

Japanese military plans to transfer patents to pvt sector

TOKYO, Jan 12: Japan's defense agency plans to transfer some of its military technology patents to the private sector to be used in consumer products, a press report said Friday, reports AFP.

The agency may also encourage private use of military technologies by declassifying some that have up till now been classified for security reasons, the Daily Yomiuri newspaper said Friday.

The agency apparently wants to create the impression among the public that the huge defense budget, which has come under fire, can prove useful for improving people's daily lives, the paper said, citing sources close to the defense agency.

To make the plan possible, the Ministry of Economy, Trade and Industry (METI) - formerly known as Ministry of International Trade and Industry - is keen on applying a 1999 law that encourages technologies developed under government projects to be transferred to the private sector, the newspaper said.

The defence agency plans to reclassified patents for non-classified military technologies as early as next fiscal year, which will start in April, the Yomiuri said.

A spokesman for the defense agency denied the news report, however, saying that the agency has no immediate plan to transfer its patents.

"It's true that the 1999 law guides government agencies to review whether their patents can be transferred to private industries," the spokesman said, declining to be named.

"So we are reviewing it. But the review process is not pointing in the direction of releasing patents," he added. The spokesman said the agency annually spends about 140 billion yen (1.15 billion dollars) on research and development projects.

"Many of our technologies are classified for security reasons," he said.

2-day ASEM finance ministers' confce begins today Japan for setting post-crisis currency regime stage

KOBE, Japan, Jan 12: Japan urged its Asian partners on Friday to set the stage for a post-crisis currency regime by learning from Europe during a two-day meeting here this weekend, reports AFP.

"Asia should learn from Europe in order not to repeat the regional currency crisis," Vice Finance Minister Haruhiko Kuroda said in an interview with Japanese newspapers.

"We have to consider a new mechanism to stabilise foreign exchange rates," Kuroda told publishers including the Nihon Keizai Shimbun business daily.

"In terms of currency cooperation, Europe is an advanced economy as it has launched its single currency the euro," Kuroda said. "We want them to tell us their experience and lessons."

Japan hosts a two-day conference of finance ministers from the Asia-Europe Meeting (ASEM) bloc starting Saturday in the western port city of Kobe, bringing the 15 European Union members together with 10 Asian countries.

Ahead of his departure for Kobe, Finance Minister Kiichi Miyazawa said the ASEM participants should hold a frank dialogue to review the progress of the fledgling euro.

"We will learn from the moves of the euro over the past two years," Miyazawa told a news conference in Tokyo.

"It is meaningful to hold a free discussion to consider things from the mid- and long-term points of view," he said. European finance ministers are expected to press their Asian counterparts in Kobe to adopt the euro as another reserve currency alongside the dollar, according to officials in Brussels.

But the Japanese vice finance minister said that during the meeting, Tokyo would propose adopting a basket of currencies based on the yen as a trading target for other Asian currencies.

"It is an important issue for Asia to establish an appropriate currency system," Kuroda said. "Japan considers a currency basket as preferable."

The European Monetary System (EMS) which underpins the euro was a good example for Asia, Kuroda said.

"Europe has had EMS, which was based on a basket system," he said. "As a mid- or long-term project, we have to consider introducing a system like EMS in ASEAN (Association of Southeast Asian Nations)."

"This may lead to a common currency in the future." There has been talk of a common currency for the ASEAN members, but all participants acknowledge it is likely to be decades before the region is ready for one.

"More immediately, the ASEAN Plus Three nations (Southeast Asia plus Japan, China and South Korea) are considering a currency swap system, on which Asian nations could draw to stabilise their currencies in times of market panic."

Asked whether Asia could launch such a system with Europe, Kuroda said: "We have just started discussing currency cooperation. Our priority is to strengthen this relationship. It is impossible for the time being."

Kuroda warned that Asia must use the ASEM meeting to revive waning interest from European investors, many of whom were scared away from the region by the 1997 currency crisis.

"Europe is losing its interest in Asia as an investment destination," the Japanese official said.

"The impact of the slowing US economy on Asia, Japan and Europe will also be high on the agenda of the Kobe meeting.

"There is a concern that the Asian economy will decline from now on," Miyazawa said.

His deputy, however, downplayed the impact. "But Asian countries are expected to grow by five or six per cent this year while growth of about two per cent is expected in Europe. So, (the US economic slump) may not be so serious," Kuroda said.



Nurul Islam, Chairman of the Board of Directors of National Credit and Commerce Bank Ltd, opens the new premises of Laldighirpar Branch at Sylhet on Thursday.

Germany won't suspend export credits to Russia

BERLIN, Jan 12: Germany has decided not to suspend export credit guarantees to Russia for the time being following delays in Moscow's servicing of its Paris Club sovereign debts, the economics ministry said on Friday, reports Reuters.

"No suspension of cover has been decided," a ministry spokeswoman told Reuters following a meeting on Thursday of officials from the finance and economics ministries, the Hermes export credit guarantee agency and the private sector.

"Russia's behaviour will continue to be observed." Two further business guarantees were decided yesterday, the spokeswoman added.

Moscow has said it will only meet only part of its payments obligations on its \$48 billion Paris Club debt in the first quarter of this year. Russia owes two-fifths of that debt to Germany, its largest foreign creditor.

Uzbek president blasts officials for economic slowdown

TASHKENT, Jan 12: Uzbek President Islam Karimov threatened senior officials with job losses late Thursday as living standards decline amid an economic slowdown in the Central Asian state, reports AFP.

Japan economy to recover from now on: Miyazawa

TOKYO, Jan 12: Japanese finance minister Kiichi Miyazawa on Friday insisted improving profits pointed to an economic recovery, even as Tokyo stock prices languished around two-year lows and the yen continued to slump, reports AFP.

"The Japanese economy will recover from now on," Miyazawa told a news conference.

"It is very clear when you look at corporate profits," he said. Many major Japanese companies, especially those in hi-tech and "new economy" sectors, posted strong earnings in their interim results to September.

Miyazawa was unperturbed by the yen's accelerating fall towards the 120 to the dollar level. In Tokyo trade Friday it dropped below 118 to the dollar for the first time since July 22, 1999.

"If the yen falls significantly, the Japanese economy will be troubled, but there is no need for concern at this level," he said.

"Demand is very strong," he said. The minister's upbeat remarks were in stark contrast to comments in Washington Thursday by the influential former Japanese vice finance minister for international affairs, Eisuke Sakakibara.

Nicknamed "Mr Yen" in his heyday for his influence on currency markets, Sakakibara told a conference that Japan faces a "gloomy" economic outlook.

"The outlook for the Japanese economy is gloomy. The Nikkei (stock index) may go as low as 12,000 points and if it breaks through that level you don't know how far it could go down," he said.

The index closed Thursday at 13,201.07 points, its lowest level in 27 months, before recovering 146.67 points the following day.

Miyazawa expressed some concern, however, over the off-loading of cross-shareholdings by companies ahead of the March fiscal year end, which is contributing to oversupply and the slump in stock prices.

"I wonder whether it is appropriate for corporations to tighten the rope round their own necks, or not," Miyazawa said. Asahi Bank Research Institute's senior analyst Makoto Nagai said that Miyazawa's remarks represented an attempt to talk up the Japanese economy.

"I think Miyazawa showed optimism to dispel fears over the Japanese economy," Nagai said, although he agreed with Miyazawa's overview of the economy.

"Basically, corporate profits have been steady," he said. "The economy is not about to deteriorate further."

"The lower yen will have a more positive effect on Japanese corporate profits, much of which come from exports, than a higher one," Nagai noted. Japanese exporters need not fear for their markets because the United States has been easing fiscal policy, which should ensure its economy avoids a hard-landing, he said.

"The European economy will also not worsen as the European Central Bank (ECB) has become more sensitive to the state of the economy."

Japan Research Institute senior economist Hidehiko Fujii said the Japanese economy would recover eventually rather than immediately. "I do not think Japanese economy will recover in the next month or so because of the low stock prices and weak yen," he said.

"But if we look ahead half a year, or a year, the picture will be totally different from the present.



A young customer's lips are coloured by a local salesgirl with Japanese cosmetics at Hanoi's Lunar New Year Trade Fair on January 12. Vietnam is a promising market with the young generation being influenced by Western lifestyle and thanks to economic growth.

Laldighirpar branch of NCCBL relocated

The Laldighirpar branch of National Credit and Commerce Bank Limited (NCCBL) has been shifted to its new premises at Idris Bhaban at Mahajan Parity in the town, says a press release.

The shifting has been done to extend better services to the bank's clients. Nurul Islam, Chairman of the Board of Directors of the Bank, formally opened the functioning at the new premises as chief guest on Thursday.

Mohammad Sajidul Haq, Managing Director of the bank, presided over the function. Mir Abdur Rahim, General Manager, Bangladesh Bank, Sylhet, and Senior Executives of the bank were present on the occasion.

Speaking at the function, the chairman of the bank said NCCBL is now getting equipped to handle all kinds of banking services to the customers.

The Managing Director of the bank said NCCBL has achieved a remarkable growth during the year 2000. It made an operating profit of Tk 42.92 crore, while the profit of 1999 was Tk 29.11 crore.

China insurance premiums climb 14.5pc in 2000

BEIJING, Jan 12: China's insurance sector reported a 14.5 per cent year-on-year increase in premium income in 2000 to more than 19 billion dollars, state media reported Friday, reports AFP.

The China Insurance Regulatory Commission (CIRC) announced that 37.5 per cent of the income, or 59.8 billion yuan (7.2 billion dollars), came from property insurance, the official Xinhua news agency said.

Life insurance premiums generated the remaining 99.8 billion yuan (12 billion dollars), the agency said. In 2000, insurers paid out a total of 30.6 billion yuan (3.7 billion dollars) in claims.

Yen falls to 17-month low against dollar

TOKYO, Jan 12: The yen remained under selling pressure in Tokyo Friday, sinking to a 17-month low against the dollar as investors failed to take comfort in modestly rebounding Japanese share prices, dealers said, reports AFP.

At one point, the yen hit 118.23 to the greenback, its lowest level since July 22, 1999. The Japanese currency was worth 118.14-17 to the dollar at 5:00 pm (0800 GMT), sharply down from 117.62 in New York and 116.69-72 in Tokyo late Thursday.

Against the euro, the yen was worth 112.80, also well down from 109.80 in Tokyo late Thursday.

"So-called 'Japan-selling' is under way," said Fuji Bank dealer Hideyuki Tuskamoto, pointing to the recent slump of Tokyo share prices.

A major institutional investor launched heavy yen-selling and this is sending the yen further down the hill," he said. "As the yen has fallen to the current level very quickly, it will not take long to plunge to near the 120-yen level," the dealer predicted.

Investors initially sold the dollar for profit-taking after it rose to 118.05 yen in early trade, said Toyo Trust and Banking dealer Kenichi Ishiwaki. But the yen's respite was shortlived.

Bank of Thailand sees room for easing fiscal policy

BANGKOK, Jan 12: The Bank of Thailand said today there was room for the new Thai government being formed by the Thai Rak Thai (Thais Love Thais) Party of telecoms tycoon Thaksin Shinawatra to relax monetary and fiscal policy this year, says Reuters.

The central bank spokesman Baudid Nitithaworn told reporters he believed it would be feasible for Thailand's fiscal budget deficit this year, projected at three per cent of gross domestic product (GDP), to rise to 3.5 to 4.0 per cent.

This compares with an estimated deficit of 4.1 per cent of GDP in 2000. Baudid's statement suggested there was room for big-spending economic policies pledged by Thaksin during his campaign.

Thailand's Thaksin is projected by unofficial vote counts to have won a majority in the 500-seat lower House of Representatives. It is the first ever political party to have gained a parliamentary majority.

The central bank spokesman reiterated the BOT's policy of keeping interest rates low. "A bigger fiscal budget deficit can complement our monetary policy in reviving the economy," he said.

Baudid said he agreed that fiscal and monetary policy could be relaxed to stimulate domestic consumption this year, provided that Thailand's financial and fiscal discipline remained intact.

He said: "A greater focus is called for in reviving and boosting domestic spending."



Money dealers are busy trading under an electronic price board indicating 117.73 yen against the US dollar at the Tokyo Foreign Exchange market January 12. The Japanese yen slipped against the US dollar on growing pessimism about the Japanese economy.

Infosys to set up development campus in Hyderabad

BANGALORE, India, Jan 12: Indian software giant Infosys Technologies said Thursday it had signed a pact with the government of southern Andhra Pradesh state to set up a software development campus, reports AFP.

The project, housing 1,200 software professionals, will be set up within two years in the state capital Hyderabad with an initial investment of 800 million rupees (17.4 million dollars).

"Infosys will invest a further one billion rupees in facilities for setting up an additional 1,300 software professionals in the second and third phase of the project, in the next three years hence," a company statement said.

The Andhra Pradesh government has provided 30 acres (12 hectares) of land and Infosys has retained the option to purchase a further 20 acres for future expansion.

Infosys is headquartered in Bangalore, the IT capital of India and on Tuesday reported a 125.4 per cent year-on-year surge in net profits for the third quarter ending December.

"Infosys has followed a strategy of setting up world-class software development campuses which cater to the overall well-being of its human resources and help local talent," Narayana Murthy, chief of Infosys said.

"Hyderabad is an important destination for investment on the country's IT map," he said.

Malaysia plans mission to France to woo new investments

KUALA LUMPUR, Jan 12: Malaysia will send a trade mission to France in the next few months to woo more investments particularly in the manufacturing sector, a minister said Friday, reports AFP.

International Trade and Industry Minister Rafidah Aziz said many French companies had expressed interest in investing in Southeast Asia once the ASEAN Free Trade Area (AFTA) comes onstream in 2003.

"Having come out of recession, the potential of doing business in this country is that much greater," she was quoted as saying by Bernama news agency following talks with a group of French senators.

Behind Internet rout, e-learning educates online generation

LONDON, Jan 12: The dot-coms are dying the 'new economy' is under siege, but behind the scare stories and e-commerce disappointments, the Internet is quietly revolutionising the way big business develops its most valuable asset: its staff, reports AFP.

E-learning is emerging as a multibillion dollar industry, as companies seek to harness Internet technology to train far-flung staff more effectively - and cheaply - than ever before.

London this week largely agreed with the prophecy of John Chambers, chief executive of new economy trailblazer Cisco Systems, who said: "The next big killer application on the Internet is going to be education."

With its virtual classrooms, interactive distance learning and multiple learning channels, e-learning can do far more than just trim a company's travel and accommodation costs, executives said.

It can reduce the risk of staff not knowing critical information about their products or services, or the legal framework, which might otherwise leave a company open to lawsuits.

In short, e-learning can help boost morale, cut costly staff turnover and help a company attract, retain, and get the best out of talented employees.

"There is certainly a general agreement that e-learning is very important," said David Appleton, who is heading up an e-learning team at oil giant BP.

"There is a need to refresh learning skills on a regular basis. BP has set up a learning portal on its intranet. Employees are encouraged to match the personal skills they need for their job requirements, and use the website to plug the gaps, be they financial, technical or to business objectives," said Joe Gaglio, a managing director of consultancy giant RPMG, adding that financial benefits can often be difficult to quantify.

Colin Wilson of London Underground agreed, adding that a pilot programme at the publicly-owned transport operator had shown that "the benefits are likely to be qualitative rather than financial."

Another development manager of a large British retailer told AFP that the sort of seven-figure costs associated with a basic e-learning network would eat up more than half his annual budget.

But at the Royal Bank of Scotland, a five-million-pound e-learning programme is already starting to make a difference, particularly with staff morale, according to bank consultant David Buglass.

"Training had been indicated as the number one reason for leaving on staff exit surveys," Buglass said. "We needed to look at a reduction of staff turnover, recruitment costs were starting to spiral."

The bank's e-learning network involves a set of interactive training modules, a virtual classroom and go-at-your-own-pace distance learning activities for staff to receive instruction at their branches.

Buglass said the programme had already had an impact at the bank, but warned of one problem for all companies seeking to buy in e-learning packages. "There is a real shortage of true quality suppliers of e-learning programmes out there," he said. "If you're an instructional designer you can start asking for lots of money very very soon."