

Business Briefs

Labor

Electric power engineering staff is on the decline

Decreases in U.S. electrical power plant engineering staffing was reported by 79% of respondents in a recent survey by the Boston-based Altran Corp. The reductions were attributed to "changes in the utility sector," including the rash of mergers in the industry which have led to consolidations and layoffs, and the race to cut costs so that utilities can "compete" as the industry is deregulated.

Some 64% of survey participants reported that the most significant cuts have been in the number of on-site plant engineers and technical staff. They also reported declines in maintenance and program engineers. In addition, 18% reported cuts in training.

Perhaps indicating where utilities believe engineering expertise will be needed the most in the brave new world of deregulation, three-fifths of the respondents said that there has been an increased focus on preparation for electricity outage.

Space

China readies booster for manned missions

China is getting ready to launch its first astronaut into space, possibly in time for the 50th anniversary this fall of the founding of the People's Republic. That timetable may be a bit optimistic, as indicated by a statement issued in January by China's Xinhua news agency, which said that the country would "try its best to attain manned space flight by the end of this century or the beginning of the next." But China Great Wall Industry has confirmed that it is readying a test of a series of new heavy-lift launch vehicles, which would be needed for manned space flight.

Launchspace magazine reported in February that a heavy-lift launcher, which was unveiled in 1998, will be introduced in the year 2000, and by 2002, a larger version will be ready for testing, linked to China's manned space program. Two Chinese astronauts have already been trained in Russia's

Star City, in a cooperative program begun in 1991.

On Feb. 11, BBC news science editor David Whitehouse stated that at the end of next year, China would test-launch an unmanned reusable space shuttle. This was reported by Zhang Nan of the Nanjing Zijinshan Astronomical Observatory, who said that there would be "many experiments toward future manned shuttle missions" on board.

Whitehouse reported that in 1996, the head of the Russian Space Agency, Yuri Koptev, visited China, and a "secret agreement" was drawn up between the two nations. It is suspected, Whitehouse said, that the Chinese may have purchased a docking system used by Russian spacecraft, to link two Chinese spacecraft together in the future. "China certainly has the basic technology required for manned space flight," Whitehouse concluded.

Infrastructure

Laos seeks Thai power deal for dam project

Talks between Laotian Prime Minister Gen. Sivavath Keobounphanh and Thai Prime Minister Chuan Leekpai will focus primarily on the long-planned Nam Theun II dam project, the Thai daily *The Nation* reported on Feb. 4. Cash-strapped Laos will push for a conclusion of a hydropower price agreement with Thailand. The so-called tariff agreement is crucial to get the World Bank to provide a guarantee for the project, according to World Bank official Kathryn McPhail.

The project's economic viability has been a key component in determining whether the bank will provide partial-risk guarantee for the project. A senior Laotian official said that the spread of the Asian financial crisis has made it more urgent for Laos to proceed with the project, which is expected to generate \$250 million a year in electricity sales to Thailand. The marathon process to launch the 900-megawatt Nam Theun II project hit a stumbling block last year when the power demands of the sole buyer, Thailand, were drastically reduced as a result of the financial crisis.

Trade

Conrad Black revives 'Super-NAFTA' debate

Conrad Black, the head of the Hollinger Corp. who plays an important role in the British-American-Commonwealth oligarchical apparatus, intends to re-ignite the debate that he kindled in spring-summer 1998 for Britain to join in a "Super-North American Free Trade Agreement" with Canada, the United States, and Mexico, and possibly other Ibero-American countries. Black has written an article that will appear in an upcoming issue of *The National Interest*, based in Washington, D.C.

Black's renewed push comes as the euro currency is weakening and Europe is in depression, and the British oligarchy is working overtime to prevent the United States from joining the "Survivor's Club" of Russia, China, and India to develop a replacement for the bankrupt International Monetary Fund system.

Southeast Asia

Malaysia, Cambodia trade pact signed

Malaysia's International Trade and Industry Minister Datuk Seri Rafidah Aziz and Cambodian Commerce Minister Cham Prasidh, with Prime Ministers Dr. Mahathir bin Mohamad and Hun Sen looking on, signed a trade pact in Kuala Lumpur on Feb. 4.

Malaysia is the largest investor in Cambodia, accounting for 31% of foreign direct investment, worth \$447 million, almost as much as Cambodia's annual budget. Bilateral trade between the two nations totalled \$86 million in 1997, with trade weighted to Cambodian imports from Malaysia, led by aircraft, track-laying bulldozers and angle-dozers, and fabric and fibers to service the growing garment industry. Malaysian exports amounted to \$70.5 million in 1997 and \$34 million during January-November 1998. Cambodian exports to Malaysia were \$15.5 million in 1997, and \$12 million in January-November 1998.

Malaysian Foreign Minister Datuk Syed

Hamid Albar reported that Cambodia is particularly seeking Malaysian help in water management (to increase rice production), including dam building and water catchment areas, as well as highway construction and assistance in training Cambodian government officials in administrative planning. In exchange, Cambodia requested that Malaysia buy more rice and maize. Malaysia's International Trade Ministry reported that the trade pact grants most favored nation status related to customs tariffs, taxes, and customs procedures, while giving strong encouragement to private sector firms seeking trade deals.

Economic Policy

Great projects key for economic growth

"Great transport projects," such as the Fehmarn Belt between Germany and Denmark, are "indispensable" for economic development, Germany's Schleswig-Holstein state Economics Minister Horst Günther Buelck said, in an interview with the economic daily *Handelsblatt* on Feb. 16. Headlined "Kiel Favors Bridge Construction over Fehmarn Belt," Buelck emphasized that he has received support for the Fehmarn Belt from federal Economics Minister Franz Müntefering.

A technical feasibility study, commissioned in 1995, is expected to be released in March or April. The construction of a highway and rail link between Fehmarn Island in northern Germany and the Danish Lolland Island would shorten transportation between Germany and Scandinavia by 160 kilometers, marking the most ambitious transport project in the history of Schleswig-Holstein.

Buelck states that, in addition to the Baltic coastal highway (A 20) and the electrification of the Hamburg-Lübeck rail line, the Fehmarn Belt project has "first priority." After completion of a profitability study in summer 1999, he plans to urge the federal government to give the Fehmarn Belt top priority in the "Federal Transport Infrastructure Plan." Among the four alternate designs, he favors a 19 km bridge-tunnel route for auto and rail traffic. Estimated invest-

ments amount to 5-6 billion deutschemarks (roughly \$3-4 billion).

"For the maintenance of Schleswig-Holstein's economic competitiveness, such great transport projects are indispensable," Buelck said. He referred to a recent study which forecasts a 42% growth in freight traffic in the Baltic Sea region by 2010. The Fehmarn Belt project would trigger a "new recovery" for the state economy, he said.

Health

CDC issues U.S. advisory on hepatitis vaccination

The economic collapse in the United States is reflected in a new advisory by the Centers for Disease Control (CDC) in Atlanta, Georgia, urging that children be immunized against hepatitis. Eleven U.S. western states (Arizona, Alaska, California, Idaho, Nevada, New Mexico, Oklahoma, Oregon, South Dakota, Utah, and Washington) have been alerted to vaccinate children for hepatitis A.

"The virus, which is spread by poor hygiene and contaminated food or water, can lead to liver disease," a CDC spokeswoman told the Feb. 19 *Wall Street Journal*. When asked what prompted the advisory, she said, "There is a high rate of incidents reported of hepatitis cases in the last few months." Asked to identify the origin of the infection, such as polluted water, she replied that the CDC does not have that information.

Of the recent incidents, 30% involved children 15 years or younger. The CDC guideline is, that if 20 out of 100,000 people contract the disease (twice the national average during 1987-97), then the state should vaccinate.

The *Jackson Advocate* in Mississippi reports that state schools are also requiring hepatitis B vaccination for all children entering kindergarten starting August 1999. Mississippi joins 34 other states in imposing such a requirement. This requirement apparently comes from the American Academy of Pediatrics and the Advisory Committee on Immunization Practices. According to the *Jackson Advocate*, without immunization, 2,000 Mississippians would develop hepatitis B each year.

THE EURO common European currency, in its first seven weeks, has lost 5% of its value compared to the U.S. dollar. "Both Anglo-Saxon and also Asian big investors are still reluctant and stay away from the euro business," the *Frankfurter Allgemeine Zeitung* reported on Feb. 19.

THE ITALIAN General Confederation of Labor, Italy's largest labor union, hosted *EIR's* Anno Hellenbroich at a seminar in Lombardy on Feb. 16, on "Irresponsible Globalization." His discussion of Lyndon LaRouche's proposals provoked questions which went to the heart of the problem: the systemic nature of the global financial crisis, and the historical precedents for solving it.

H.J. HEINZ announced on Feb. 17 that it will be closing or selling up to 20 factories, mostly in Europe, and laying off 3-4,000 workers. The company expects the restructuring to result in growth of 3-4% per annum, and a return on investment of almost 40%. The firm will focus on fewer food categories, and on six countries: the U.S., Britain, Italy, Canada, Australia, and New Zealand.

INDIA expects to have four new nuclear power reactors operational by 2000, the Atomic Energy Commission's Dr. R. Chidambaram said on Feb. 3. He said that the goal is a capacity of 20,000 megawatts by 2020, about 50% of which is to come from plants designed in India.

THE LOW PRICE of copper (65¢ per pound) is forcing Chile's state-run conglomerate, Codeco, to cut back sharply on its 1999 expenditures, in an effort to save \$254 million. Some 1,000 jobs will be eliminated at the firm, which is targeted for privatization by Chile's Mont Pel-erin Society lunatics.

RUSSIAN Health Minister Vladimir Starodubov told *Ekho Moskvy* on Feb. 18 that a tuberculosis epidemic is sweeping Russia, and that he will seek a World Bank loan to help combat it.