

# Business Briefs

## **Biological Holocaust**

### **Influenza pandemic threat worries experts**

Within the next few years, a new influenza pandemic could occur, according to experts at an influenza symposium in Bern, Switzerland, the daily *Neue Zürcher Zeitung* reported on Nov. 5. If that were to occur, severe problems could be caused by the fact that the number of available vaccine doses would be limited, because, so far, the production process is relatively slow. New methods of production are in progress.

Four pandemics have occurred in this century. The worst was the Spanish Influenza (1918-20), which killed worldwide more than 20 million victims, followed by the "Asiatic Influenza" in 1957, the "Hong Kong Influenza" in 1968, and the "Russian" one in 1977. Since 1947, the World Health Organization influenza-detecting system has been at work, reporting influenza activity from 79 nations. According to these observations and further investigations, corresponding new vaccines are being produced every year.

Experts at the conference reported a shocking event in May this year, that occurred in Hong Kong: A three-year-old boy died of influenza caused by a virus which had never been observed before in humans. The influenza, type H5N1, which killed the boy, normally infects only birds; it had caused an epidemic among Hong Kong chickens in the spring. An intense investigation did not turn up any evidence that the virus had infected other humans, but nevertheless, experts are worried.

## **Thailand**

### **Financial collapse is taking its toll**

In recent weeks, the industrial and commercial sectors in Thailand have begun to come apart, because of the combination of the currency collapse, credit collapse, and the collapse of domestic demand. Examples include:

The retail department store chain Robinson's, which had built stores based on 7-8% growth predictions, took enormous losses in the third quarter, and is now downsizing and pleading for rollovers on foreign loans.

Siam Cement, one of the nation's largest corporations with ties to the King, is taking enormous losses in auto parts and construction materials. The Japanese rolled over \$700 million of Siam Cement's \$1 billion in short-term debt.

Both Honda and Toyota have announced huge cutbacks in their production facilities in Thailand, while trying to increase Japanese purchases of Thai-assembled cars. Honda cut motorcycle production from 1 million units to 750,000 units this year, and cut auto production from 53,000 to 24,000 units.

Krung Thai Bank, owned by the Finance Ministry, is the closest thing to a "last resort" for credit, both to corporations and to finance companies—but it, too, is out of money. It planned to issue about \$200 million in new shares, but it was clear no one would buy them, leaving them in the hands of the Finance Ministry. This, however, would be "going against the economic rehabilitation framework laid down by the IMF [International Monetary Fund], which encourages the privatization of state enterprises," according to *Business Day* in Bangkok.

## **Central Asia**

### **Turkmenistan plans rail projects for Land-Bridge**

Dr. A.N. Amandurdyev, head of the Asia-Pacific Department of the Ministry of Foreign Affairs of Turkmenistan, presented his government's ambitious plans for infrastructure development, including rail building in Central Asia, designed to participate in the Eurasian Land-Bridge project, at a seminar in Ashkhabad, Turkmenistan on Nov. 26-28. Dr. Amandurdyev said that by Central Asia, he meant all ten countries which are members of the Economic Cooperation Organization (ECO), i.e., the five Central Asian republics, plus Afghanistan and Azerbaijan, as well as founding members Pakistan, Iran, and Turkey. "Each of these countries is . . . guided by unity in im-

plementing [this] large-scale program of development," he said.

(Schiller Institute and *EIR* representative Muriel Mirak-Weissbach also spoke at the seminar, and a fuller report will appear in an upcoming issue of *EIR*.)

Amandurdyev stressed the importance of Turkmenistan as an "important transport and communications bridge in the Central Asian region." He said, "This beneficial geographical location used to be practical in times of the Great Silk Way from China to Europe through territory of Turkmenistan." As for current policies, he said, "Turkmenistan attaches much importance to the development of rail, road, sea, and air transport, and telecommunications and other means of communication aimed at speedy integration into the Central Asian and world economic system."

In the rail transport sector, Turkmenistan plans to construct 2,000 kilometers of steel rail lines—which equals what was constructed in the 100 years beginning in 1880. Moreover, Turkmenistan is constructing the rail network (including electrification) "using the latest achievements of world technology," he said.

"Thus, Turkmenistan has made the revival of the Great Silk Way an integral part of the country's external economic strategy," he said. "The largest transport-communication projects being implemented within the program of regional development [the ECO program] speaks for the growing role of Turkmenistan in the regional cooperation."

## **Israel**

### **700,000 workers go out on strike**

On Dec. 3, some 700,000 Israeli workers, almost one-fifth of the Israeli population, went on a general strike, paralyzing the nation. All public offices and establishments were shut down, except for schools and two bus companies. Striking workers not only included Histadrut labor federation and Labor Party members, but trade unions such as the postal workers, which are led by Likud Party activists. Several Likud activists were quoted in

**IRAN AND RUSSIA** discussed improving rail cooperation, in Moscow on Nov. 26, including reopening the Moscow-Jolfa railroad, the purchase of rail cars and equipment, construction of locomotives in Iran, and a Russian role in a project to expand Iran's rail network.

**TWENTY AFRICAN** nations are expected to face "exceptional food emergencies," according to a report by the UN Food and Agriculture Organization. Drought has hurt harvests in East and Central Africa; Kenya and Somalia are suffering the worst floods in decades; and Sierra Leone, Burundi, and Rwanda have had poor harvests.

**HONG KONG** has had a dramatic increase in suicides in recent weeks, most of which have been attributed to the financial collapse. Geraldine Wilson of the Samaritans in Hong Kong said, "The financial crisis has affected everyone. We have seen suicide deaths as a result of financial losses."

**THE PORTS** of Los Angeles and Long Beach recorded the fewest ship arrivals in any month since 1976—just 393," in November, an official of the California Public Utilities Commission said at hearings in Washington, D.C., the Dec. 3 *Los Angeles Times* reported. Shippers are diverting cargo because of delays caused by problems brought about by the Union Pacific/Southern Pacific merger.

**JAPAN'S** Export Import Bank agreed on Dec. 5 to extend \$225 million in loans to the Bank of China for three projects listed as priorities in China's five-year plan: the Xiamen Haicang Bridge Project in Fujian; the Shenzhen Airport Expansion Project in Guangdong; and the Urumqi Hetan Road Project in Xinjiang.

**VIETNAM'S** Transport Minister Le Ngoc Hoan pledged full support to complete the rail line between Singapore and Kunming, China, a key link of the southern Eurasian Land-Bridge route, Malaysia's *Bernama* wire reported on Dec. 5.

the Israeli media, saying that it was a mistake to have voted for the Likud in the last elections.

The official reason for the strike was to force the government to keep to the signed wage and pension agreements and stop privatizations that are causing mass layoffs. The strike was called after Finance Minister Yaakov Neeman publicly referred to the workers as the enemy within, and as "exploding bombs." Neeman, who had been the attorney for the late Robert Maxwell, a British media magnate, is a radical free-marketter, and a member of the National Religious Party, which has close links to right-wing Zionist circles in the United States and Europe.

Histadrut Secretary General Amir Peretz declared, "The strike is a spontaneous reaction to the measures which the government has taken against the workers, and is intended to determine the rules of the game between the workers and the government." He charged that Neeman had "declared war on the workers, and we have no choice but to fight back."

## Health

### U.S. agency approves irradiation for beef

After three years of study, the U.S. Food and Drug Administration on Dec. 2 approved the use of irradiation to rid beef of pathogens, such as the deadly strain of *E. coli*. According to press reports, the meat industry applauds the decision. U.S. approval already exists for irradiation of poultry, pork, fruits and vegetables, and spices, and astronauts have been eating irradiation-sterilized food for years. Now it is up to the U.S. Department of Agriculture to issue regulations for irradiation processing plants to meet the FDA specifications, and to certify those plants for beef processing.

Food irradiation has been researched for 50 years, and is used throughout the world to disinfect foods and preserve their shelf-life. Its use in the United States has been limited, because of a small group of anti-nuclear environmentalists, who have received millions of dollars to promote anti-irradiation propaganda, and by their allies in the food

industry, who do not want to invest in irradiation technology. As outbreaks of food-poisoning and food-borne illnesses have increased in the United States, and especially after this summer's recall of 25 million pounds of hamburger contaminated with *E. coli*, there has been a turnaround in the news coverage of food irradiation, in the administration's response, and in Congressional support for the technology.

Despite the ignorant and fearful comments quoted on the nightly news coverage of the FDA approval, irradiated food products have sold out whenever there have been consumer trials.

## Banking

### Australia deregulates, to buy up Asia banks

In a bid to "break an international deadlock" on the liberalization of global financial services, Australian Prime Minister John Howard, in talks with the World Trade Organization (WTO), has committed Australia to allow foreign financial interests to take control of any of Australia's four domestic banks, the *Australian* reported on Nov. 25.

Negotiations with the WTO are expected to be wound up within three weeks, within which time Howard hopes the Asian leaders of Asia-Pacific Economic Cooperation (APEC) group will follow suit, by agreeing to open their own financial systems, despite the collapse in their banking systems. If things go according to plan, and a "positive outcome" is reached, this would make it easier for Australian banks to snap up Asian banks and insurance companies at fire-sale prices, following the collapse in Asian currencies and stock markets.

Howard is pushing for APEC to make a commitment to free up international takeovers in financial markets through the binding WTO process. "It is APEC's vision of regional community and the goals of free trade and investment in the region that offer the best way out of our present difficulties. These responses to the region's currency instability ought to be reassuring to our partners beyond the region," he said.