

Business Briefs

Biological Holocaust

AIDS spread in India shatters WHO estimates

The World Health Organization's previous estimates on the rate of spread of the human immunodeficiency virus (HIV, which causes AIDS), have been proven wrong in India, by new, alarming figures from rural areas. A detailed study in the southeastern state of Tamil Nadu has found that the rural population has an HIV-infection prevalence rate of 2.1%, and the urban population a 0.7% rate. The previous assumption was that the rural population was insulated from the AIDS epidemic, which spread rapidly in the large cities first. However, the study shows this is not the case, and it estimates that there are 500,000 HIV cases out of the 25 million people in Tamil Nadu.

Also alarming, is that 13.6% of women treated for sexually transmitted diseases in Tamil Nadu were HIV-infected. Of the infected women, 93% were married, and 91% claim to have had sex only with their husbands. These statistics do not fit the classic HIV model, and there has been no adequate explanation of how this large increase in HIV infections in the rural population was transmitted. If the HIV rates from Tamil Nadu reflect the situation in the general Indian population of 930 million, the number of infected persons may be in the range of 13-20 million, not the 7 million estimated by UNAIDS last year.

Space

Assembly of ISS in orbit now under way

At 9:07 p.m. on Dec. 6, a new era in space exploration was opened, when the first two pieces of the International Space Station were connected in Earth orbit. The U.S. Unity module was mated to the Russian-built Zarya module, which had been launched on Nov. 20. The first two elements now orbiting the Earth together weigh 35 tons, and are 76 feet in length. The ISS will take four years to assemble.

Zarya, meaning "sunrise," was plucked

out of orbit by Mission Specialist Nancy Currie, using the Space Shuttle's 50-foot-long robot arm, when it was within 10 feet of the Shuttle Endeavour. More than two hours after Currie had grappled Zarya, she attached it to the Shuttle's robot arm, and positioned it precisely above Unity, Commander Cabana then fired the Shuttle's jets, to drive the two modules together.

Following the mating, Currie used the cameras on the robot arm to conduct a detailed survey of Zarya, focussing on two antennas that are used in the Telerobotically Operated Rendezvous System, which failed to deploy following launch. The system is part of a back-up navigational aid system, and is not needed for Zarya's docking next summer with the next Russian-built element, the Service Module. Mission managers may call upon the two crew members who will be conducting spacewalks, to manually deploy the antennas.

The first of three spacewalks occurred on Dec. 7, as crew members began to hook up electrical cables and connectors between the two station modules. This will bring electrical power into the Unity, and allow its avionics, computers, and heaters to be activated.

Southeast Asia

Labor group sees crisis worsening

"The social fall-out from the sudden unravelling of economic fortunes in East and Southeast Asia is exceeding initial forecasts and risks dramatically worsening," according to a new report, "The Asian Financial Crisis: The Challenge for Social Policy," by the International Labor Organization (ILO), an ILO press release said on Dec. 2.

The ILO report states that "prospects for an immediate bounce-back are poor. The most optimistic forecasts see the beginnings of a moderate recovery in the second half of 1999, but few observers expect a return to the heady growth rates of the pre-crisis era. Full employment, one of the hallmarks of the last 30 years' Asian economic miracle, is also unlikely to return any time soon."

The ILO report compares the increase in unemployment rates from the "pre-crisis" to

"latest" periods (those not dated are ILO estimates): Indonesia 4.9% (August 1997), 15%; Thailand 2.2% (February 1997), 6%; South Korea 2.3% (October 1997), 8.4% (September 1998); Malaysia 2.6% (end 1997), 5.2%; Hong Kong 2.4% (end 1997), 5% (third quarter 1998); Singapore 1.8% (end 1997), 4.5% (September 1998).

The ILO reported that in Thailand, 16% of the population was living below the poverty level before the economic crisis hit, and now an additional 12% has fallen below the poverty level. In Indonesia, 40 million people will have fallen into poverty this year. Sources in these nations have told *EIR* that some of the ILO's figures may be too conservative.

The ILO recommends creating a program of unemployment insurance in these countries—only Korea has such a program. As usual, it blamed the crisis on "excessive government interference in the market." However, it called Malaysia's policy of exchange controls "a real-world experiment with an alternative set of policies to those, which, so far, do not seem to have succeeded in stemming the crisis."

Electric Power

Deregulation leaves Alberta in the dark

This Christmas is going to be a gloomy one for residents of Calgary, Alberta, who have been told not to turn on their decorative holiday lights, in order to save energy. For the past six weeks, the residents of this Canadian "oil city," have experienced rolling black-outs and appeals by utilities for "conservation," because of the deregulation policy implemented by the government in 1994.

Since the utilities were deregulated, it has been up to private companies to decide when to build new capacity, without any government incentives to provide for a reliable power supply. There has not been a new power plant built since then.

According to the Dec. 3 *Wall Street Journal*, the utilities had been warning that the province's generating capacity was "only a whisker above peak demand." Now, residents are wondering how they will get

through 18-hour winter nights, and sub-zero temperatures.

Infrastructure

India gives road to Myanmar top priority

India is giving high priority to construction of a road to Myanmar, to further trade, promote personal contacts, and counter insurgencies in the northeast, the Indian daily *The Hindu* reported on Dec. 3.

In its reply to queries by members of the Standing Committee of Parliament on the proposed Tamu-Kalemyo road, the government has said that this road has "a strategic importance from India's security and commercial point of view. It was in the national interest [that] the project should be implemented with a high priority." The road, which is close to the India-Myanmar border, will connect India to the interior of Myanmar, including its capital, Yangon. The access could establish a link between India and Myanmar's neighbors in the Association of Southeast Asian Nations.

According to the Standing Committee report on external affairs, released in early December, this road can connect National Highway 39, which ends at More in Manipur, India, to Tamu in Myanmar. Kalemyo, where the proposed corridor would end, is a key junction in Myanmar, whose airport is included in Myanmar's civil aviation network.

United Kingdom

Economic crisis leading to wave of suicides

The Dec. 3 London *Times* reports that Britain is experiencing "a record level of self-destructiveness, with one in every 250 people in England a year admitted to casualty for self-harm." The wave of suicide attempts was addressed in a new study, "Effective Health Care," by University of Leeds psychiatry lecturer Allan House. It says that de-

liberate drug overdoses or other self-injuries are now in the top five of all emergency hospital admissions, higher than in most other European countries.

The *Times* notes that suicide-attempt rates "have mirrored recent recessions." According to House, those most likely to die from suicide are now males, unemployed, in poor physical health, and living alone. He told the *Times*: "The rates have gone up spectacularly for men under 30. In Holland, they never see the very large numbers of young people we do."

Agriculture

European policy more insane as prices fall

The European Union accounting office is demanding more cuts in farm prices, which are already severely depressed because of the crisis in Asia and Russia, to boost exports. Instead of adopting a Food for Peace program such as that proposed by Lyndon LaRouche, or a financial reorganization to boost purchasing power, the EU is intent on destroying its farming sector.

The accounting office, which supervises the expenses of the 15 EU member-states, is demanding that the planned cuts in farm prices, of 10% for milk, 20% for grain, and 30% for beef, must be even deeper. The crisis in Russia and in Asia, the main buyers of EU agriculture exports, caused such a drop in purchasing power, that export prices must be lowered if trade with these regions is to be picked up again, this institution argues.

Already in Britain, for example, farm income will drop by one-third this year, according to official estimates of the farm ministry. Farmers in Scotland are hit the worst, with earnings down 42%. The drop comes on top of a sharp decline last year, adding up to a 63% fall in real terms over the past two years. Ben Gill, president of the National Farmers Union and until recently an advocate of radical liberal economics, admits: "The statistics paint a disturbing picture. They confirm that the current recession in farming is the worst since the 1930s." The NFU calculated that if the cost of family labor is deducted from farm earnings, income fell by 51% in real terms this year.

ZAMBIAN President Frederick Chiluba accused Western donors of arbitrarily altering conditions for assistance without regard for the impact on the economy, in a speech on Nov. 19 opening a convention on economic strategies. First, the donors had linked money flows to "good governance," but now they are linked to the sale of the country's copper mines to Anglo American. "The time has come to seriously look elsewhere for the survival of our country," he said.

THAILAND and Iran have agreed on multimillion-dollar joint ventures, whereby "Thailand will build a fertilizer factory in Iran, and Iran will start a joint-venture oil refinery plant in Thailand," said Nateq Nouri, speaker of the Iranian Parliament, the Malaysian *New Straits Times* reported on Dec. 3. Nateq Nouri proposed an Asian Union.

SAUDI ARABIA and Iran held the first meeting of their joint economic commission, in Riyadh, Saudi Arabia, on Nov. 29. It was to set up committees in the areas of economy, commerce and investment, science, technology, health and environment, culture, education, sports, and trade transportation. The meeting is defining the relationship between the two formerly hostile countries.

THE WORLD ECONOMY could "plunge into recession in 1999," the World Bank belatedly warns in its new report, "Global Economic Prospects 1998/99." The growth of global output will be halved this year, from 3.2% in 1997 to 1.8% in 1998, and the growth of world trade will be cut from 9.5% in 1997 to 5.3% this year. Russia, Brazil, Indonesia, and 33 other developing countries, comprising 42% of non-OECD global output, will all face negative growth in 1998.

JAPAN'S housing starts in October fell 12.9% from October 1997, the Construction Ministry reported on Nov. 30. It was the twenty-second straight month that housing starts fell, and followed drops of 14.0% in September and 11.4% in August.