

Business Briefs

Trade

Australia makes push into Ibero-America

Australian Deputy Prime Minister and Trade Minister Tim Fischer (a devoted follower of the free-trade Mont Pelerin Society) is determined to increase Australia's exports to Argentina, Brazil, Chile, and Uruguay, in an attempt to compensate for the drop of exports to Asian economies, the *Age* reported on Nov. 23.

Although Australian investment in Ibero-America is \$5.9 billion, most of this is concentrated on resource stripping (e.g., BHP's Escondida mine in Chile, and MIM/North/Rio Tinto's Minera Alumbrera in Argentina). Other big Aussie companies involved include P&O Shipping (a British East India Company spin-off) and Village and Hoyts cinemas.

Fischer intends to double the trade and investment links, by spending \$9 million on expanding Austrade offices. He believes that there is scope for smaller businesses to follow the big companies, after the World Bank estimated that \$50 billion needs to be spent to overcome infrastructure deficits in Ibero-American countries.

Eurasia

Traffic accord will boost Silk Road

On Nov. 24, Pakistan, China, Kazakstan, and Kyrgyzstan signed an agreement on "traffic in transit," to promote trade relations on roads from Almaty to Karachi along the ancient "Silk route." It will take effect on May 1, 1999. Pakistani Secretary of Communications Dr. Mohammad Ahram Sheikh said that trade routes among four countries will be upgraded, and facilities such as gasoline stations and auto repair shops will be set up along the roadsides, the *Pakistan daily* the *Dawn* reported on Nov. 25.

Pakistani official Raja Nadir Pervaiz said, "This agreement will help the people of these four friendly countries in their eco-

nomie development, through transit trade facilities between them. . . . The agreement will not only help open trade relations to these four countries, but for the rest of the world." He added that this agreement for trade facilities via Khunjerab, Kashi, Bishkek, and Almaty, would be expanded to other members of the Commonwealth of Independent States. He said the agreement will bolster existing trade relations and bring the people of these countries closer to each other. "This is a first step for opening up other trade routes through Afghanistan and Kandhar," he said.

Health

PNG facing TB epidemic of 'African proportions'

Papua New Guinea is on the verge of an epidemic of the human immunodeficiency virus (HIV) and tuberculosis "of African proportions," according to Dr. Michael Levy, director of the Community Health and Anti-Tuberculosis Association based in Sydney, Australia. "PNG is facing a combined HIV-tuberculosis epidemic that I would estimate is of global proportions," Levy said. "That means it is at the level where population and economic estimates will have to be phased down in the medium to long term because of the impact of these diseases."

HIV incidence in PNG last year was two per 1,000 adults, and seven per 1,000 for TB, figures well below some of its Asian neighbors such as Cambodia. But Levy, who led a World Health Organization (WHO) TB study team to PNG in 1997 and has been involved in two other investigations, claims that PNG authorities had been the slowest and least effective in the region to deal with the epidemic nature of the TB spread. He said that available statistics are "so shaky they are almost not worth quoting. . . . But even so, they are already at the high end of the range for both diseases."

WHO reports that India, China, Bangladesh, Pakistan, Indonesia, and the Philippines account for 56% of the 8 million reported tuberculosis cases in the world, of whom 3 million are expected to die from the

disease. WHO Director General Gro Harlem Brundtland told a conference in Bangkok, "A disease that many of us believed would disappear in our lifetime is killing more people today than at any time in our history."

Poverty, leading to a depleted or dysfunctional immune system, and misuse or unavailability of anti-TB drugs contribute to the spread of the disease. "Our ability to control the spread of TB pivots on Asia. If we cannot control TB in Asia we will never stop TB globally," Brundtland said.

Nuclear Energy

LaRouche associate covered in Brazil

The latest issue of *Brasil Nuclear* reviews the contribution of women to research and discoveries in nuclear physics, keying off an article by Jonathan Tennenbaum, "European director of the Fusion Foundation," in *21st Century Science & Technology* magazine entitled "Atom Rose — Shocking: Unknown and Unpublished Contribution of 'Nuclear Women' to Science and Technology." *Brasil Nuclear's* editorial is headlined "The Woman's Place Is in the Laboratory."

The issue includes a review of Marie Curie's life, authored by nuclear engineer Alessandra Kepinski, who reports on Curie's discussions with Alvaro Alberto, one of the fathers of Brazil's nuclear energy program, during a visit to Rio de Janeiro in 1926. *Brasil Nuclear* reports that, compared to Japan, the United States, and Europe, Brazil has many more women working in various nuclear energy areas, and publishes interviews with a dozen of them.

In an interview with *Brasil Nuclear*, Dr. Rex Nazareth Alves, "the father of the Brazilian atomic bomb," said that former Brazilian President João Figueiredo promoted the development of a national nuclear program, because he believed that without it, Brazil could never be fully independent. Nazareth was named by Figueiredo to head Brazil's "Autonomous Program," which succeeded in its principal objective, that of achieving mastery of uranium enrichment technology.

"Figueiredo's position was that a coun-

CHINESE economist Zhou Wenming of the Ministry of Foreign Trade and Economic Cooperation warned that the euro single currency will “lead to a strengthening of regional protectionism” and damage Chinese exports, *China Daily* reported on Nov. 28. The EU “will adopt more protective measures and set barriers for Sino-European trade,” he said.

14 ARGENTINE Deputies introduced a bill on Nov. 18 that would prohibit the privatization of Banco de la Nación. The bill points out that the bank was created in 1891 to protect national agriculture and industry “from ‘free trade’ which kills nascent industry.” The LaRouche movement had helped force President Carlos Menem to halt the sale earlier this year.

UKRAINE announced on Nov. 24 that it will join the International Space Station program, and spend \$100-150 million to build one of the scientific laboratories that Russia has been unable to finance.

ITALY’S exports fell 0.9% and imports dropped 1.9% for the last month, but non-EU exports collapsed 13.9% and imports 8.4%. In announcing the figures, Foreign Trade Minister Piero Fassino said that “the European Union must launch policies in support of production, employment, and consumption.”

SOUTH KOREA’S economy collapsed at a 6.8% annual rate in the third quarter, the Bank of Korea reported. It is the worst economic report in 45 years: Private consumption has fallen 12%; unemployment is 7.3%, and there have been 21,000 business bankruptcies this year.

RUSSIA’S population has fallen by 900,000 in the past two years, down to 146.9 million, Deputy Economic Minister Andrei Sharonov told a conference of social welfare officials in Moscow on Nov. 25. The economic crisis and disastrous health care situation remain the major causes of the high death rates and low birth rates, officials said.

try which did not have the conditions to independently produce energy, with its own fuel and its own technology, to produce its own basic medicines, and the condition of food self-sufficiency, would never be able to bargain at the table of international negotiation,” Nazareth said. “For this reason, an autonomous program of national technology, with branches . . . covering the areas of medicine, informatics [computer technology], and energy,” was established, and it was decided that nuclear energy should be the most widely used fuel in the country.

Education

U.S. falling further behind Asia, Europe

On Nov. 23, the Organization for Economic Cooperation and Development released a study that reports that education levels in the United States are stagnating or worse compared to other countries. Forty years ago, 77% of Americans finished high school, the highest rate in the world. Today, only 72% finish, placing it 28th among the 29 OECD members, ahead only of Mexico. South Korea, Poland, and the Scandinavian nations all graduate more than 90% of youth. The United States has a high rate of college entrance, but a 37% drop-out rate, the world’s highest. The United States is close to the top of OECD countries in adult illiteracy.

Quality has also slipped. U.S. 12th graders had among the lowest scores in science and math, when tested a year ago. The lowest quarter of 8th graders in Japan and South Korea out-performed the average U.S. student.

The U.S. pays teachers less and works them harder. An experienced U.S. high school teacher earns 1.2 times the average per-capita Gross National Product. In Germany, Ireland, Switzerland, and South Korea, teachers earn at least double the average per-capita GNPs. Yet, an American middle school teacher puts in 964 hours per year in front of a class, more than almost all other countries.

The Nov. 24 *New York Times* tried to put a positive spin on the story, claiming that

“the changing picture is less a matter of American backsliding than of substantial recent progress by other nations.” Its evidence that U.S. education is improving is that, in 1996, an average five-year-old was projected to be fated to spend 16.8 years in classrooms, up from 16.3 years in 1990.

Economic Policy

LaRouche’s New Bretton Woods reported in Italy

Area, a nationally circulated magazine close to the conservative party Alleanza Nazionale, published an article entitled “The Chaos Risk of Global Markets,” which, after describing the out-of-control speculative bubble, reports about the “two interesting proposals” to prevent disaster: the Tobin Tax and Lyndon LaRouche’s proposal for a Bretton Woods II.

The latter “is an international summit, able to define economic-financial and historic-political-cultural parameters for a radical reorganization of world monetary and financial affairs. A sort of new architecture, whose necessity is realized by many economists, bankers, and politicians in the United States as well as in Europe and Asia. The idea was quietly launched more than a year ago by American economist Lyndon LaRouche. According to LaRouche, out of this New Bretton Woods (the first one reorganized the international monetary system, toward the end of World War II, establishing convertibility between gold and the dollar and eventually binding the creation of ‘greenbacks’), a system should be established that is based on these strong points: a) fixed exchange rates, periodically adjusted among the nations; b) limited convertibility, according to circumstances; c) control of exchanges and of capital transfer; d) facilitation of necessary protectionist measures in rules on tariffs and trade; and e) outlawing of markets dedicated to speculation against certain currencies. Utopian wishes? Maybe. But, also, a healthy basis for discussion.”

The article runs a picture of LaRouche on the right page, and one of central banker Antonio Fazio on the left.