

Business Briefs

Food

Panamanian warns of dependency on U.S.

Panamanian President Manuel Solís Palma warned against food dependency on the United States, in an address before a conference of the Regional Agricultural Cooperation Council (CORECA) in Panama City July 22.

Solís Palma said that despite Ibero-America's traditional food self-sufficiency, it is now the case that the region shows a net deficit in "essential foodstuffs such as cereals, dairy products, and animal and vegetable oils, which are basic in the diet of our population."

He said this reality leads to increasing dependence on the United States for food imports, "which could become an effective weapon of intervention and even aggression."

A principal topic of the CORECA meeting, he proposed, "should be the effect of foreign economic aggression on the development of the farming sector." He said that Panamanian agriculture is suffering as a result of U.S. economic aggression.

The example of Panama, "where all sectors of society, especially the most needy, are suffering the effects of that very aggression, should be an example and an inspiration for all Latin American peoples to become aware of the dangers that surround them so that they can act very quickly to secure their food production, which is the basis of their national independence."

Trade

Hammer a 'go-between' for China, Taiwan?

Billionaire Soviet agent Armand Hammer said he had offered his Occidental Oil Company as a "go-between" to initiate trade between the People's Republic of China and the Republic of China (Taiwan), in a commentary published in the *International Her-*

ald Tribune July 30. Hammer said he was happy to be "one of the attendants witnessing the arrival" of a new political and economic order in the Far East, and the striving of all nations there for "prosperous harmony."

Hammer predicted direct trade between Taiwan and China, as well as South and North Korea, in the near future, saying, "Economic necessity always counts for more than ideology."

The Pacific Rim is "fast becoming the economic cockpit of the industrialized world," he continued. On his last trip there, he "detected" evidence that old political and ideological barriers will soon be broken through.

Both South Korea and Taiwan, with all their "incredible productive output," lack exactly the "boundless" mineral reserves of both North Korea and China. Those two nations realize that they must develop "friendly trading relations" with the capitalist nations around them to develop their economies.

Hammer met with all the "major cement manufacturers" of Taiwan to propose a "deal": Instead of importing coal from the United States, Australia, and South Africa, as they now do, Taiwan should buy from the huge coal mine his Occidental Petroleum Company owns in Xianxi Province—with its U.S. subsidiary guaranteeing them supplies if the mainland Chinese government threatens to cut them off.

His offer was greeted with "applause," Hammer says. In Seoul, businessmen demanded he act as an intermediary with North Korea to set up a North-South trade link.

Hammer also said that he knows Deng Xiaoping well, and "no more realistic or pragmatic man is in office anywhere." Kim Il Sung, Hammer admits, is "much less predictable." However, if Kim "restrains his followers" during the Seoul Olympics, "we may believe that North Korea genuinely wants a new climate of good will. We then may be able to look more favorably on President Roh Tae Woo's request that the friends of South Korea try to open new trading relationships with North Korea." The U.S. "hang tough" stance—that U.S. troops will remain in South Korea—gives Roh the confidence to propose negotiations with Pyon-

gyang, Hammer says.

"If trade were to begin between South and North Korea and between Taiwan and China, eventually leading to open trade in the region and around the world, we would take a vital step toward a new order in world politics."

Labor

Mongolians to fill U.S. nursing needs

A "large number" of Mongolian nurses will be sent to work in the United States to make up for the serious shortage of registered nurses in the United States, the *China Daily* reported July 29.

A deal worked out between the Inner Mongolian Labour Corporation and "an American university" will send large numbers of Chinese nurses to work in major U.S. hospitals for two to six years. They will work in the surgery, mental illness, neurology, and obstetrics departments, at the same pay as U.S. registered nurses.

The Chinese nurses will not be allowed to work as private nurses or in infectious diseases departments.

By 1990, the shortage of nurses in the United States will stand at 390,000—due primarily to low wages, the *China Daily* says.

Biological Holocaust

Cholera epidemic rages in Delhi

The cholera epidemic now menacing India's capital is still raging out of control in many parts of the city—not just in the "resettlement colonies" on the other side of the Yamuna River, as authorities have claimed.

Doctors are now warning of a follow-on wave of typhoid and hepatitis.

The official death toll in Delhi is 191, but only those deaths that occur *inside* the

major hospitals are reported. Walking down the by-lane of any one of the city-administered slums ("resettlement colonies"), one encounters bereaved families of unreported victims, mostly young children, who died in their hovels.

The one infectious diseases hospital in the city has been functioning with no electricity for up to 10 hours per day. There are three patients to a single bed in its sweltering wards.

Third World Debt

Record payments only mean more indebtedness

Developing countries increased their outstanding foreign debt by between 10-20% in 1987, despite enormous debt service payments to foreign creditors.

Although the developing countries transferred at least a net \$30 billion to industrialized countries, supranational institutions, governments, and private banks, during 1987, a newly released study by the Organization for Economic Cooperation and Development (OECD), shows that Third World debt during 1987 increased to \$1.2 trillion.

Infrastructure

More voices raised for NAWAPA-type plan

If Israel can build an 88-mile system to pump water into a desert, and if Alaska can build an 800-mile pipeline to pump oil, shouldn't somebody in the Department of Agriculture be discussing building a water carrier system that can pump water from water-rich Canada and America's Great Lakes into the drought-stricken states that need it? wrote syndicated columnist Chuck Stone.

His comments appeared in the July 30 *Philadelphia Daily News*.

Although he did not mention the North American Water and Power Alliance (NA-

WAPA) proposal by name, that plan, which has existed since the 1960s, to transfer northward-flowing Canadian waters southward to Canada, the Great Plains, and Mexico, corresponds to what Stone seems to have in mind.

"City slickers like me take so much for granted. Milk, cereal, eggs, bacon, and toast on the breakfast table. Lettuce and tomato salads at lunch, corn and beef at dinner," Stone continues. "It just doesn't occur to the average city dweller that our larder won't always be filled. We suffer momentary discomforts with fluctuating high prices and temporary shortages. But rarely any serious economic dislocations. All that has changed with Drought USA 1988. Or are we going to talk about the possibilities of Drought 1988 becoming another Great Drought 1933-38?"

Water Management

Farmers in California report irrigation crisis

Farmers in California report that a crisis situation in irrigation and drinking water exists in large sections of the state.

One of the worst situations is said to be in Northern California, in the Central Valley from San Joaquin south to Kings County. In that area, the city of Fresno has reduced water delivery by 75%, and many growers are being forced to rely on ground water.

In Stanislaus County, one irrigation district covering 56,000 acres has less than 35% of normal stored water. A cattleman in the Visalia area told *EIR* that the level of reservoirs in the area is at about 25% of capacity, and that farmers have been forced to stop using water from the San Joaquin River for irrigation.

In Tulare County, all records for electricity use were broken at the beginning of August, due to use of air conditioners and the increased pumping of ground water by farmers. Sizable cities such as Modesto, Stockton, and Turlock, which have relied on ground water, are now planning to go to surface supplies, which would put them in direct competition with the farmers in the area.

Briefly

● A **BRAZILIAN** government official, speaking at a reception in Brasilia July 28 for Karl-Heinz Narjes, a German member of the European Commission and the Trilateral Commission, attacked the EC for its "ruinous dumping-price attack against agricultural products from the developing sector." Deputy Foreign Minister Paulo Tarso also attacked the computer embargo imposed by the Group of Seven industrialized nations in Toronto recently, saying that should this continue, the developing sector "may seek alternatives to this present system that no one wishes."

● **INSTITUTIONS** treating the retarded and mentally ill are being shut down throughout Minnesota. The State Department of Human Services has announced the closing of seven more such institutions in seven towns: Cambridge, Faribault, St. Peter,ergus Falls, Brainerd, Wimar, and Moose Falls, but other institutions had been closed previously. Patients, including the retarded, the chemically dependent, and the mentally ill are being relocated into community homes.

● **THE SPACE SHUTTLE'S** first post-*Challenger* trip is slated to carry an experiment for growing crystals of reverse transcriptase, the enzyme the AIDS virus uses to infect cell DNA with its own genetic material. Researchers want to grow the crystals in space, to avoid distortion by gravity during formation. This would allow scientists to more easily decipher the enzyme's structure.

● **THE EUROPEAN** Commission in Brussels has announced the sale of another 200,000 tons of beef to Russia—almost for free! The commission justified the decision on the basis of the need to reduce intervention stocks of beef, which rose to 760,000 tons after reduced dairy quotas caused farmers to increase cattle slaughtering. Moscow is paying only about 5% of what a European consumer pays for a kilogram of beef.