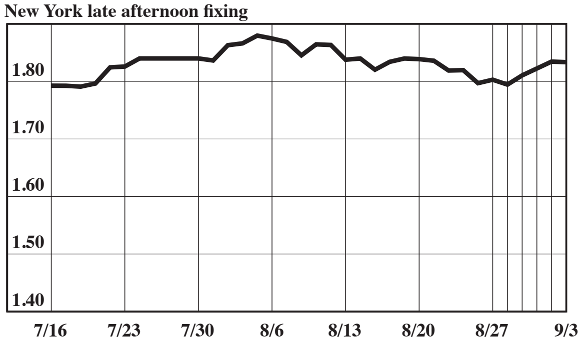
Currency Rates

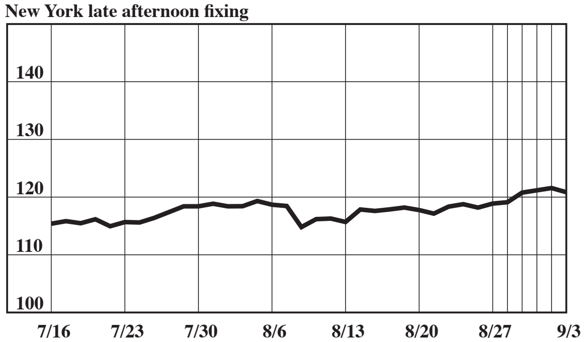
The dollar in deutschemarks

New York late afternoon fixing



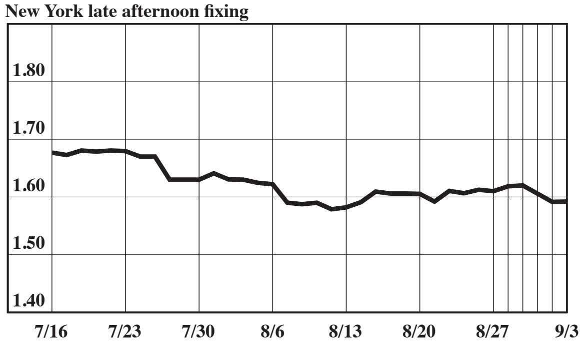
The dollar in yen

New York late afternoon fixing



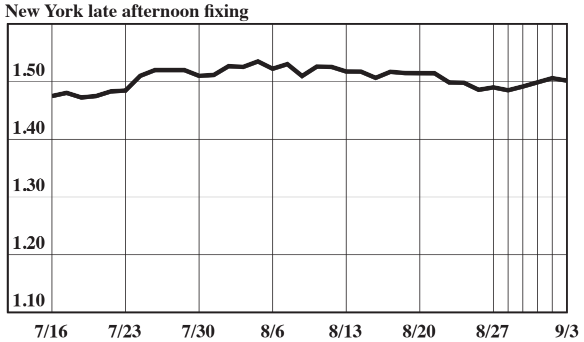
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



to allow foreign banks to own an even higher percentage of Thai firms than the current limit of 25%;

- the privatization of more state enterprises, and an end to state subsidies to state agencies;
- a freeze on wages to the nation's workforce.

Some of the acknowledged consequences of these conditions are: vastly increased unemployment, cancellation of at least some of the major development projects currently under way, high inflation, and further stalling of the effort to develop the interior regions of the country—i.e., allowing the overcrowded, polluted capital of Bangkok to be further destroyed, while the rest of the country rots. Any competent actuary could calculate the number of people who will die as a result of these conditionalities, who would otherwise have lived, as perhaps the best measure of the source of the profits to speculators envisioned by the IMF program.

Finance Minister Thanong repeated the required IMF mantra for the press: "Will we be placed under [the IMF's] control, as has been widely reported? The IMF was established to help create stability in the world's financial system. It is well experienced in solving the economic problems of more than 40 countries worldwide. Its efficiency in achieving economic recovery has been highly recognized. . . . It is a step backward in preparation for firm steps forward."

Let's look at the *leap backward,* called "economic recovery," in Mexico since 1994, to see what the IMF has in mind for Thailand.

Mexico's 'recovery'

Mexico, before the 1994 crash, was described as the "Mexican Economic Miracle," and cited as a model for other developing countries. The reality was quite the opposite, just as the "Asian Tiger Miracle" was, in fact, a bubble ready to be burst. After the 1981 debt crisis in Mexico, which was the first of the exploding "debt bombs" of the 1980s, the IMF launched early stages of the "globalization" process. Mexico's small, but growing manufacturing sector was dismantled, while thousands of *maquiladoras* were constructed along the U.S. border, employing some of the growing army of unemployed at a pittance, to work in low-technology, export industries, living in wretched shantytowns. Later in the 1980s, Thailand and the other Asian economies would experience exactly the same boom in low-skill, low-pay "process" industries, contributing nothing of value in terms of infrastructure, technology, or educational improvement to the host nation.

In Mexico, the "miracle" increased unemployment (including disguised unemployment and under-employment) from 25% to 41% between 1981 and 1991, while foreign debt rose from $75 billion to over $100 billion during these same years (despite debt *payment* of over $150 billion in that period).

When the bubble burst in December 1994, the IMF conditions imposed in exchange for the bailout demanded *more*