

Business Briefs

Biological Holocaust

Thai AIDS death rate higher than reported

The death rate from AIDS in Thailand is nine times higher than official figures, according to Alessio Panza, head of the European Union's AIDS program in Bangkok, the Thai capital, the Oct. 22 *South China Morning Post* reported.

Panza is co-author of a forthcoming report on the subject prepared by his program in collaboration with the Institute of Population Studies at Bangkok's Chulalongkorn University. The report will show that since 1985, more than 222,000 Thais have died of AIDS, while the Thai Ministry of Public Health reports 24,667 lives. The ministry's estimate of those infected is 800,000. Panza's report also says that the disease has become so widespread in Thailand's northern provinces, bordering the Golden Triangle heroin-producing area, that life expectancy has dropped to 55 years, down from 65 years, in the country.

Contributing to the lower official figures are factors such as lack of qualified medical staff and resources in these provinces, and the stigma associated with the disease.

Investment

France, U.S. drop globalist agreement

Only a few days before a decisive Organization for Economic Cooperation and Development meeting on the Multilateral Agreement on Investment (MAI) on Oct. 21 in Paris, the French government decided on Oct. 14 to let the negotiations collapse. The MAI, which has been under negotiation among the 29 OECD member-states for three years, would mean the full abandonment of national sovereignty in investment policy, because it mandates that any preference of domestic companies over foreign investors would be termed a "discriminatory" act.

However, it now appears that the U.S. government played a crucial role in the sudden end of the MAI process. The Oct. 20

London *Financial Times* reported that U.S. Assistant Secretary of State Alan Larson described the MAI agreement as "unacceptable," at least in its present form. Larson pointed to social and environmental standards, which are not being protected in the MAI framework. As the *Financial Times* wrote, the U.S. administration doesn't intend to move the MAI talks from the OECD to the World Trade Organization level. The paper said that some U.S. officials appear to be even more skeptical of MAI than Larson, and they "greeted France's withdrawal last week with undisguised relief, suggesting that it could provide a pretext for winding up the talks."

Technology

Detroit Edison to test superconducting

The U.S. Department of Energy (DOE) announced on Oct. 19 the award of a contract for \$2.75 million to manufacture and install the world's first high-temperature superconducting power cable to deliver electricity in a utility network. Working with the Electric Power Research Institute (EPRI), the research arm of the utility industry, the DOE chose Detroit Edison as the utility that will install a 400-foot superconducting cable, installed in existing conduits in downtown Detroit, at Frisbie Station. EPRI will help fund and will manage the project.

As far back as the late 1970s, it had been recognized that using superconducting materials, which allow the flow of electricity without resistance, would greatly increase the efficiency, and lower the cost, of the transmission of electric power, compared to conventional copper cables. The development of higher-temperature superconducting materials that do not have to be maintained at a temperature just a few degrees above absolute zero, discovered in 1986, made the potential commercial use of superconductivity more attractive, because it lowered the cost of cooling the materials.

The major problem was to develop a process to manufacture the brittle ceramic high-temperature superconducting materials, which was recently solved by American Superconductor. Their wire will be made into

transmission cables by Pirelli Cables. The plan is to remove the nine existing cables, manufacture the three superconducting cables that will replace them, and switch on the new line in mid-2000. DOE official Alan Hoffman said that superconductivity applications could "revolutionize the generation and transmission of electricity, all over the world."

Banking

Indonesia approves 100% foreign ownership

On Oct. 16, the Indonesian Parliament approved a bill that will allow 100% foreign ownership of banks, the Singapore *Straits Times* reported on Oct. 18. Approval was granted despite the objections of several parliamentarians, who warned that it would lead to foreigners dominating the industry and driving out weak local banks.

Finance Minister Bambang Subianto's remarks strongly suggest that the measure was an act of desperation to get foreign investment into the country. He told reporters, "There is no limit on banking ownership, because if we impose a limit, the investors do not want to come in." Existing law set a cap of 49% on foreign stakes in public-listed banks, and up to 85% of joint venture banks. There are currently 208 banks in Indonesia, including 34 joint ventures between local and foreign banks, and 10 foreign banks.

Africa

Tokyo conference takes new step for development

Malaysian Prime Minister Dr. Mahathir bin Mohamad described an initiative by Malaysia, France, and Japan to assist the countries of Africa to restart development, in the keynote address to the three-day Tokyo International Conference on African Development (TICAD II) on Oct. 19. In his speech, entitled "Capitalism's Friendly Face Has Vanished," Mahathir said that Africa is a continent that has "lost almost half a century."

It is clear from attendance at the confer-

ence that the initiative has widespread interest. Present for the meeting were senior officials of 52 African nations, including 10 heads of state; and representatives from North America, Europe, and Asia, and of dozens of non-governmental organizations. The first TICAD conference was held five years ago; this meeting included for the first time China, South Korea, Malaysia, the Philippines, Thailand, and Indonesia, among Asian states.

Japanese Prime Minister Keizo Obuchi delivered opening remarks to the conference, saying, "It is indeed a great pleasure for me to see that the bright future for Africa that I foresaw 30 years ago is being realized in many African countries today." UN Secretary General Kofi Annan, closed the conference on Oct. 2. According to *Utusan Malaysia*, he said, "After an era of decolonization and a period characterized by civil wars, military rule, and economic stagnation, a third wave is beginning in Africa—one of peace, democracy, human rights, and sustainable development."

Transportation

Maryland announces mass-transit upgrades

The Governor of the U.S. state of Maryland, Parris Glendening (D), announced plans for a multibillion-dollar rail-based mass transit system on Sept. 29. Glendening told a meeting of business leaders and elected officials: "Any solid future-oriented strategy for dealing with traffic congestion must begin with mass transit. . . . Yes, all this will take time and money. But it is an absolutely essential investment."

The proposal has been attacked by his Conservative Revolution opponent for governor, Ellen Sauerbrey, as a "budget buster" and a "fantasy." In fact, recent studies have shown that business and government lose billions of dollars annually because of time wasted by their employees in commuting. Glendening's announcement has nonetheless helped revive debate on building rail-based transportation corridors, especially in the metropolitan Washington region, including Maryland and northern Virginia. One such proposal, the Western Transportation

Corridor, now stonewalled by environmentalists, could provide the basis for such a rail-based corridor from the Baltimore area, through Virginia's Loudoun County, to Stafford County.

Glendening's plan resembles some key aspects of that proposed by LaRouche Democrat Lawrence Freeman, who ran for the Democratic nomination for governor. However, Freeman made a central point that the Baltimore-Washington corridor had to be comprised of magnetic levitation trains, which travel at airplane speeds, without the lost time of terminals, takeoff, landing, and so on.

The Baltimore-Washington corridor has long been considered as a first step in a maglev line extending from Washington to New York. National and state politicians have studied the possibilities for maglev in their states for years, but have failed to get adequate funding for test facilities for the technology, which carries trains on a cushion of air at speeds of up to 300 miles per hour, using magnetic repulsion between the vehicle and the guideway.

Outsourcing

Australia in uproar over intelligence jobs

Australia's top secret Defense Signals Directorate spy agency, which scans radio signals in the Asia-Pacific for intelligence purposes, has reportedly outsourced some of its work to foreign companies, including British Aerospace Australia, the *West Australian* reported on Oct. 14. Described as Australia's "most clandestine" intelligence service, operating on an unknown budget with unknown methods, the DSD's move was revealed when British Aerospace Australia advertised for 40 people with "expertise in Asia-Pacific languages" to work in Australia.

Opposition defense spokesman Arch Bevis attacked the move as a "ridiculous threat to national security. . . . Handing such sensitive work over to foreign-owned companies is madness and clearly not in Australia's interests." He added, "Not even Margaret Thatcher or Ronald Reagan went this far with privatization."

ZAMBIAN President Fredrick Chiluba described the nation's debt as the worst form of subjugation since the slave trade, in a speech on Oct. 18 marking the 34th anniversary of independence. He said that Zambia will not develop if it has to continue servicing the debt.

QUEENSLAND, Australia's power supply will be rationed by the government, after the privatization of the state's generators led to their shutdown as "unprofitable." Several blackouts have already occurred, but state Energy Minister Tony McGrady stated, "It's not going to be like a Third World country."

SUNBEAM Corp., after a three-month audit, revised its 1997 results, cutting the previously reported profit of \$109 million, to \$38 million, and boosting the first-quarter 1998 loss to \$54 million, up from \$45 million. The new figures show that the alleged turnaround of the firm by asset-stripper Al Dunlap was the result of improper accounting practices. Dunlap was forced out earlier this year.

TEN GOLD CARTEL mining firms, led by AngloGold, have called for a world gold forum in London in November "for a fundamental rethink" of the selling and marketing of gold, including central bank gold sales and deregulation of key markets such as China, the *Electronic Telegraph* reported on Oct. 25. "We will renew the World Gold Council and if we don't, the outlook will be grim," said AngloGold chief executive Bobby Godsell.

THE MERGER of German bank Norddeutsche Landesbank, controlled by the northern German states, with Bankgesellschaft Berlin, controlled by the Berlin city-state, have collapsed after four years of talks. Pointing to the 50% collapse of Bankgesellschaft Berlin stock prices since April 1998, Lower Saxony Finance Minister Aller stated, "We are not willing to sacrifice a good successful bank, without knowing where we are going."