

BULLETIN

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NORTH ASIA - ASIE DU NORD

*based on media surveys in the North Asia region*

JAPAN/JAPON

- Prime Minister Miyazawa has floated in cabinet the idea of using Japanese air force planes to airlift humanitarian aid to former Soviet republics.

- Miyazawa's fortunes suffered a heavy blow with the defeat of his party's candidate in the Miyagi prefecture by-election. Moreover, the Prime Minister's popularity sank to a 'terminal' level, according to the publishers of a poll this week.

- Citing sluggish sales and foreign entry into the domestic market, Mitsubishi has announced it will cease production of several lines of chips. Other companies are likely to follow the lead.

- Japan's trade surplus reached US\$10.2 billion in February, double what it was 12 months earlier.

- Machine tool orders in Japan dropped a precipitous 42.7% from last year's level in January.

- Japan Aviation Electronics Industry has paid a \$15 million fine after pleading guilty on 10 of 22 counts of selling US technology to Iran during the Iran-Iraq war. In contravention of its licensing agreement, JAEI sold about \$7 million of avionics to Iran.

- The average interest rate on loans, according to the Bank of Japan had dropped to 6.45% in January.

- A survey of Japanese companies has determined that they plan to decrease capital spending by 4.9% in FY1992, with the largest cut in the manufacturing sector.

CHINA/CHINE

- The People's Daily on March 12 announced that the Politburo of the CPC Central Committee, presided over by Jiang Zemin, had issued an important policy statement on the need to carry out bolder and deeper reform and opening to the outside world. Declaring that anything that helps the economy must be encouraged, the statement claimed that the Party would maintain this line for one hundred years.

- The government has announced its intention to issue US\$6 billion in government bonds in 1992, a substantial increase over last year. The move was brought about by a need to cover an ever widening budget deficit and to soak up the high level of personal savings in the country.

- Pour la journée internationale de la femme, les médias ont salué les contributions valables des femmes dans la révolution et l'édification économique nationale.

KOREA/CORÉE

- South Korea and China have come to an agreement on high-tech cooperation. Korea will help China in electronics, telecommunication, and nuclear energy, in return for help in the aerospace, physics and new materials fields. Early activity will focus on 37 projects.

- In a widely publicized brief to the US Treasury, American banks slammed the lack of progress in Korean market liberalization. Among other things, banks demanded

derestriction of interest rates, greater ease in opening branches, increased access to local currency funding, and relief from ambiguous and burdensome regulation.

TAIWAN

- A total of 33.9% of Taiwan households have cars in 1992, up from 6.4% in 1981.

- D'après un rapport récemment publié par le Conference Board, au mois de février, Taiwan a surpassé dix autres pays incluant le Japon, le Canada, les États-Unis, l'Allemagne, et la France en terme de croissance, enregistrant une augmentation de 7% du PIB.

- Russia, anxious about relations with the PRC during the visit of Ryotr Aven to Beijing, has distanced itself from its recent fisheries agreement with Taiwan. A spokesman described the agreement as a low-level commercial deal signed by a non-governmental company.

- Taiwan's balance of payments surplus soared to US\$7.59 billion in 1991 from \$55 million the year before.

- Taiwan's trade surplus increased 32.1% from a year earlier to US\$1.3 billion in the first two months of 1992.

HONG KONG

- Financial Secretary Hamish McLeod presented his budget on March 4. Inflation will remain at around 9.5%, although per capita GDP is likely to grow by 5% in real terms to US\$16,000. An increase of 1% in corporate tax will bring in another HK\$850 million this year. The education budget was increased HK\$2 billion to 18 billion. There could be more than HK\$70 billion in the reserve fund for the 1997 handover, even after completion of main spending programs such as the new airport.

- Macau recorded a HK\$1.5 billion trade deficit last year, the first in a decade. The negative balance was a result of a 2.3% drop in total export value and a 20% surge on total import value.

VIETNAM

- Four Japanese banks -- Fuji, Tokai, Mitsui Taiyo Kobe, and Bank of Japan -- will open branches this year in Saigon.

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ONGOING AND UPCOMING/  
A VENIR

1992

- GLOBE '92 (Vancouver) - Mar.16-27
- Law Enforcement Technology Seminar (Singapore) - Mar.17-18
- Asia Pacific Mining Conference and Exhibition (Manila) - Mar.19-21
- International Dairy Show (Bangkok) - Mar.19-26
- SPE China Oil and Gas Show (Beijing) - Mar.19-27
- Promotion of Olympic Gold Coins (Tokyo) - Mar.21-24
- Canada-Taiwan Business Association Sixth Joint Meeting (Taipei) - Apr.26-28
- Canada Food Fair (Nagoya) - Apr.13-14

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