

Taiwan legal team to scrutinise Soong bank accounts

TAIPEI, Dec 25: A team of lawmakers, accountants and lawyers announced Friday they will scrutinise bank accounts linked to Taiwan's independent presidential hopeful James Soong and allegedly illicit deals, says AFP.

"I will do all in my power to clear up all deposits and transactions in the accounts and make them public," said legislator Hsieh Chi-ta from the minor opposition New Party who heads the investigation team.

But Hsieh also told reporters she had failed to obtain assistance from the finance ministry and bank authorities when she requested copies of the transaction records dating back nine years.

Financial authorities had alleged Soong held more than one billion dollars in "secret accounts" and had sent several million US dollars abroad.

Soong denied any charges of corruption and his campaign aides have demanded proof of the allegations and accused the finance ministry of invasion of privacy and trying to smear Soong in a campaign strategy.

Last week Soong swore in a temple "I will drop out of politics if one cent is discovered to have been spent for my own business."

He has maintained that all transactions were clearly recorded.

Before the scandal broke, Soong led most presidential opinion polls with a popularity rating of more than 30 percent.

His support has since dropped to between 24 and 28 percent, although he still leads his main rivals -- Vice President Lien Chien-chuan, dominated by the Kuomintang (KMT), and Chen Shui-bian of the Democratic Progressive Party -- by two to four percentage points.

Soong was formally expelled from the KMT last month for standing as an independent in the March 18 presidential election.

Canada economy edges higher

OTTAWA, Dec 25: The Canadian economy grew 0.1 percent in October, the government reported Friday, says AFP.

The pace in gross domestic product growth was roughly the same as September, which was slower than for most other months this year. Statistics Canada said.

The government agency noted, however, that the October increase "marked the 15th consecutive increase in the longest uninterrupted series of gains in over a decade."

The October advance mirrored strong growth in full-time employment, said StatsCan.

There was also a "significant rebound" in wholesaling and increased activity in business services and government services.

But manufacturing output fell 0.4 percent in October, its second straight decline.

Kyocera to buy Qualcomm's cell-phone business

TOKYO, Dec 25: Japan's Kyocera Corp. will buy California-based Qualcomm Inc.'s international mobile telephone business for one billion dollars, the company and news reports said Friday, says AFP.

"Kyocera International Inc., Kyocera's fully-owned firm, has agreed to acquire Qualcomm's terrestrial-based wireless phone business by the end of February," the world's largest manufacturer of integrated circuit ceramic packages said.

"We will take over Qualcomm's CDMA (code division multiple access) wireless consumer telephone business, including phone inventory, manufacturing equipment and customer commitments," Kyocera said.

While the Kyoto-based firm did not disclose the purchase price, the Nihon Keizai Shimbun said the deal was estimated to top one billion dollars.

CDMA is one of several competing standards for global mobile phones, allowing increased capacity, better sound quality, better security, wider coverage and longer talk time.

"Kyocera Group will consequently possess bases in the United States, in addition to Japan and (South) Korea, where we already operate CDMA phone business," Kyocera said in a statement.

Under the agreement, Kyocera will purchase most of its CDMA chipsets and system software from Qualcomm for a period of five years.

Kyocera International, which is also based in California, will soon set up a subsidiary to handle the deal.

With the newly acquired business and its existing manufacturing operations, Kyocera forecast it will sell some 15 million cellular phones, including CDMA models, in the financial year starting April next year.

Holder in DDI Corp., a long-distance phone company and one of two CDMA carriers in Japan.

DDI, IDO Corp., a mobile phone operator, and Japan's largest international telecom carrier KDD announced an agreement this month to merge into a single company next October.

More big Taiwanese bank mergers likely

TAIPEI, Dec 25: Taiwan's largest ever bank merger, between three state-run banks, will prompt more tie-ups as the sector works to boost its competitiveness ahead of Taiwan's expected entry to the WTO next year, officials and analysts said Friday, says AFP.

The cabinet Thursday approved the merger of Bank of Taiwan, the Central Bank of China and the Land Bank of Taiwan, which will form the biggest financial institution on the island.

The merger of the three banks is relatively easy because they are all state-run. The government's supportive attitude will help encourage tie-ups of other banks," Premier Vincent Siew was quoted by the Economic Daily News as saying.

The merged bank, with Bank of Taiwan as the surviving body, will rank among the world's top 50 financial institutions, the paper said.

tutions, the paper said.

The new entity will have assets of 3,711.9 billion Taiwan dollars (117.4 billion US) and its net worth will total 266.1 billion dollars, according to the finance ministry.

The merger procedure would begin in six months and is expected to be completed within three years.

The move was designed to expand operations, bring down costs and increase competitiveness, analysts said.

"Bank mergers have become a global trend and Taiwanese banks will also have to move toward that direction," said Mey Chiang, banking analyst with Taipei-based China Ratings.

Taiwan suffers from over-banking. The market needs consolidation to lower its business risks."

Reports have said that mergers and acquisitions are

being discussed among a number of other banks.

United World Chinese Commercial Bank, Chiao Tung Bank and International Commercial Bank of China are involved in talks for a tie-up while Chiatrust Commercial Bank planned to acquire other institutions, analysts said.

The finance ministry is pushing for more merger deals to boost the competitiveness of local banks as Taiwan works to meet WTO requirements.

"Local financial institutions have to face plunges in profits due to ferocious competition. It has become a matter of survival," said Jonathan Lee, senior analyst with Credit Lyonnais Securities in Taipei.

Local banks' rate of return averaged between five and six percent in recent years, well down on levels of more than 20 percent in the 1980s, Lee said.



A Mitsubishi concept car HSR VI is on display at the 2000 Taipei Auto Show which kicked off Saturday for nine days. The car is equipped with intelligent transport system and auto driving system, and can also lower its body for high speeds. —AFP photo

UN General Assembly adopts \$2.535 billion budget

UNITED NATIONS, Dec 25: The UN General Assembly adopted a two-year \$2.535 billion budget before suspending its 1999 session, with the United States raising objections because of a \$2 million increase over 1998-1999, reports Reuters.

The 186-member assembly passed the budget, after protracted negotiations, late on Thursday night, with many developing nations complaining the funds fell below those requested by Secretary-General Kofi Annan.

But US envoy Dan Hays said Washington was "unable to associate" itself with the consensus on the budget because of the small \$2 million increase. But he said the budget was stronger and more disciplined than before.

"The budget, while not exactly in keeping with our national goals, is incredibly close and there are clear signs in the UN that there is a growing awareness for fiscal discipline," Hays, the US representative for management reform, said before the session.

Canadian envoy Michel Duval, however, said that some new programmes in the budget had not been requested by Annan and it contained too many administrative minutiae.

The US Congress this year passed the Helms-Biden bill that authorised payment for more than half of the US debt to the United Nations -- now at \$1.17 billion -- over three years. Among other conditions, it called for no increase in the UN budget, regardless of inflation or currency changes.

Joseph Connor, the UN undersecretary-general for administration and management, called the budget another example of "remarkable financial discipline." Secretary-General Annan has called the tight bud-

get a "starvation diet." But he said the adoption of the new budget meant the secretariat would be working with fewer resources than it had in 1994.

The agreed budget pays for regular expenses of secretariat staff under Annan and contributions to it are mandatory.

But it does not include peacekeeping expenses, which are calculated separately and are also mandatory for all members. Most of the US debt is for fielding troops during the 1990s.

Taiwan plans to tighten its investment rules

TAIPEI, Dec 25: Taiwan is planning tougher disclosure rules for foreign investors to protect itself against funds originating from arch-rival China once the island joins the World Trade Organisation, local newspapers said today, reports Reuters.

The government plans to amend foreign investment laws and require detailed disclosure of fund sources as well as its final destination, the Liberty Times quoted the cabinet's Council for Economic Planning and Development as saying.

The changes were aimed at preventing "outside funds with hostile intentions," especially mainland China funds, from investing in Taiwan once the island loosened capital restrictions for WTO accession, the official said.

Taipei forbids direct and indirect investment from communist China, a bitter political rival since the Republic of China government fled to Taiwan in 1949 after being defeated by communist forces.

Payments to many other UN agencies, not directly under Anna's control, are voluntary.

The United States earlier this month paid \$151 million to the United Nations, thus avoiding the loss of its vote in the General Assembly, which is automatic under the UN Charter if a country falls too far behind in its mandatory payments.

In total, Washington paid more than \$700 million for dues and peacekeeping to the world body since September, thereby leaving the United Nations' regular budget with a cash balance of some \$110 million -- its first positive balance in six years.

But at the same time a debt of more than \$749 million remains in the UN peacekeeping budget.

Hays said that while there was some "political posturing," the General Assembly committee in charge of the budget, led by Australian Ambassador Penny Wensley who is considered a skilled negotiator, functioned remarkably well compared to similar government or international panels.

The United States is mandated to pay 25 percent of the regular budget and an additional supplement for peacekeeping because it is a permanent member of Security Council that authorises such missions.

The Helms-Biden bill demands that base dues be lowered to 22 percent, an ultimatum Europeans and Japan, which pay more than 50 percent of UN costs, still reject.

In closing the main part of the 54th General Assembly session, Theo-Ben Gurirab of Namibia, president of the assembly, said unfortunately there was no agreement on reviewing and streamlining a new scale of dues assessments.

World seeks to find Man of the Century in retrospect

PARIS, Dec 25: Traditional end-of-year opinion polls to determine the personality who has most marked the previous 12 months have been completely overshadowed this year by polls designed to name the "person of the century," says AFP.

The annual orgy of retrospection has been lent extra spice by the momentous date-change now just a week away, as media columnists, dinner party guests and Internet addicts vie to impose their view of who has left the greatest mark on the century now ending.

The US weekly Time Magazine, which launched its regular "man of the year" feature some 70 years ago, got in on the act early, publishing a list of its own "100 most influential people of the century" and inviting readers to vote on their website

for their Person of the Century.

Though the magazine's editors reserve the right to make the final choice, the project has already caused controversy due to the presence of Adolf Hitler, the German leader who plunged the world into war in 1939, among the front-runners.

Strong objections have been raised to the prospect of appearing to distinguish Hitler in this way, particularly as some of those voting in the electronic poll clearly have pro-Nazi sympathies.

But commentator Pierre Marcell, writing in the French daily Liberation, says he would not be rushing to vote against Hitler in the Time poll.

"If the term Man of the Century designates (...) the man who has done most to change our view of the world, then the author of 'Mein Kampf', the the-

oretician and instigator of the extermination of the Jews of Europe, can indeed lay claim to the 'title', he argues.

"Keeping Hitler off the front page of Time will not keep the reality of Auschwitz out of the history of the century."

Time will tell if Hitler or a more worthy choice such as Albert Einstein or Nelson Mandela appears on the magazine's last cover of the century.

The personal preferences of leading figures such as Bill Clinton and Kofi Annan may also be taken into account.

The US president has said that "as an American" he would opt for Franklin D. Roosevelt, originator of the New Deal, as man of the century, while the United Nations secretary general told Time magazine that the saw Nelson Mandela as an "example of hope and tenacity

for all nations."

Meanwhile media everywhere are running their own polls, with regional preferences inevitably to the fore.

Thus for the Indian daily Hindustan Times, the person-of-the-century contest is being keenly fought between Mahatma Gandhi, father of the country's independence and a renowned apostle of non-violence, and Mother Teresa.

Britons display an attachment to their wartime leader Winston Churchill that is matched by the enthusiasm of the thousands of Turks who e-mailed Time Magazine to vote for Kemal Ataturk.

However in China, students and intellectuals told pollsters that Lenin had left the greatest mark on the century, well ahead of Mao Zedong.

Moving stock is no snap decision for Malaysian crocodile farm

KUALA LUMPUR, Dec 25: Malaysian Marvin Jong is tackling a tricky business situation as the new year approaches but it's not the millennium bug which bothers him, says AFP.

His crocodile farm is moving to a new location in Sarawak state on Borneo island and shifting the stock is far from straightforward.

It takes 15 trained men and one hour to move a 7.5-metre (25-foot) saltwater crocodile weighing 818 kg (1,800 pounds) to its new pond 400 metres away. And Jong has more than 1,000 of them to transport.

Jong, 45, told AFP the task was both difficult and danger-

ous. "It is very difficult to handle crocodiles because of their size. They can either bite or smash us with their tail," he said.

He and his brother Johnson faster a mouse under the croc's jaw, pull its snout into a rattan cage and blindfold it to stop it moving.

The Jong brothers then tie the body including the tail to a plank and transport the reptile to the new farm on a tractor.

"We do not allow our workers to tie the crocodiles as it is very risky and they could get hurt," said Jong, adding that no one had been injured since work started on December 19.

The move is expected to be

completed in February.

Costing three million ringgit (789,000 dollars), the new farm is bigger and will allow the reptiles to move about freely, said Jong, whose business is located between the state capital Kuching and the town of Serian.

The Jong brothers started breeding crocodiles as a hobby but it eventually became a business. They export young reptiles to zoos in Japan, China and Florida in the United States.

They also have a small zoo with leopard cats, sambar deer, rhinoceros hornbill, sunbeams, monitor lizards, fruit bats and a variety of birds.

China legislature may get power to oversee budgets

BEIJING, Dec 25: China's legislature is expected to pass a law this week giving itself the power to oversee the central government budgets, the official China Daily reported Wednesday, reports AP.

If approved by the legislature's executive committee when its current session ends Saturday, the law would strengthen the power of the National People's Congress and provincial legislative bodies.

Giving legislatures supervisory powers over budgets will help reduce rampant corruption, the China Daily quoted legislator Gu Jinchai as saying during a debate Tuesday on the proposed law.

Asia-Pacific MARKETS

24 December closings

TOKYO
Nikkei 18,584.95 (123.02) 0.7%

TAIPEI
Weighted 8,219.45 (+135.96) 1.7%

SINGAPORE
ST Index 2,446.57 (+22.42) 0.9%

SEOUL
Composite Index 991.63 (+17.47) 1.8%

24 December closings

HONGKONG
Hang Seng 16,833.28 (+537.20) 3.3%

BANGKOK
SET Index 461.29 (+0.11) 0.0%

KUALALUMPUR
KLSE Index 783.10 (+1.05) 0.1%

SYDNEY
All Ordinaries 3,135.30 (+17.8) 0.6%

World MARKETS

23 December closings

LONDON
FTSE 6,776.8 (+48.2) 0.72%

NEW YORK
Dow Jones 11,405.76 (+202.16) 1.80%

FRANKFURT
DAX 6,782.39 (+289.86) 4.46%

From ENIAC to Internet: living in the computer age

PARIS, Dec 25: "I think there's a world market for about five computers," says AFP.

The words of Thomas Watson, then chairman of IBM, spoken in 1943, must go down in history as one of the greatest underestimates of all time.

But then, in 1943, who could have forecast that those primitive automated calculating machines would one day evolve into the PCs sitting on desks and in homes everywhere, welling a new, technology-driven economy which would link individuals across the planet into an ubiquitous information web?

The computer's development began relatively quietly, building on the work of British inventor Charles Babbage in the 19th century and adding electrical circuits.

The watershed creation deserving of the name "computer" was Colossus, a number-cruncher designed by another Briton, Alan Turing, pressed into service in World War II to crack German codes.

The existence of Colossus, credited with playing a major role in the defeat of the Nazis, was kept secret until 1970 and some of its algorithms still re-

main under wraps today.

Soon afterwards, the United States built its first real contribution to this evolving field: the Mark I, designed jointly by Harvard University and IBM, which was used by the US Navy to compute weapon trajectories. The Mark I also yielded the first computer bug -- a real one -- when Grace Murray Hopper, the computer's first programmer, plucked a dead insect out of a relay in the machine and taped it into a log-book.

The culmination of advances in the nascent computer field led to feverish academic activity on both sides of the Atlantic, attracting corporate curiosity and resulting in what many consider the first "real" computer: an 80-tonne monster replete with 18,000 vacuum tubes named ENIAC.

Popular Mechanics magazine saw in ENIAC a big future in smaller computers. "Computers in the future," it predicted breathlessly in 1949, "may have only 1,000 tubes and perhaps weigh only one and a half tonnes."

Two years later a computer called UNIVAC stole the show when it was introduced on US

television during a presidential election and correctly forecast a landslide victory for Dwight Eisenhower after only five percent of the ballots were counted.

For a brief time after that, the word UNIVAC was interchangeable with computer -- and computer forecasts have been a regular fixture in election broadcasts ever since.

Computers were then brought into the business market by a handful of companies of both sides of the Atlantic. IBM quickly carved out a dominant role, bringing out successively more powerful and smaller computers and eventually entering the personal computer (PC) market in 1981 in which it created a de facto standard.

IBM's wasn't the first horse out of the gate, however: throughout the 1970s a handful of PCs were brought out, including -- most importantly -- the Apple II.

But the established corporations didn't immediately see a viable market for these machines -- not even when an unknown named Bill Gates founded a small firm called Microsoft in 1975 and started selling programming software for a

cheap and basic computer known as the Altair.

As Ken Olsen, the chairman and founder of Digital Equipment Corp., was quoted as saying in 1977: "There is no reason anyone would want a computer in their home."

From there, though, the market exploded. Computers went from office and home curiosities to indispensable interfaces to... well, you name it: automatic teller machines, supermarket scanners, mobile telephones, car "supervisors", televisions...

To appreciate just how important computers have become to the world economy, it is enough to consider which is the world's biggest company in terms of market value: Microsoft.

The evolution of the Internet that has seen it develop from a 1960s US military link-up to a global communication tool, library and shopping centre today has made telecoms companies hot property and raised the prospect of a truly interconnected world.

But the rosy outlook isn't for everyone. Huge regions in the world -- Africa and China for example -- are largely out of the silicon loop. And even if the decreasing cost of computing and the inexorable advance of the World Wide Web promises that situation won't last forever, the gap between the world's rich and poor countries appears also to have delineated -- at least for now -- the information haves and have-nots.

And then there's the millennium bug problem, also known as Y2K, laid at the door of shortsighted computer makers who, right up to the last few years, programmed computers to count dates with only the last two digits of a year.

The result has been that many countries, corporations and individuals who boarded the digital express hauled along by the "computer may" find that their investments will very shortly let them down by reading the year 2000 simply as 00 -- understood by many machines to be 1900.

The century of invention: creation and destruction

PARIS, Dec 25: The 20th century has been an astonishing breeding ground for ideas, yielding inventions that have rendered life easier, healthier and longer than ever before, and given mankind the means to destroy itself, says AFP.

Picture an inventor from 1900 who by some magic could catch a glimpse of life a century later.

He would recognise some machines, such as the car, the telephone or plane, that would have evolved from innovations of a century ago.

Some, such as spacecraft, lasers or deep-sea submarines, would have existed only as fanciful notions in the minds of fu-

turists of his time.

Yet others would have been conceivable to him: the computer, the Internet, nuclear power, genetic engineering and many more.

The past hundred years began with the horse and carriage; the ink pen and ledger; knowledge that was confined to libraries and a tiny elite; and diseases, epidemics and deformities that could brutally truncate lives.

It ends with robot emissaries sent from the Earth to the farthest bounds of the solar system; e-mail and live satellite TV; the democratisation of knowledge, through the Inter-

net; and medical breakthroughs that have made the plague, smallpox and catarracts the stuff of bible stories.

And more miracles are in the pipeline, as the century of physics yields to the century of biotechnology.

Some time in the next year, molecular biologists will publish the first rough draft of the genome, the map of what, chemically, makes up a human being.

"In just a few short years, we will have moved from knowing almost nothing about our genes to knowing everything," says the science writer Matt Ridley, in an upcoming book,

"Genome -- The autobiography of a species in 23 chapters." I genuinely believe that we are living through the greatest intellectual moment in history. Bar none."

Twenty-five years from now, according to some predictions, DNA chips could analyse a patient's genetic makeup, allowing doctors to administer genetically-tailored medicine to cure types of cancer, haemophilia, heart disease and sickle-cell anaemia.

Vaccination or treatment may have been found for AIDS and for complex brain disorders, such as Parkinson's, Huntington's and mad-cow dis-

ease. Nano-robots, the size of a germ, could swim through your bloodstream, measuring your body's vital signs or scouring the arteries free of dangerous deposits.

Yet there is also a dark side. The 20th century began promisingly, with a shining faith in science as a vehicle for human progress. As Jules Verne optimistically declared, "Whatever one man is capable of conceiving, other men will be able to achieve."

But two World Wars and a Cold War harnessed many brilliant minds to the business of destruction rather than

progress. On the brink of the 21st century, the attitude towards what goes on behind laboratory walls is frequently sowed with fear and cynicism.

Two of the greatest breakthroughs in knowledge -- atomic fission and DNA -- have brought two of the greatest perils: the proliferation of nuclear weapons and the risk of human cloning.

"Science has increased man's control over nature, and might therefore be supposed likely to increase his happiness and well-being," the philosopher Bertrand Russell once wrote.