

Business Briefs

Trade

U.S. to ease restrictions on high-technology exports

The Clinton administration on Feb. 24 unveiled legislation which would rewrite the 1979 Export Administration Act, and loosen its restrictions on sales abroad of high-technology products previously considered potential material for making sophisticated "weapons of mass destruction." The legislation appears to reverse the policy of "technological apartheid," which would deny developing nations access to advanced technology. Supporters of arms control and population control are up in arms against the bill.

The proposed legislation would clear the way for export of certain advanced machine tools, high-speed mainframe computers, chemicals, and telecommunications and other high-technology equipment. Controls on exports of critical materials and components for atomic, biological, and chemical weapons would be maintained.

Energy

China plans investments in nuclear plants

China is planning to build seven new nuclear plants of the type just opened at Daya Bay, where two 900-megawatt reactors were built with the cooperation of the French nuclear industry, the French daily *Libération* reported Feb. 15. Daya Bay (1,800 MW) is larger than most European nuclear plants, and is the largest built by the French outside of France. China wants to double electricity production by the year 2010, from 10,000 MW to 15,000 MW, and 4% of that will be done by nuclear power. France is competing with the United States (Westinghouse) and Japan (Mitsubishi) to build the first of these plants in the area of Lingao.

Zhu Senlin, the governor of Guangdong province, the site of the Daya Bay reactors, on Feb. 24 announced detailed plans to build two more nuclear power stations with foreign technology. He told the provincial congress that

construction would begin soon on plants at Yangjiang (at the mid-point on the coastline between Hainan Island and Hongkong) and at Daya Bay, where one of the reactors began operation in February.

Two more 900 MW reactors will be begun at a new Daya Bay site about five kilometers from the existing pair, Zhu said, according to *China Daily*. The plant at Yangjiang will feature four 1,000 MW generating units with imported technology and equipment; it is budgeted for \$690 million and expected to be in operation by the year 2000. Once completed, the projects will provide the province with 10,000 MW of much-needed power. Electrical demand now outstrips supply by 30%, Zhu said.

Much of the power generated at Daya Bay is to be sent into the power grid in Hongkong, whose electrical utility jointly financed the Guangdong station. China has announced plans to build a world-class nuclear power industry this decade, including production and export of 1,200 MW generators. Zhu said that he is awaiting central government approval for a fourth and a fifth nuclear power station.

Agriculture

More production disasters face Russia

This year's collapse in food production in Russia is projected to be much worse than that of two years ago, the Moscow department of agriculture said in a report covered by the German newspaper *Handelsblatt* on Feb. 24.

Grain production is expected to fall further. Even under favorable weather conditions the harvest is not expected to exceed 89 million tons this year, experts say, mainly because much less land is being planted and because of tremendous difficulties with spring planting. Roughly 12.5 million acres less will be planted compared to last year.

Financial problems are squeezing the farms so hard that this year's harvest may even fall short of current expectations, the report says. For example, the use of fertilizers will decline further. Last year, only 4 million tons of fertilizers were applied in the whole country, compared with 12 million tons in 1989.

The number of harvesters in working condition is only half the estimated minimum needed. Seeds and pesticides are not available for spring planting.

The collapse in animal husbandry is expected to continue. Meat production will sink by another 6%, down to just 11 million tons live weight. Milk production will only reach 42 million tons, compared to 55.7 million tons in 1989.

Russia

Disruption of railways could cause chaos

"Russia is exceptionally vulnerable to a disruption on its railways, and this could stop all life in the country," a senior Russian source told *EIR* on Feb. 22. He expressed full agreement with the evaluation of Russian Security Council defense specialist Mikhail Malei, who warned in a Feb. 18 interview with the Paris daily *Le Figaro* that a crisis on the Russian railways is about to erupt.

The source said there were several reasons for the dire problems on the railroad network. First, the other former Soviet republics are suddenly deciding not to return rail cars that have come into their republics from Russia, fearing that prices on the railways are soon going to go up. Second, the financial situation on the railways is terrible; the 40-50% reduction in industrial output has led to a corresponding drop in transportation of goods of 40% or more. Third, with railway ticket prices going up, fewer passengers are taking the railways. Fourth, there are problems with electricity supplies, spare parts, and other supplies.

According to the source, "the socio-economic-technological crisis will really hit Russia in 2-3 months." As for the railways specifically, he said he foresees workers' strikes and related actions that would bring transport to a halt. "Malei is totally right in pointing to this as a major problem for Russia," he commented.

In his interview with *Le Figaro*, Malei stated that "agriculture has no more fertilizer, no more coal. If we don't take exceptional measures, the sowing will not be able to be done on time." Meanwhile, "as pertains to the rail-

Briefly

● **CHINESE** Executive Vice Prime Minister Zhu Rongji began a nine-day visit to Japan on Feb. 23. "Zhu thinks that China needs big trading companies and powerful economic groups like Mitsubishi. This is a major purpose of his trip," a Beijing-based spokesman for Mitsubishi said. China was Japan's second largest trade partner last year.

● **THE INTERNATIONAL** Monetary Fund role in promoting drugs in Ibero-America was pinpointed by French TV-2 in late February. The IMF is charged with pushing austerity policies that force countries to push drugs, to gain revenues. This is "the logic of the IMF," it reported.

● **INDIA** will have 3-5 million full-blown AIDS cases by the turn of the century, and 1 out of 10 persons will be HIV-positive, at the current rate of AIDS spread, warns Dr. I.S. Gilada, secretary of the Indian Health Organization. He estimates that there are already 100,000 AIDS cases and 2 million HIV-positive cases.

● **THE BANK OF SCOTLAND** management has decided to make life easier for bank clerks and transvestite clients, by introducing a special category of bank cards that depict the respective client as "man" on one photograph and as "woman" on the other. The measure will overcome confusion created by men who enter the bank dressed in women's clothes.

● **ONE-FIFTH** of the 25 million people in Kenya are threatened with starvation, as a result of one of the worst droughts in Kenya's history. President Daniel arap Moi has announced an aid program, and has called upon the international community for urgent help.

● **NASA** has set up an office in Russia for joint flights. The U.S. space agency announced Feb. 23 that astronaut and U.S. Marine Corps Col. Kenneth Cameron will be heading up NASA operations at Star City in Kaliningrad where the cosmonauts are trained.

roads, I forecast a crisis in the spring. There is nothing left with which to pay wages." He also said he feared generalized electricity cuts at some point in the near future, because generating plants are not being paid. Unemployment could soon take on a new dimension, he said: "The next graduating class of baccalaureates and students will not find work. Up to now, they have found refuge in commerce, in the criminal world. But all the positions are occupied. . . . In the current atmosphere of damaged self-respect, the absence of heat and electricity, the demonstrators will no longer only be angry babushkas."

Finance

Suicides plague Lloyd's investors

More than 30 Names, i.e., principal investors, of Lloyds of London have committed suicide or died as a result of stress-related conditions, said Christopher Stockwell, chairman of the Lloyd's Names Associations Working Party, according to reports by the London *Financial Times* and Germany's *Frankfurter Allgemeine Zeitung* on Feb. 22.

The latest victim is former British Admiral Sir Richard Fitch, who once commanded the aircraft carrier *Hermes*. Roger Pascall, administrative director of the Association of Lloyd's Names, said: "To say Names are under pressure is an understatement. Undoubtedly there are hundreds, if not thousands, of Names who are greatly distressed."

Transportation

Berlin-to-Moscow maglev rail system mooted

Experts on transportation systems have plans for a Transrapid magnetically levitated rail route from Berlin to Moscow and St. Petersburg, the Feb. 22 German daily *Süddeutsche Zeitung* reported in an editorial by its Berlin correspondent Andreas Oldag. The German

government on March 2 finally approved a Hamburg-Berlin Transrapid route (see p. 19).

In the plan which encompasses Moscow, Berlin is viewed as a transportation nodal point for eastern Europe. Such a perspective was outlined in a proposal by Lyndon LaRouche entitled the "Paris-Berlin-Vienna Productive Triangle."

Süddeutsche Zeitung calls for a common European decision in favor of the Transrapid, which it identifies as a transport system of the 21st century and of enormous importance for the German economy. Are plans for a Transrapid route from Berlin to Moscow and St. Petersburg realistic? The paper opines, "For the moment, these are future visions. But without such visions, there probably would have been no steam locomotive running from Fürth to Nuremberg in 1835."

Malthusianism

Cut world population to 2 billion, says prof.

World population must be reduced by "drastic" means to 2 billion from its current level of nearly 6 billion, stated Cornell University Professor of Ecology David Pimentel, in a speech before the annual meeting of the American Association for the Advancement of Science in San Francisco, the Feb. 22 London *Independent* reported.

Pimentel "released the results of a year-long study into the optimum human population—the number of people the planet can comfortably support with a reasonable standard of living for all. The study concludes that the present population of 5.6 billion will have to shrink to 2 billion," the paper reported. "Pimentel acknowledged that drastic adjustments to cut the population to 2 billion will cause serious difficulties." But, Pimentel insists, such "serious difficulties" will be less than those caused by "continued rapid population growth."

The study is scientifically fraudulent, ignoring technological advances and capital inputs that can be made to improve such population-limiting factors as soil conditions and availability of fresh water and energy supplies.