European currency suddenly highlights price differences around Europe, a phenomenon that analysts say should sharpen competition and prove a boon for consumers, reports AFP.

Somebody, for example, buying a movie ticket in Portugal will pay 3.99 euros, while in France the price is nearly twice as much at 7.47 euros (one euro equals around 1.17 dollars).

Observers believe that the psychological effect on consumers seeing prices cheaper across the border for certain products will result in increased competition and an incentive to lower prices, especially in the more expensive northern European countries.

A problem, there, though, is that the eurozone governments impose different levels of taxes on certain goods and products, particularly petrol, alcohol and cigarettes, while initiatives have been mooted to harmonise taxes in Europe, the lack of unanimity is blocking such a move.

Shoppers in Europe are not expected to go border hopping for minor items, although professional buyers and credit card-wielding holiday-makers may have some impact. However big-ticket items such as re-

frigerators, televisions and stereos could push many to travel to a better deal.

The big chains know this and have already taken steps to bring in price marketing strategies based on the euro.

Medef, a French employers' federation, said on Friday that the competitive situation created by the euro will lead to a pressure to cut prices.

The car sector will probably be the first to feel the squeeze, especially as the super-competitive European market is characterised by overproduction.

In September 1998, the biggest automakers — Peugeot Citroen, Renault, Fiat, Mercedes, General Motors Europe and Volkswagen — adopted a common system for adapting to the euro.

From January 4, they will

Prices, in euros, were current as at January 1.

	Big mac	Petrol	Marlboro	Movie ticket	Subway/bus ticket	Milk (1 litre)
Austria	2.54	0.76	2.54	5.01	qmwe	n/a
Belgium	2.82	0.60	2.92	5.94	1.23	0.63
Finland	3.36	0.88	3.70	6.72	1.68	0.65
France	2.74	0.90	2.95	7.47	1.22	1.05
Germany	2.53	0.79	2.68	6.64	1.53	0.71
Ireland	2.34	0.87	[n/a]	6.47	1.01	0.88
Italy	2.47	0.86	2.58	6.71	0.77	n/a
Netherlands	2.47	0.94	2.72	6.80	1.70	n/a
Portugal	3.99	0.83	1.94	3.99	0.49	0.65
Spain	2.25	0.68	1.19	4.50	0.78	n/a

all post car prices in both the national money and in euros.

Colfie, a car industry analysis firm, said the double pricing "will lead to a price alignment whereas national manufacturers used to sell their models at higher prices on their own domestic markets than on exports, because they were trying to gain market share."

Currently, car prices are lowest in the Netherlands, followed by Spain and Portugal, according to a European Commission study. In the heart of the Euro-zone — Belgium, France, Germany, Netherlands and Luxembourg — prices can vary as much as 20 per cent.

Following is a table of a few small everyday items compiled by AFP in 10 of the 11 euro zone countries (Luxembourg is not included).

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Milk (1 litre)

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