

the rest of Asia. There are indications that this process will be stepped up.

## Indonesia

Indonesia expects a U.S. recession and a drop in exports, perhaps excepting oil, of 10-20%. In spite of this, the Indonesian market dropped only 7.9% during the past weeks, as hopes are high that the new government of Megawati Sukarnoputri will bring some stability to the troubled country. President Megawati carried out her already-planned visit to the United States in the days after Sept. 11. She was given "red carpet" treatment in her meeting with President George Bush and on her stops in New York and Houston, where she met with top officials of the U.S. oil and mining industries. She also met with World Bank and International Monetary Fund (IMF) officials.

The Bush Administration has been seeking better relations with Indonesia, and now would like its support, as the largest Islamic nation in the world, in the coalition against terrorism. Bush offered Indonesia a \$657 million aid package, and resumption of U.S.-Indonesian military ties. The oil companies offered an increase in investment of \$2 billion, and the IMF dismissed worries that there was any risk to the expected \$2.8 billion debt rescheduling deal which is expected this year.

While Megawati may have played a crucial moderating role in regard to the U.S. military plans in the Islamic world, any subsequent American adventure may provoke an explosion in Indonesia, which would undermine her capacity to hold the nation together.

## Philippines

Due to a somewhat smaller dependence on exports than its Southeast Asian allies, the stock market dropped only 4.9% during this period, although it had already been going down for some time. The government's economic response to the crisis has been primarily political, consisting of flag waving—the American flag, that is. The Clark Air Force Base has been made available for at least limited use by American F-18s, and President Gloria Macapagal-Arroyo initially indicated that the country might send troops to aid in any U.S. military action. This provoked intense resistance, both on Constitutional grounds, and in regard to nationalist sensitivities.

The Philippines has two special, interrelated problems. The country's largest export is its people. Millions of Filipinos work abroad; there were an estimated 1,000 employed at the World Trade Center alone, of whom about 100 are missing and presumed dead. Most of these foreign workers remit part of their pay back to the Philippines, amounting to about \$6 billion annually, the single largest source of hard currency.

As in Thailand, in the days immediately after the crisis, the government was scrambling to implement and finance contingency plans for the evacuation of their nationals from the Middle East. In the case of the Philippines, this amounts to over 1 million people.

# HMD Comeback Shows Blair's Policy Failure

by Rosa Tennenbaum

British Prime Minister Tony Blair seems to be very eager to get involved in the war that is being prepared, to retaliate against the attacks on the World Trade Center in New York City and the Pentagon in Washington. He urgently needs to distract from problems and crises he has at home, problems that are running out of control and that have caused him tremendous difficulties in recent weeks. Since the attacks, British media have been filled with war propaganda; they spend no words on major domestic issues, such as hoof and mouth disease (HMD), which is a real, pressing concern in Great Britain.

On Sept. 11, the day of the attacks, the *Daily Telegraph's* headline read, "Farmers Forced To Kill 200,000 Calves," which just highlights the situation Blair faces. Four days earlier, Simon Jenkins, a well-known senior journalist, ripped apart the government's policy in an article in the *London Times* headlined, "Blair's Foot-And-Mouth Policy Must Be Culled." Remember, hoof and mouth was diagnosed in the country on Feb. 20—seven months ago. In March, Blair put himself in charge of the fight against the epidemic. In May, he declared the epidemic to have ended—because he wanted to have the national election no matter what. But the virus did not listen: It was still there, and obviously enjoying circumstances favorable to its spread. It broke out again, this time with its center in Northumberland, in northern England. The needless practice of slaughtering whole herds of healthy animals in the vicinity of an outbreak, was geared up. On Aug. 31, the government had to call in the Army, again to help dispose of animals that are being culled in the thousands every single day.

## The Policy Is Not Being Changed

The policy to eradicate the virus by slaughter, no matter how many animals it would cost, instead of using vaccine to protect the healthy animals, has completely failed. This was to be expected. Being confronted with an epidemic that threatened to run out of control, even Tony Blair changed his mind suddenly at the end of April, and asked the EU Commission in Brussels to permit vaccination. But he never established this policy, against strong opposition within parts of the political establishment and the head of the National Farmers Union (NFU). Now, after seven months, the epidemic is making a big comeback; it was always there, but was ignored by the

government. Blair hoped that by not looking at the facts, by pure denial, it would go away. This attitude is the reason for what developed into the biggest outbreak of HMD in modern history. Everybody knows that Blair's policy totally failed, every single member of government, writes Jenkins, is in favor of vaccination, but the policy is just not being changed.

Senior officials in Whitehall are screaming for vaccination," writes Jenkins. "The Treasury wants it, as does every relevant permanent secretary. The majority of the scientific committee is for it. Vets from the West country to Cumbria are protesting at the present 'needless slaughter.' In Downing Street, Tony Blair and his aides cannot understand why farmers are not vaccinating. At daily meetings of the emergency committee, Cobra [the Cabinet Office Briefing Room], there is shouting, arguing, and despair."

He continues: "Rural small businesses have been devastated. Youth hostels are close to bankruptcy. The government's own Countryside Agency estimates rural losses at £5 billion, its chairman, Ewen Cameron screaming for vaccination." According to official figures, 3.82 million animals have been culled; in fact, well over 7 million have been culled, farm organizations calculate. "So, why are they not vaccinating? . . . What anaesthesia runs in the veins of British government?" Jenkins asks.

Jenkins says that Cobra and the NFU are the main obstacles to a vaccination program. Cobra is an "emergency crisis management" apparatus for Britain, as the *Daily Telegraph* characterized it on July 11. It is a "powerful crisis management unit in the Cabinet Office, to deal with national emergencies, following concern about the handling of foot and mouth, and the fuel protest." Jenkins blasts the attitude of this shadowy committee: "The psychology of Cobra has been that of a staff chateau in the Great War. Having decided on a strategy of mass slaughter, and found it has failed, the generals dare not admit they were wrong. Instead, they try to validate the strategy with more of the same. They argue that 'one more push' will bring victory which is always 'just round the corner.' They cannot stop to contemplate the horror of what they are doing. They are trapped by the need to justify the original policy." The resistance of the NFU and its head, Ben Gill, Jenkins attributes to money: The government has to stuff Gill's mouth with banknotes, he writes.

Vaccination, the only sane alternative to mass slaughter of healthy animals has not been used. Now, Summer is over, which formed a natural barrier against the virus' spread, because the HMD virus is very sensitive to higher temperatures. The weather is turning cooler and rainy, perfect conditions

for the virus to prosper. If the slaughter policy did not contain the spread of the disease during Summer, it certainly will not do so during Autumn and Winter. It is also the time of the year when cattle are being moved from the fells and brought to market or back to the farms. But the ban on livestock movements in Cumbria prevents that, leaving animals without feed. Hundreds of thousands of sheep are facing starvation. At the end of September, nights can get very cold up in the hills, and only five frosts and the grass will disappear. The large number of livestock trapped on the fell land would strip what vegetation there is, damaging the land itself before they starve.

### British Trade Policy

The government did not permit vaccination, because it did not want to damage exports. According to international regulations, and thanks to the campaign Great Britain had carried out for this policy since the 1960s, countries that vaccinate against HMD or swine fever are being cut off from all exports of animals and animal products. London wanted to eradicate the virus by mass slaughter, instead. Now, the government is indirectly admitting, that the export ban will most probably last for another year. Government officials warned farmers to think twice before they decide to have their ewes produce lambs. The time for this decision is now; then the lambs would be born in Spring and sold in Autumn. There would be no compensation for lambs that are being banned from exports next Autumn, the government said. The government is declaring its own policy to be a total and complete failure, but still it does not change it.

In addition to the prospect that a huge number of sheep will starve, this year some 200,000 new-born calves are being killed, because the market for them has collapsed. Most of the bull calves were being exported to France for veal, but the export ban and movement restrictions imposed in Britain itself makes that impossible. Until 1996, when Creutzfeldt-Jakob disease, the human variant of bovine spongiform encephalopathy (BSE), became the subject of concern amid intense media focus, the price for new-born bull calves was £140. Today, it is £4, if farmers can sell them at all. So the only "profitable" decision in this beautiful market economy, is for the farmer to shoot the calves right after birth and throw them into a pit.

With all this information in mind, it might be understandable that Blair prefers to have a "splendid little war" to distract the concerns of his countrymen. But the virus will remain, and it will spread further. Continental Europe tightened hygiene measures against HMD and put out warnings to travellers coming from the island and to European farmers in early September. Denial does not solve the problem. Britain has to finally decide to use the vaccine. It will decide to use it, almost everybody is certain, because there is no other alternative left. "But if vaccination is right in October, why was it wrong in April?" Jenkins asked.

Why, Mr. Blair?



Prime Minister Tony Blair