

Business Briefs

California

Interior Department Threatens Water Cutoff

The U.S. Interior Department announced on Dec. 27 that it will cut the amount of water allocated to California's Imperial Valley from the Colorado River, unless the valley's irrigation district agrees to sell water to the San Diego County Water Authority, the *Los Angeles Times* reported. On Jan. 1, the cut was made.

The dispute arose from a 1979 Supreme Court decision limiting the amount of water that farmers in the state can draw from the river for irrigation purposes. Assistant Interior Secretary Bennet Raley said that the Imperial Valley is about 5% over its per acre limits. However, the district's top lawyer, John Carter, branded the move illegal, and suggested that the district might sue, because Interior Secretary Gale Norton would be "in violation of our water rights and existing agreements."

Water

Egypt To Inaugurate Huge Pumping Station

Egyptian President Hosni Mubarak will soon inaugurate the two main components of the giant new Toshka water-development project, Cairo announced on Dec. 28, 2002. These components are a giant pumping station, and the Sheikh Zayed Canal. The pumping station is one of the world's largest, said a report prepared by the Middle East News Agency.

It quoted engineer Kamal el-Sherbini, a manager at the project site, as saying that the station, supported by 21 pumps, was built to lift water from Lake Nasser into the Sheikh Zayed Canal, which is 164 feet higher.

About 98% of the construction work in the station is complete, he said. It is a new epoch in construction, representing the proper way to usher Egypt into the 21st Century. The Aswan High Dam will power the station, 240 kilometers (150 miles) to the northeast. The water will be channelled by

four sub-canals into 540,000 acres (218,000 hectares) of potentially fertile desert land. The dam allowed the reclamation of 1 million *feddans* (more than 1 million acres) and a changeover from one crop per year, to several.

The Toshka project, whose implementation began in 1997, aims to make the desert bloom northwest of Abu Simbel, famed for the colossal Pharaonic temple rescued from Lake Nasser after the Aswan High Dam was built in the 1960s.

The project aims to reclaim and cultivate some 540,000 *feddans* around Toshka to deal with the population explosion and crowded cities, the report said. The scheme is part of the South Egypt Development Project, which aims to double the amount of cultivated land in Upper Egypt. The government hopes that at least 2 million people will settle in Toshka's 540,000 acres.

Development

China Calls for More Rapid Urbanization

China must urbanize rapidly to sustain its industrial and economic growth, according to the "China Urban Development Report 2001-2002," the *Straits Times* reported on Dec. 28. The report is an urbanization strategy for the next 50 years, commissioned by the Association of Chinese Mayors. It concludes that China must create super-cities which are clusters of large, medium-sized, and small cities, forming "a virtuous circle for the exchange of goods, information, capital, personnel, and technology."

The document calls for better management of the three "super cities" along the east coast: the Beijing-Tianjin corridor, the Changjiang (Yangtze River) Delta, and the Pearl River Delta. Growth must be speeded up, but carefully planned, the report states.

It also discusses creation of "economic belts" in the interior, and development of key cities in the central and western regions of China. Eventually, these areas will be inhabited by over 50% of China's population—expected to peak at about 1.6 billion by 2050. The urban areas will produce 90% of China's industrial output, account for 95% of total

trade and produce 80% of GDP.

Prof. Niu Wenyuan of the Chinese Academy of Science, chief author of the report, said that China needs a new strategy for urbanization, which has been much too slow so far. China's urbanization rate now is around 37%, compared with 75% or higher in the wealthiest countries. China will need to transform 500-600 million peasants into economically active city-dwellers. However, it must not repeat the mistakes of other developing countries, where overly huge, impoverished "mega-cities" have emerged—such as Mexico City, Manila, or Jakarta. Populations of poor rural areas must be moved into urbanization in a rational way, so that eventually only 20% of the population remains in agriculture. To achieve 75% urbanization by 2050, China will need to relocate 10-12 million peasants each year. This would cost 350 billion yuan a year, or 4% of the 2000 GDP.

Academician He Zuoxiu emphasized that China should *not* continue to promote use of automobiles, as has been done in Beijing. "This is diametrically opposed to new directions in urban development," he said.

Bankruptcy

Rehnquist Says More U.S. Judges Are Needed

The U.S. judiciary system is unable to keep up with the rate of corporate and personal bankruptcies, according to the annual report on the Federal judiciary by Chief Justice William Rehnquist. He said that the "crisis" in the Federal courts will get worse, unless judicial vacancies are filled and more judgeships created.

Rehnquist pointed to the sharp increase in the number of bankruptcy filings. He said that no new bankruptcy judgeships had been created since 1992, although the number of cases filed has increased by more than 570,000 since then.

Each bankruptcy judge now handles an average of 4,777 cases, compared to 2,998 in 1992. Rehnquist said the number of filings in bankruptcy courts grew 8% in the last year, and that bankruptcy filings have risen 72.5% since 1993.