

Saudi Arabia. "High oil prices are not good for consumers, and low oil prices are not good for producers." The country also said it remains in contact with President Bush. The 11-member Organization of Petroleum Exporting Countries voted Wednesday to cut production 1 million barrels a day, angering U.S. lawmakers who partly blame OPEC for record gasoline prices in the USA.

[From the Times of Oman, Apr. 3, 2004]

HIGHER OIL PRICE TO TAKE ECONOMY TO NEW HIGHS

(By K. Mohammed)

The Sultanate's economy is poised for better performance this year if the spiralling oil prices are any indication. Omani crude price, the single most important factor which drives the Omani economy, is currently staying at \$31.44 per barrel and the market expects crude prices to stay at the current level in the rest of the year. According to statistics, the Omani crude prices realised \$29.91 per barrel in January 2004, which is significantly higher compared to prices realised last year. Last year, the government had budgeted oil price at a conservative \$20 per barrel but the actual realisation was much higher at \$27.84. This had resulted in a substantial rise in government revenue with all sectors of the economy witnessing significant growth in 2003.

The government has budgeted Omani crude price at \$21 for the current fiscal (2004) but the actual realisation may be much higher than the prices realised last year, considering the present buoyancy in the international oil market. The most heartening fact about AGCC economies, and Oman in particular, is that international oil prices have been staying above the Opec basket price band of \$22-\$28 per barrel in the new year, significantly higher than the prices achieved last year, and Opec is expecting a steady market this year. International oil prices are currently staying at around \$34 a barrel.

Considering that the oil production will be maintained at the present level the prospects at the oil price front remains brighter for the country.

Government's revenue receipts and public spending are other indicators of the economic growth. Last year, the corporate sector fared well on account of increased public spending. The government's actual public spending has increased from RO2,367.9 million in 2002 to 2,638.5 million as at the end of November 2003, an increase of 11.4 per cent. The budget for the year 2004 has estimated total spending at RO3,425 million. The actual public finance deficit for the year 2002 had come down drastically to RO124 million from the budgeted RO380 million. When government spending goes up the gross domestic product (GDP) will expand, triggering increased economic activity and generating more job opportunities and more revenue for the government. The increased spending coupled with the prevailing low interest rate scenario is expected to give the much-needed impetus to economic growth this year.

Figures on the revenue receipt side looks rosier. As of November-end 2003, the government's total revenue stood 8.7 per cent higher at RO2,942.5 million compared with RO2,705.9 million mainly on account of increased oil price realisation. As the average price for Oman crude stood \$29.16 a barrel in December 2003, the government is expected to report a lower actual deficit for the year 2003 as against the projected RO470 million.

The country saw inflation remaining below 1 per cent last year. This year too, the inflation is expected to remain below 1 per cent level. However, the weakening of the dollar is a cause for concern as it may put down-

ward pressure on the local currency triggering a mild flare up in the prices of euro-denominated goods and services. Like other AGCC countries, Oman too imports from European countries and euro-denominated goods are bound to become costlier with the weakening of the dollar.

The increased activities in the non-oil sector, especially a significant rise in LNG production will also contribute much to the strengthening of the economy.

Reflecting the pulse of the economy the local stock market has scaled new highs. The Muscat Securities Market General Price Index rose from 272.67 points as at the end of December 31, 2003 to 296.10 points on April 1, 2004, scoring 23.43 points. This shows a handsome gain of 8.59 per cent. The buoyancy is also reflected in the various sector indices.

On the economic reform front, a lot of action will be seen in the rest of the year. As part of its commitments to the WTO, the government is expected to divest a significant stake in Omantel. Last month, the much-publicized initial public offering of Al Maha Petroleum opened. The opening up of the telecom sector will see a second GSM licensee entering the market soon, paving the way for competition in the telecom market with consumers ultimately emerging as the winner with better and cheaper services.

[From Reuters News Service, Apr. 2, 2004]

BUSH IN TOUCH WITH SAUDIS, NON-OPEC ON OIL—W. HOUSE

HUNTINGTON, WV. (Reuters).—President Bush and the Saudi crown prince have been discussing oil prices for some time, and the administration is also talking with other OPEC and non-OPEC oil producers, a White House spokesman said Friday.

"We remain actively engaged with our friends in OPEC and other producers around the world to address these issues," White House spokesman Scott McClellan told reporters. "Bush and the (Saudi) crown prince have been in touch on this subject for a while now."

Earlier this week, OPEC agreed to a production cut of 1 million barrels per day despite Bush administration requests to delay it.

HONORING THE LIFE OF ARMY PRIVATE BRANDON LEE DAVIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, I rise today to pay tribute to a true American hero who made the ultimate sacrifice while serving his country with honor and courage. 20-year old Army Private Brandon Lee Davis of Cresaptown in Garret County, Maryland, was among five soldiers killed when a bomb exploded under their vehicle in the Al Anbar province of Iraq.

The soldiers were conducting security and stability operations in the region just north of Fallujah. They were from the 1st Infantry Division's 1st Brigade, based in Fort Riley, Kansas.

I offer my deepest condolences to the family of Private Davis during this difficult time. I, along with the other Members of the Maryland federal delegation, mourn their loss. Our prayers are with Private Davis' mother, Jackie Weatherholt; his father, Jeffrey Davis; and his two siblings. Words cannot express the sense of loss felt by the Maryland community when one of our own, a young man who offered such promise and hope for the future, is taken

from us. This tragedy makes the war in Iraq more personal for all of us.

Private Davis joined the Army shortly after graduating from Fort Hill High School in Cumberland, Maryland. Like many young men and women who seek direction in life after high school, Private Davis hoped to learn a trade while serving his country. His dedication to service to others would not have rested with his duty in the Army.

Private Davis dreamed of using his life to protect men and women by becoming a police officer. Sadly, that dream will never come true. The deadly consequences of war are a reality that all of us must face. However, the knowledge of what may happen in war does little to diminish the pain and anguish when that reality reaches your front door.

Mrs. Weatherholt will never have the opportunity to feel the joy of a mother who watches her youngest son experience all of the milestones in life. Mr. Davis will never get to see his son teach the lessons he learned about how to be a man. All this Maryland family now has are memories. Mrs. Weatherholt must hold on to the memory of that last telephone conversation on March 20th, when she gave her son these words of caution, "Watch your back, Brandon."

These parents have the memories of their son making others laugh with his outgoing and upbeat personality. They have the memories of their son going out of his way to show kindness to strangers and make his friends and family feel happy. There were no limits to Brandon's loving generosity. He gave up the opportunity to come home to his family for a two-week break in February, and, instead, donated his leave time to an Army buddy who wanted to return to the United States to get married. I am sure Private Davis longed to be with his family during this time, but he gave his priority to his desire to help a friend.

The Army deployed Private Davis to Iraq nearly six months ago. He never discussed his fear or worry with his family, although he was stationed thousands of miles from home in a foreign land with death and destruction as his bedfellows.

This brave young American knew of the dangers of the high-risk areas into which he was being sent, but he was proud to be a soldier. He was proud that, by serving in the United States Army, he was not only making a better for himself, but he was trying to make a better, safer life for us all.

Mr. Speaker, I must say that I opposed President Bush's decision to go to war with Iraq before exhausting every diplomatic measure and without clearly demonstrating an imminent threat of attack on the United States. But I will do everything within my power to support our men and women in uniform. I stand behind our troops in Iraq and pray for their safe return home.

Although I did not know Private Brandon L. Davis personally, I consider it a privilege to honor his life and to pay tribute to the sacrifice that this young man made for all Americans. This country has lost a true leader. Private Davis gave his life to set the Iraqi people free. I pray to God that we succeed.

God Bless you, Private Davis.

ENERGY AND JOBS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Iowa