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LEADERS TAKE EURASIAN LANDBRIDGE INTO FULL SWING!  
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<http://www.eirna.com/html/reports/eurasiae.htm>

[http://members.tripod.com/~american\\_almanac/silkroad.htm](http://members.tripod.com/~american_almanac/silkroad.htm)

<http://www.grailnet.org/>

[Source: Vestnik Yevrazii]

Jan. 18 (EIRNS)--EURASIAN TRANSPORT CORRIDORS IN RUSSIA. The concept of the North-South transport corridor, just approved by the Indian Government was agreed among Russia, India, and Iran back at the St. Petersburg International Eurasian Conference on Transport, where some 50 nations took part. {EIR} has learned that a publication called {Vestnik Yevrazii (The Eurasian Herald)}, published in Russian and available on the Internet, carried a major article on that occasion, which focussed on the leading minds, behind the concept of Eurasian continental development along transportation corridors. The article by A.A. Slavokhotov was titled "Russia is a Main Thoroughfare." The author contrasted the enthusiasm for new, Eurasian development perspectives, to the "end of history" and "clash of civilizations" ideology of Toffler, Fukuyama, and Huntington. Slavokhotov suggests the conceptions of Russian historian and philosopher Lev Gumilyov (the son of the poet Anna Akhmatova) as a bet!

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r point of departure for thinking about the peoples of Eurasia, then writes: "In addition, it is appropriate during discussion of this topic, to adhere to the principles of the antipode to the monetarist economics, which has acquitted itself so poorly in Russian conditions -- namely, physical economy, the theory developed by the founder of the Schiller Institute and continuer of the ideas of G. Leibniz (1646-1716). "In 1989 a concept was developed for political cooperation and economic development in continental Europe and Eurasia. By 1993, this concept had been honed into the idea of creating a bridge among the Eurasian countries, i.e., a program for development of the economy and infrastructure of all Eurasia. "Also valuable in this connection, are the ideas of the Russian scientist P. Kuznetsov [Pobisk G. Kuznetsov], who has put forward the idea of developing global life-support systems, and called for the elaboration of an international program, subsuming the social prod!

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tion system of any country, at any level of economic develo!  
pment, and any form of property ownership...." This article (of which only part of the beginning part is reported here), is just one example of a new surge of discussion of ideas, in various locations on ru-net, the Russian part of the Internet. [RBD]

[Source:The Dawn: New Delhi]

Jan. 17--TALKS ON RAILROAD LINKS WITH INDIA BEGIN. India and Pakistan began talks on Wednesday to decide whether to renew a 1991 agreement on rail links, or to forge a new accord, an Indian official told The Dawn. "It will be a total review of the 1991 agreement covering all technical and other railway-related issues. It will be discussed whether to have a new agreement or whether the 1991 agreement will be modified or renewed," the Indian official said. A passenger train travels between the two countries twice a week, and the frequency of freight trains varies on demand. The trains travel between points close to the border. The Indian authorities had long been talking about opening the old railway line between Gujarat and Sindh. Pakistani response on this has not been heard so far. [rma]

[Source: Bernama/AFP, Osaka, 01/18/2001]

DR. MAHATHIR CALLS ON JAPAN TO GO WITH THE AMF, RETURN TO POLICIES OF THE '60S AND '70S. Malaysian Prime Minister Dr. Mahathir delivered a keynote address today in Osaka to a symposium sponsored by the Mainichi Shimbun press group, on the theme "Promoting Mutual Understanding between Asia and Japan, especially Kansai." The symposium kicks off a campaign to revive the country's economy, especially in the Kansai region. In his speech, only excerpts of which were available as of this report, Dr. Mahathir reminded Japan that with its financial strength and technology, it can accelerate its economic recovery and that of East Asia by increasing investment and setting up the Asian Monetary Fund. Japan can produce to build the Asian market, especially if Japan returns to its strategy of the 1960s-70s of producing high-quality, low-cost goods for East Asia. He continued that Japan's East Asian neighbors have been distressed by its inability in the past decade to pull out of recession!

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suggesting "you don't have to stop trading with Europe and America, but we will provide you with a big additional market. But first help us to recover by investing in our countries and setting up the AMF.... We are even more distressed when Japan seems to value its relations with America, in particular, more than with East Asia."

Japan should not discard its old practices of politics, economy and financial management in favor of Western methods, he said, which Western practices have so taken hold that "Japanese youths want to be blondes, work less and play more.... I suspect that just as the Japanese East Asian Empire ended in disaster, the Japanese copy of the Western ideologies and systems will have the same end result...."

While not a believer in the "Asian Century," he does believe that this should be the century of the world: "If we enrich all the countries in the world, we will have a fantastically rich market, which can only enrich every country.... it is not easy, it will take time and patience, but it can be done." Japan, together with East Asia, must help rethink human values and norms, and proffer their solutions to the world's financial and economic problems. "It is not good for Japan and Asia to become prosperous through mutual understanding, if it is not going to result in prosperity for the rest of the world." [ggb]

[Source: Irna, Jan. 16]

INDIAN CABINET GIVES GO-AHEAD FOR NORTH-SOUTH TRANSPORT CORRIDOR PROJECT WITH RUSSIA AND IRAN. The cabinet decision, made public this morning, will enable India to build a direct land link by rail and road to Russia, which now can be reached by Indian export goods only by sea. Reductions in transport costs will be at least 20 percent, Indian Technology Minister Pramod Mahajan said after the cabinet session in New Delhi today.

The North-South corridor project, signed during the visit of Russian President Vladimir Putin to India, Oct. 3, also involves a branching link to Europe, via Iran. At present, Indian goods can reach Europe only by sea, via the Dutch port of Rotterdam. (rap)

[Source: ACSNA, Jan. 15]

CHINA WILL FUND THE CONSTRUCTION OF A CRUCIAL RAIL LINK FROM GEORGIA TO TURKEY. As has now been made known, the agreements signed between visiting Chinese Foreign Minister Tang Jiaxuan and his Turkish colleague, Ismail Cem, in Ankara on Jan. 8 (see MMC slug, that day), include Chinese funding of the railway project Kars-Tbilisi.

Establishment of that link would enable China to transport commodities all the way through to Europe, via Central Asia. A first Turkish attempt to realize the project in cooperation with neighboring Georgia was begun in 1997, but failed two years later under financial strains caused by IMF conditionalities and the giant earthquake in Turkey. (rap)

[Source: Bernama, 1/16, Osaka]

MALAYSIAN PRIME MINISTER MAHATHIR BIN MOHAMAD IS VISITING JAPAN FOR FOUR DAYS. Arriving on Jan. 18, Dr. Mahathir will address a symposium on "Promoting Mutual Understanding for Asian Countries," sponsored by Mainichi Shimbun. Mainichi is also releasing a book composed of the 17 columns Dr. Mahathir wrote for their newspaper over 1999 and 2000. He will join the Thai Foreign Minister, Surin Pitsuwan, and the South Korean Ambassador to Japan, Choi Sang Yong, and others from Japan, for a panel discussion. He will have several business meetings, and will appear on a TV panel discussion with Tokyo Mayor Shintaro Ishihara (the extreme fundamentalist/chauvinist of "The Japan That Said No" fame, who also co-authored a book with Dr. Mahathir called "The Asia that Said No"). [mob]

[Source: AFP, New Delhi, 1/16]

ASEAN WILL HOLD A MEETING IN INDIA THIS WEEK TO EXTEND THE DIALOGUE. India, as a dialogue partner of ASEAN, has been aggressively building bridges with Southeast Asia, calling for ASEAN+3 to be ASEAN+4. PM Vajpayee has just concluded an historic visit to Vietnam and Indonesia. The New Delhi meeting on Wednesday will be addressed by Indian Foreign Minister Ajit Panja. [mob]

[Source: Beijing, Shanghai, Jan 15-16, Nihon Keizai, Korea Times] NORTH KOREAN LEADER TOURS CHINA ON ECONOMIC DEVELOPMENT. North Korean leader Kim Jong-il is visiting Shanghai Jan. 15-16, and then Beijing, Shanghai officials told the Korea Times. He is gathering information to make his case inside North Korea that the country should emulate China, and open up to economic cooperation with South Korea under Seoul's Sunshine Policy.

"Kim's Trip May Declare NK's Opening" is today's Korea Times headline. They noted that Kim urged senior Workers' Party officials to adopt a "new thought", in a speech reported early this month by the official Rodong Shinmun (Workers' Daily). "Kim is visiting Shanghai, the symbol of China's economic reform and development, to witness the success of the Chinese development model with his bare eyes," Korea Times reports. The Sunshine policy is very controversial inside Pyongyang, and thus the high-security secrecy of the trip.

Kim-jong Il is also set to visit South Korea and Russia in the first half of this year -- major steps for North Korea -- and also wants to "pre-empt any negative actions by U.S. President-elect George W. Bush, who might take a tougher stance against the Pyongyang regime."

Yonhap News Agency said Kim is visiting Shanghai's financial district in Pudong and the Shenzhen Special Economic Zone near Hong Kong during a six-day visit. Korea Times said Kim would meet with both Chinese President Jiang Zemin and Premier Zhu Rongji afterwards. It said his promise to visit Seoul, along with the issue of relations between North Korea and the new administration in the United States, would be on the agenda. Kim visited China between May 29 and 31 last year, his only other trip abroad ever as North Korea's leader, before his historic June 12-14 summit with South Korean President Kim Dae-Jung. [KSW]

Source: Der Spiegel, No. 3, Jan. 15]

THE GERMAN GOVERNMENT IS WILLING TO TRANSFORM ONE-FIFTH OF RUSSIAN DEBT INTO REAL ECONOMIC INVESTMENTS, the German weekly Der Spiegel reported in a review of the Jan. 6-7 talks between Russian President Putin and German Chancellor Schroeder.

One-fifth of the DM70 billion that Russia owes to Germany, is 13 billion marks-- a respectable sum. The interesting aspect here is that this is same amount as the old Soviet transfer-ruble debt to East Germany, transferred into West German marks, and this category of sovereign debt is outside the debt listed at the Club of Paris.

Therefore, while a bilateral affair, the mere scope of the DM13 billion deal would also have--as the Russians hope--an unavoidable impact on the discussion about Russia's sovereign debt to other Western creditor states.

The talks about the coming German-Russian debt deal, which Schroeder and Putin want to have prepared for the first session of the newly created "St. Petersburg Conference" in late April, are naturally not welcome in hard-core monetarist Western circles: there are, as is reported in Germany, angry assessments already to the effect that Putin's Russia is going to replace Uncle Sam with "Uncle Fritz," in economic dealings. (rap)

[source: Itar-Tass, Jan. 12]

Jan. 13--RUSSIA READY TO SHIP FIRST NUCLEAR PLANT COMPONENT TO IRAN. Following the Russian government's announcement recently that it was abrogating any ``agreement'' it had through the Gore/Chernomyrdin Commission, halting nuclear cooperation with Iran, Itar-Tass reported yesterday that the footing for Iran's first nuclear reactor in Bushehr was ready for shipping by Atommmash from Volgodonsk. The Bushehr reactor was begun by Germany and then halted after the Iranian Revolution in 1979. This issue will likely be one of the first on the table with Russia for incoming the Bush Administration. [mgf]

[Source: United News of India: New Delhi]

Jan. 13--CHINA'S LI PENG CALLED UPON ``FAR-SIGHTED STATESMEN' IN CHINA AND INDIA, WHICH HE IS VISTING, to demonstrate will and courage to create favorable conditions for the resolution of problems and differences. Li, the Chairman of the National People's Congress of China and former Prime Minister, is on a 9-day visit (Jan. 9-17) to India. "China and India are still lacking in mutual understanding and to achieve better trust is a pressing task in our bilateral relations," he said, while delivering a lecture on "Deepening Understanding: Fostering Friendship and Strengthening Co-operation" in New Delhi. Greeting the audience in traditional Indian style with folded hands, Li said Beijing is not shying away from its problems and differences with New Delhi. "We hope the statesmen of our two countries will demonstrate courage and will and make efforts to resolve the differences. We believe that problems of this kind or another, including those left over from history!

, should not become impediments to the growth of bilateral relations," Li pointed out. [rma]

[Source: Press Trust of India: New Delhi]

Jan. 13--"We are required by reality to elevate China-India relations to a new height in the 21st Century," said Li Peng, at a speech at the India International Center in New Delhi. "As our common ground far outweighs our differences, the Chinese and India people have ample reason to develop friendship and become good neighbors and friends."

Describing India as an "important" neighbor of China, Li Peng said, "developing good-neighborly and friendly relations with New Delhi is our consistent guiding principle and an essential part of China's foreign policy of peace with surrounding countries." He made it clear that China has never taken India as a threat "not do we intend to pose a threat to other countries or seek any sphere of influence." [rma]

[Source: Xinhua]

WIESBADEN Jan. 13 -- ONLY WHEN NATIONAL SOVEREIGNTY IS FREE FROM VIOLATION, AND SOCIETY FREE FROM INSTABILITY, CAN PEOPLE CONCENTRATE ON DEVELOPING THEIR ECONOMIES, stated Chinese leader Li Peng today in a speech made at the Indian International Center in New Delhi today. China will stick to its policy of economic development and improving the socialist legal system to build national strength and contribute to world peace, Xinhua cited Li Peng as stating.

"To continue the modernization drive, realize national reunification and safeguard world peace and promote common development are the three major tasks facing China in the new century," Li Peng stated. "China is opposed to hegemonism and will never seek any kind of hegemony itself, and its development will benefit the Chinese people and contribute to world peace." China's National Peoples' Congress, which Li leads, and the Indian Parliament, can learn from each other despite their different political systems.

He also stated that "The major task facing the people of the world is to promote the process of multi-polarity for world peace, and ride the tide of globalization for common development." Li called economic globalization "an unavoidable reality," and noted that "the gap between rich and poor is widening in a global context. Contradictions between the North and the South are put into sharp relief. Developed countries are at an advantage in the process of globalization, while developing countries are faced with grave challenges in safeguarding their economic sovereignty and security."

He stressed the importance of the Five Principles of Peaceful Coexistence for international relations. (mmc)

[source: Kobe, Japan; AFP, Reuters, Lateline News, Jan. 14]

CHINESE FINANCE MINISTER CALLS FOR FLEXIBILITY FOR COUNTRIES TO CHOOSE THEIR EXCHANGE-RATE REGIME. Chinese Finance Minister Xiang Huaicheng, speaking at the ASEM Finance Ministers meeting in Japan, said that countries should have flexibility in their choice of exchange-rate regimes. "The choice of an appropriate exchange rate regime should be approached pragmatically and take into account a variety of factors, including the size of an economy, the degree of openness, and the size of foreign reserves," Xiang said. "Given the diverse circumstances in different countries, there is no one-size-fits-all exchange rate regime. To some developing countries, intermediate exchange rate regimes may be more appropriate choices," Xiang said.

The Chinese minister said that it is up to developing countries to make their own choices in deciding appropriate exchange rate regimes, adding that there should be no discriminatory conditions imposed on those countries which choose their own regimes. As most of the currencies of developing countries are pegged to the major currencies, the stability of exchange rate of major currencies is crucial for sustaining the exchange rate regimes of developing countries, Xiang said. On regional cooperation in exchange rate regimes, the Chinese Finance Minister said that he supports the ongoing and in-depth studies on regional monetary cooperation. At present, however, the priority of financial

cooperation in East Asia "is to further enhance the self-financing mechanism and strengthen the ability of the region to withstand financial crisis and build a solid foundation for more comprehensive and advanced financial cooperation," Xiang noted. [WCJ]

New Delhi, Jan 13 (AFP)

CHINA'S LI PENG ASKS INDIA TO FORM NEW ECONOMIC ORDER. Continuing his successful India tour, Li Peng, China's second-highest leader, Saturday urged India to bury memories of war and to form a new economic order to represent the interests of the developing world. In a television interview, Li said that both New Delhi and Beijing opposed a "unipolar world," because "a multipolar world is safer and conducive for development." "Also, China and India are the largest developing countries and we are experiencing the height of globalization, which is both good and bad. Bad because it exposes developing countries to many new challenges," he said. "So, China and India should work together for a new economic order in the world since we represent the interest of the developing world." He called on both countries to "elevate relations to a new height in the 21st century." [ksw]

[Source: C. Raja Mohan, The Hindu: New Delhi]

Jan. 10--CONSULTATION IS ON FOR A TRIANGULAR COOPERATION, says C. Raja Mohan, a senior editor of The Hindu. Raja Mohan, who works with the Indian External Affairs Ministry, says that "informed sources here suggest that Beijing may no longer be averse to building greater political cooperation among the three large nations on the vast Eurasia landmass."

He says Beijing recently informed both New Delhi and Moscow, through diplomatic channels, that it was prepared to support a detailed discussion on triangular cooperation among scholars from the three countries. The objective of the exercise, within the framework of track-II diplomacy, is to get an intellectual clarification of the issues involved.

The contributions India and China could make in the creation of a "multipolar world" are likely to figure in the talks between Li Peng, number two in the communist hierarchy in Beijing, and the Indian leaders -- President K.R. Narayanan; Prime Minister Atal Behari Vajpayee; External Affairs Minister Jaswant Singh, and the Leader of the Opposition, Mrs. Sonia Gandhi.

The Chinese leader's visit comes in the middle of what appears to be a reassessment in Beijing of India's economic potential and international weight. Reports from China suggest that Beijing is impressed with New Delhi's "big power diplomacy" that has allowed India to quickly overcome the international isolation which followed the May 1998 Pokhran tests.

The idea of a more democratic world order -- as opposed to the domination of few -- remains an appeal to all three nations, Russia, China and India. India's call for a multipolar world is not limited to discussions with Moscow and Beijing, but also involves Paris, which is a leading player in the Western alliance, Raja Mohan says. [rma]

[Source: China Daily]

CHINA WANTS TO SEE "INTEGRATION AMONG ASIAN ECONOMIES" WHICH SHOULD INCLUDE THE INDIAN SUBCONTINENT AS WELL AS EAST AND SOUTHEAST ASIAN nations, stated Chinese Finance Minister Xiang Huaicheng in a speech delivered at the Bangkok Bank, Thailand's leading bank, yesterday in Bangkok. Xiang's speech was entitled "China's Role in Thailand's and Asia's Prosperity in the 21th Century."

Xiang made the statement while China's leading legislator, Li Peng, is making an eight-day visit to India, and while Indian PM Vajpayee is visiting Vietnam and Indonesia. There have been many other moves towards integration of East, Southeast, and South Asia in the recent months.

Xiang also discussed the question of developing an integrated Asian community, along the lines of the European Union. This issue is to be under discussion among Asian and European Finance Ministers when they meet this coming weekend in Kobe, Japan. <Asahi Shimbun had indicated already some weeks ago, that this would be the agenda for the Kobe meeting. Xiang called the ASEAN plus three "Chiangmai Initiative" "epoch-making," and was an important step toward financial cooperation among Asian countries.

This matter would, however, take "mammoth" time and effort, he stated. Although some Asian countries have already moved towards setting up an "Asian Economic Community," there is still a long way to go due to the diversified culture and historic backgrounds among Asian countries, stated Xiang Huaicheng. "China, like other countries in the region, is willing to see an integration among Asian economies, which, in our opinion, should not only include Southeast Asian countries plus China, Japan and South Korea, but the South Asian countries as well."

However, "In some cases, problems and conflicts between some Asian countries have been deeply rooted as a historic heritage, and it is not easy to solve," Xiang said.

He said, as a first step to establish a community like the European Union, Asian countries should reach a common view on how the future regional economic organization will be. "Secondly, we must make initial steps, which are impossible to be completed within a short period," he said.

Even among European Union countries, which have a more similar culture and history, and can more easily create an economic alliance, have not yet made Euro their common currency, Xiang said. However, Asian countries have made potential progresses toward this goal, citing the Chiangmai Initiative. "It has reflected the world-wide trend of economic regionalization, demonstrating the confidence and shared desire of Asian nations to strengthen cooperation for common prosperity," Xiang said. Xiang will travel to the Kobe meeting tomorrow. (mmc)

[Source: The Nation]

CHINESE FINANCE MINISTER XIANG SAID THAT THE ASIAN ECONOMIC COOPERATION BODY SHOULD INCLUDE SOUTH ASIA AS WELL AS EAST ASIA, in response to a question posed by the director-general of the Thailand's Foreign Trade Department, Karun Kittisataporn, <The Nation reported today. Karun asked about China's free-trade position. Xiang cited the Chiang Mai initiative of May 1999 as a good starting point for Asian countries to integrate their economies in a fashion similar to the European Union or the North American Free Trade Agreement, according to <The Nation . (mmc)

[Source: Asia Pulse: New Delhi, Jan. 10]

INDIA CALLS FOR NEW WORLD PETROLEUM ECONOMIC ORDER. Speaking at the 4th International Petroleum Conference and Exhibition -- Petrotech 2001, India's Petroleum Minister Ram Naik said "the experience of the recent past when international crude prices have more than tripled in just one year calls for evolving a better world petroleum economic order which will ensure long-

standing, mutually beneficial economic and trade relations among the oil producing and oil consuming nations.

The new petroleum order should address the energy security concerns of developing countries like India while insulating them from price fluctuations in the international market, he said, adding price security was an important aspect in sourcing of crude oil and petroleum prices.

"There is a need for all of the developing oil importing countries to engage the oil exporting countries at the political level to ensure reasonable prices. On its part, India has taken up the matter at several international forums and impressed upon the oil exporting nations the need to have a special pricing package for the developing countries in high oil price situations," Naik said. [rma]

[Source: China Daily, wires]

WIESBADEN Jan. 10 -- CHINESE VICE-PRESIDENT HU JINTAO COMPLETED A FIVE-DAY VISIT TO IRAN TODAY, after traveling from Tehran to the cities of Isfahan and Shiraz, and departed to begin his visit to Syria. In Iran, Hu met Iranian President Mohammad Khatami, Vice President Mohammad Hashemi, former Iranian President Hashemi Rafsanjani, now head of Iran's State Expediency Council, and Foreign Minister Kamal Kharazi. With these leaders, Hu discussed the importance of increased Chinese-Iranian cooperation in regional and international affairs, to safeguard the interests of Third World countries.

President Khatami said on Jan. 7, that it was a right decision for Iran to choose China as a partner for cooperation. Khatami noted the ancient civilizations of Iran and China, and their current common interests. Khatami visited China in June 2000. Hu responded positively to Khatami's notion of dialogue between civilizations.

Hu also met Islamic Consultative Assembly Speaker Mahdi Karrubi. Hu will also visit Jordan, Cyprus and Uganda. (mmc)

[Source: China Daily, wires]

WIESBADEN Jan. 10 -- LI PENG, CHINA'S TOP LEGISLATOR, ARRIVED IN INDIA YESTERDAY FOR AN OFFICIAL EIGHT-DAY GOODWILL VISIT. Li Peng is chairman of the Standing Committee of the National People's Congress. This is his second visit to India: he first visited in a landmark visit in 1991, as Chinese Prime Minister.

Li is guest of both houses of India's Parliament. He is to discuss Sino-Indian relations, regional and international issues, and brief India's leaders on China's situation and foreign policy. In his entourage is Raidi, chairman of Standing Committee of the Tibetan People's Congress.

Li began his visit in Mumbai, where he said his visit is to "help increase mutual understanding and trust, deepen friendship, expand co-operation."

Li Peng will meet President KR Narayanan, who was in China last year to celebrate 50 years of ties, and Prime Minister A.B. Vajpayee. (mmc)

[Source: China Daily]

WIESBADEN Jan. 10 -- TAKAKO DOI, HEAD OF JAPAN'S SOCIAL DEMOCRATIC PARTY, IS IN BEIJING TO MEET CHINESE PRESIDENT JIANG ZEMIN yesterday. Jiang said "the two sides should ... expand their ties in the new century." Jiang stressed economic



ties. The Japanese SDP has had particularly close ties to China since World War II. (mmc)

[Source: China Daily]

WIESBADEN Jan. 10 -- CHINA AND TURKEY SIGN "ACTION PLAN" TO IMPROVE RELATIONS: During the four-day visit of Chinese Foreign Minister Tang Jiaxuan to Ankara, on Jan. 8 he signed an "action plan" for increased bilateral cooperation with Foreign Minister Ismail Cem of Turkey. Key issues are the inauguration of regular meetings on economic cooperation and a protocol on energy cooperation. The Chinese side expressed interest in investing in Turkey, especially in construction and modernization of railways and thermal power plants. (mmc)

[Source: South China Morning Post]

WIESBADEN Jan. 10 -- SINGAPORE MINISTER OF COMMUNICATIONS YEO CHEOW TONG PROPOSED THAT ASIA DEVELOP A REGIONAL BLOC SIMILAR to the European Union in a statement Jan. 8. Yeo Cheow Tong, who is also minister for information technology, said Asia should build a model of "regionalism" similar to the European Union's, but not necessarily of the same "brand".

While Asian leaders focus on economic rather than political cooperation, at the same time, "We in Asia are nowhere near the level of European regionalism," Yeo said at a Japan-Singapore symposium. He said it is "crucial" for Asia to create a regional marketplace. Despite Asia's "distinct and segregated countries," Yeo said, regional nations faced "similar, serious problems, which increasingly cannot be solved internally." Wealthier nations in Asia should share "know-how" with developing nations, he said. He also defended Singapore's pursuit of bilateral free trade agreements and said other Asian countries should do the same.

Yeo said an Asian union would help the region better face the challenges and opportunities presented by globalisation. (mmc)

[Source: Press Trust of India: Mumbai, Jan. 9]

LI PENG CALLS FOR BOOSTING RELATIONS WITH INDIA. The Chinese leader, Li Peng has arrived in Mumbai on an eight-day India tour. Along with him were 120 delegates, most of whom are officials of economic and technological ministries.

Former Chinese Prime Minister, upon his arrival, said he was "looking forward to having an extensive and candid exchange of views with Indian leaders on bilateral relations and other issues of common interest."

"It is my hope and belief that my current visit will also help promote exchanges between the National People's Congress of China and the Indian Parliament, thus contributing to continued healthy and sound development of Sino-Indian relations," Li Peng said. Li Peng and his delegation are in India at the invitation of the Chairman of the Upper House of Indian Parliament and the Vice-President of India, Krishan Kant, and Speaker of the Lok Sabha, the Lower House of the Parliament, G M C Balayogi. Indian Prime Minister Atal Behari Vajpayee, who will be meeting Li Peng, is now in Indonesia and will be back on the 13th. [rma]

[Source: Bhabani Sen Gupta: The News International, Pakistan: New Delhi, Jan. 9] LI PENG VISIT A PRE-CURSOR FOR STRONGER SINO-INDIAN TIES. Bhabani Sen Gupta, a senior political analyst who is very close to former Indian Prime Minister I.K. Gujral and the pro-Pakistan faction among the Indian policymakers, said in his column in the {News International of Lahore} that Li Peng's talks will cover a wide range of possibilities of economic and

technological cooperation. When Chinese Foreign Minister Tang met premier Vajpayee in New Delhi last July, the latter extended invitations to China's prime minister Zhu Rongji, and president Jiang Zemin to visit India. Unconfirmed reports suggest that Zhu Rongji will be coming to India in February and Jiang Zemin the following month. Between these two visits, there will be an official visit by Vajpayee himself to China.

Sen Gupta attributes the change in the Chinese attitude towards India following the conclusion of a Memorandum of Understanding on joint development of information and technology between India and China in July 2000. He also claims that Putin's Russia is consistently stressing the gigantic potential of Russia-India-China cooperation in Sino-Russian palavers at diplomatic and political levels, and that accelerating Russo-Chinese military cooperation is taking the route of military cooperation between Russia and India. [rma]

[Source: Amit Baruah; The Hindu: Hanoi, Jan. 9]

INDIA OFFERS TO HELP DEVELOP VIETNAM'S INFRASTRUCTURE. At the conclusion of his three-day trip to Vietnam, Indian Prime Minister Vajpayee, addressing an India-Vietnam Joint Business Council meeting in Hanoi, said India would be ready to assist with "requisite capital" for the development of transportation, telecommunication, railways, power generation and water supply in Vietnam.

Urging the development a stronger trade relationship between the two countries, Prime Minister Vajpayee said: "India has not only products to offer to Vietnam. We are also ready to share our experience in all aspects of economic liberalization. Be it computerization of the monetary and banking sector, or promotion of e-commerce, modernization of stock and securities exchanges, or framing of legal and regulatory systems -- Vietnam is free to tap our expertise in any field that it feels it could benefit them," Vajpayee said.

On the importance of human capital in the knowledge economy, the Indian Prime Minister said India's technical cooperation with Vietnam was one of Delhi's largest such ventures. "This covers a number of fields including frontier areas of sciences such as atomic energy, biotechnology, and oceanography. We remain committed to giving further impetus to this," he said. [rma]

[Source: Amit Baruah; The Hindu: Hanoi, Jan. 9]

CONSENSUS IN ASEAN FOR SUMMIT WITH INDIA? According to Brajesh Mishra, the Principal Secretary to the Indian Prime Minister, a "consensus perhaps is emerging" within the ASEAN member-nations for a separate summit meeting with India. Mishra said that during the talks between Indian prime minister and the Vietnamese Communist Party general secretary, Le Kha Phieu, Vietnam informed the Indian officials the idea of an ASEAN-India summit. "For example, there is Indo-EU Summit. So it is only natural that there should be an Indo-ASEAN summit. And Vietnam supports it," Mishra told reporters.

Asked where the ASEAN fitted into the larger "post-Pokhran" vision, Brajesh Mishra said: "The ASEAN is a very important entity for us. Trade-wise, economic cooperation-wise ... don't forget that the sea lanes here are as important to us as they are to any other country. Our trade through the sea lanes to Japan, etc. is an important factor."

Giving an example, Mishra said if India wanted to import crude from Vietnam, then "we want security of sea lanes" for it to reach us. Or any other contact of that kind. It is part of our security strategy, and not simply security concerns." [rma]

[Source: The Dawn: Beirut; Amman, Jan. 9]

PAKISTAN RE-BUILDS ITS TIES WITH LEBANON, JORDAN. As a definite posture of confidence, Pakistan's Chief Executive Gen. Musharraf concluded two agreements with Lebanon during his visit there. He is now in Jordan to boost Pakistan-Jordan ties. Gen. Musharraf and Lebanese Prime Minister Rafic Hariri concluded two agreements which will ensure forging of defense cooperation between the two countries and would also enable Pakistan to use Lebanon as a base to sell Pakistani products in the Middle East.

In Jordan, meeting with Jordanian Prime Minister Al Abu Ragheb, Gen. Musharraf stated that the two sides have expressed the resolve to expand relations in the fields of culture, economy and science and technology. Jordan has also expressed interest in business activities relating to rice, cotton, cotton fabrics and auto parts.

In addition to the ties that are being forged, it is evident that Gen. Musharraf has now become "acceptable" to the western democratic nations and is now likely being used as a backchannel for talks with the Middle East countries on the Palestine-Israel crisis. His staying away from Iraq indicates that his itinerary has more to do with Palestine than anything else. [rma]

[Source: Amit Baruah, The Hindu: Hanoi]

Jan. 8--INDIA TO ASSIST VIETNAM IN NUCLEAR RESEARCH AND IT: India has offered to provide equipment for a nuclear science laboratory in Vietnam, as part of a set of three agreements signed in Hanoi on Jan.8.

India will supply laboratory equipment for the nuclear research institute in Dalat in southern Vietnam on a part-grant, part-purchase basis. As many as 30 Vietnamese scientists are being trained at India's nuclear facilities dealing with peaceful use of nuclear energy.

A statement on the Memorandum of Understanding (MoU) on nuclear energy said its basis lay in an agreement signed in 1986, valid till May 2002. "This MoU reviews visits of a number of Vietnamese scientists to facilities in India. Indian scientists will continue to cooperate with the Vietnamese Atomic Energy Commission on the technical and functional aspects of the Dalat Nuclear Research Institute."

In his banquet speech, Vietnamese Prime Minister Phan Van Khai sought New Delhi's help in software technology given the emergence of India as a major power in this frontier technology. [rma]

[Source: Press Trust of India: Beijing]

Jan. 8--BIGGER ROLE FOR INDIA IN A MULTIPOLAR WORLD,SAYS LI PENG. Prior to his visit to India (Jan.9-17), China's former Prime Minister Li Peng described India as a "major country" in Asia destined to play a more important role in regional and international affairs in a multipolar world.

"We think India is a major country in South Asia and also in Asia that will play a bigger role in the multipolar world," Li told the PTI.

Li, a known critic of US attempts to wield global hegemony at the end of the Cold War era, said China supported a multipolar world which allowed each country to have its own say in international affairs, rather than be dominated by a few big nations.

"We are in favor of a multipolar world, because the world itself is colorful with countries and regions differing from each other," Li said. [rma]

Jan. 9 (EIRNS)--CHINA STARTS SECOND UNMANNED TEST OF SPACE CAPSULE, SHENZHOU-2. According to Chinese and other interational wire services, early Wednesday morning, China launched the second test in a series of space vehicles which will eventually carry men into space. The first orbital test, carried out in November 1999, lasted 21 hours.

Shenzhou-2 lifted off on a Long March 2F booster from the South Launch Center at the Jiuquan Satellite Center in Gansu provence at 1 AM local time, and separated from its booster, attaining its orbit, ten minutes later. Xinhua reports that aboard Shenzhou-2 are ``a number of special `passengers'...including animals and microbial cells provided by the Chinese Academy of Sciences. These `passengers' are expected to join in a series of experiments in space, which will be the first test of their kind carried out by Chinese scientists.'' More than just exposing creatures to the space enviornment, the inclusion of animals means Chinese engineers are testing the kind of life support system that will be required by human occupants later on.

Xinhua said that the spacecraft is expected to return ``in a few days.'' This had led space expert Philip Clark to predict that the Chinese will also test maneuvering the vehicle in orbit, which is important for manned space operations. Overall, he told {space.com}, ``I expect that when it begins manned operations, the Shenzhou program will progress relatively quickly compared with other Chinese programs, and also with the early years of Soviet and U.S. manned flights.'' [mgf]

[Source: Arabicnews.com, Jan.3]

JORDAN, IRAQ REVIVE THE RAILWAY LINE PROJECT. Jordanian officials announced that Jordan and Iraq are planning to revive the project of setting up a railway line linking the two countries. The director general of the Jordanian railways, Leith Dababinah, said that a joint committee between the two states will be formed shortly to re-study the said project, noting that this was in implementation of the decisions of the joint higher committee which was held in Baghdad during the visit of Jordanian Prime Minister Ali Abu al-Ragheb to Iraq.

Al-Dababinah said that the new study includes the establishment of a railway line linking Baghdad to Amman as a first phase, with the linking operation to be completed with Al-Aqaba port in the future. [hus]

[Source: IRNA, Jan. 9]

IRAQ READY TO EXPAND TIES WITH IRAN. Iraqi Deputy Trade Minister Fakhri Rishan on Monday expressed the hope that Tehran-Baghdad trade and economic relations would deepen in the future. Before he left Iran, he told IRNA at the Khosravi borderpoint that "the strategic geographical location enjoyed by Iran and Iraq should encourage efforts to deepen bilateral cooperation." Terming the talks he held with his Iranian counterpart "fruitful," he stressed that both sides are favorable to an expansion of economic and trade ties. Development of border markets was also a subject discussed by the two sides, he added. The Iraqi official further expressed the hope that grounds would be paved for Iraqi nationals to visit holy shrines in Iran.

Rishan, heading an eight-member delegation, arrived to Iran last Tuesday. His one-week visit was aimed at promotion of economic ties with the Islamic Republic. Iran and Iraq are making efforts to expand their relations in all

areas following the 1980-1988 war, which claimed heavy casualties on both sides. [hus]

[Source: Panafrican News Agency, Jan. 8, 'Canada Cancels Ghanaian Debt'] CANADA ANNOUNCED AN IMMEDIATE CANCELLATION OF 18.2 MILLION CANADIAN DOLLARS DEBT OWED TO IT BY GHANA. It also urged other creditor countries that are serious about improving the lives of the world's poor to follow its lead in applying a debt moratorium.

New Ghanaian President John Agyekum Kufuour is quoted this week as saying. "We have work to do, and that starts today. Our greatest enemy is poverty." Kufuour appealed to foreign donors to assist the country overcome the current economy challenges, particularly in the relief of debts. He said Ghana now spends one-fourth of her revenue annually on debt servicing. Kufuour is quoted saying the government would adopt a gradual approach in addressing the challenges facing the economy, and calling for the cooperation of Western donors. "I am counting on the multilateral institutions to be understanding as to how we pick our steps into the next stream." "I don't want to be stampeded," he said, when World Bank country representative Peter Harold called on him at State House. Kufuour noted that the people have come a long way after 17 years of an economic recovery program. "At the end..., there is no positive change in the life of the individual Ghanaian." He said expect!

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ions are high with the coming into office of his government, adding that the new government will be working with a vision that is achievable, to give the people what they expect. [lwc]

[Source: Times of Zambia, Panafrican News, the Nation (Nairobi), Jan. 8.) JAPANESE PRIME MINISTER YOSHIRO MORI on Monday arrived in Johannesburg at the start of a three-day working visit. He is the first serving Japanese Prime Minister to visit Africa. Mori is scheduled to meet President Mbeki to discuss world and African issues on Tuesday. The Japanese government says Mbeki and Mori will discuss how Japanese aid can be directed to serve Mbeki's plan for African recovery. Later in the day, Mori will also make a policy speech regarding Japan's position on Africa.

The Japanese Prime Minister is also visiting Kenya. Japan now provides technical cooperation in the developing of the Jomo Kenyatta University of Agriculture and Technology and the infectious diseases project at the Kenya Medical Research Institute.

In early December, in the context of Zambian President Chiluba's visit to Japan, it was announced, among other deals, that Japan this year will train 79 Zambians in agriculture, construction engineering, and other fields. Japan will also provide five experts in each of the agricultural, HIV/AIDS and TB control and rural development areas. A selected group of Zambian professions will be engaged to help train other people in sub-Saharan Africa under a program that features Zambia as one of the three focal points besides Ghana and Kenya. Training will be conducted by the Japan International Cooperation Agency in agriculture and construction engineering. [lwc]

[Source: Sunday Times (South African), Jan 9, 'Obasanjo In Iran To Talk Oil And Trade'] NIGERIAN PRESIDENT OLUSEGUN OBASANJO STARTS A TWO-DAY VISIT TO IRAN ON TUESDAY, for talks on oil and trade, with the issue of religion placed low on his agenda. Obasanjo's spokesman, Doyin Okupe, is quoted, 'This is a very important visit for Nigeria.' He continued: 'This is the first time we have been to the Middle East in the lifetime of this administration. Iran and

Nigeria are both major oil-exporting countries, and we will discuss oil-sector issues and wider cooperation.'" He said that Obasanjo also will discuss the role of the G-77 developing nations. Nigeria is the chairman of the G-77 and hands this position over to Iran this year.

Obasanjo will be back in Nigeria to host Japan's Prime Minister Yoshiro Mori, who visits Nigeria on Friday. [lwc]

[Source: FTD, Berlin dailies, German wires, Jan.9]

THE GERMAN GOVERNMENT THINKS ABOUT 2 OR 3 PILOT PROJECTS IN "DEBT-FOR-NEW-INVESTMENT" IN RUSSIA, to probe the ground for a broader, potential investment drive. A special governmental joint expert group will begin discussing select projects this month, and the essential aspects of these pilot projects are what was discussed in Berlin with Russian Prime Minister Kasyanov and Economics Minister Gref, in December:

The Russian government will provide the infrastructure (power, water, roads and the like) for the new plants that are going to be built by German companies. The real estate on which the new plants are to be built, is free of charge for the German investors, whom Russia wants to come from the machine-building, light industry and food production sector. The German companies will pay their fees for the use of the infrastructure to the German government, which then pays them into a special fund for services on the Russian debt.

To make the distance to traditional "debt-for-equity" deals clear, the new model is called "debt-for-new-investment," and it has been okayed as such by President Putin and Chancellor Schroeder, during talks on the sideline of their "predominantly private encounter" (to quote the official German term on that) in Russia, last weekend. (rap)

[Source: AFP, Hanoi, 01/08/2001]

INDIA, VIETNAM DISCUSS EXPANDED COOPERATION IN NUCLEAR ENERGY, OCEANOGRAPHY, BIOTECHNOLOGY, AND INFORMATION TECHNOLOGY. In comments to press ahead of meetings today with Vietnamese leaders, India's Prime Minister Atal Behari Vajpayee evoked the good relations between his predecessor Jawaharlal Nehru and Ho Chi Minh as the model for modernizing relations between the two countries. Vajpayee added, "Recognizing that human resource development is the key to future growth, we are working to expand our cooperation to areas such as information technology, atomic energy, oceanography, and biotechnology." He continued that current bilateral trade, in the range of \$200 million, is "totally incommensurate with the potential," suggesting that "it is not difficult to reach a future of \$500 million or more." India, he said, is considering possible bulk imports of crude oil, phosphates and forestry products from Vietnam. He pointed to the 45% stake in a \$1.1 billion gas venture in Vietnam, held by India's Oil and Natural Gas Commission as "the single largest investment by ONGC anywhere abroad."

Before their talks, the two Prime Ministers witnessed the signing of agreements on nuclear cooperation, tourism and culture. Under the previous nuclear agreement, 25 Vietnamese scientists received training in Indian nuclear plants over the last two years. On Jan 7, Vajpayee visited Hanoi's Dalat nuclear research center. A.K. Anand, International Relations Director of India's Atomic Energy Commission, reported that Vietnam is "doing very good work at Dalat with applications in industry, agriculture, medicine and biotechnology." Vajpayee was due to hold talks with President Tran Duc Luong, Foreign Minister Nguyen

Dy Nien, and Defense Minister Pham Van Tra today, and with Communist Party leader Le Kha Phieu on Jan. 9, prior to his departure to Indonesia.

Prime Minister Vajpayee's trip continues India's effort to establish closer ties to ASEAN, and the Asean+3 configuration with China, Japan and South Korea. India had hoped to become "ASEAN+4" at the November ASEAN meetings in Singapore, but regional members chose to postpone that next step. India is a "full dialogue partner" to the "ASEAN+3" grouping [ggb]