

Business Briefs

Development

'Marshall Plan' needed, says ANC leader

Tokyo Sexwale, the chairman of the African National Congress (ANC) region covering the Johannesburg-Pretoria industrial heartland of South Africa, appealed for international assistance, saying that a program along the lines of the Marshall Plan is needed to save not only his country, but also Africa in general. He spoke at a Foreign Correspondents' Association lunch, Reuters reported.

South Africa is sitting on a "time-bomb" unless long-term economic development meets the needs of millions of deprived blacks, he said. "It's a question of delivery that frightens me. How are we going to deliver?" Sexwale said that the demands of the people ("the parliament of the streets") were outpacing the leadership of the ANC. Referring to the rage following the assassination of Communist Party leader Chris Hani in April, he said that the ANC leadership had managed to contain its followers, "but what we did was merely to delay what I consider a time-bomb."

Credit

French leader condemns bank privatization

Former French Socialist leader Jean-Pierre Chevènement condemned the privatization of the Bank of France, in an interview on the RTL Radio station on May 16. "There will be a privatization of monetary power," he said, adding that the central bank will be controlled by "a small committee, preserved from democratic control, which will be the essence of the establishment. . . . They will have a monetarist policy. They will have the tendency to raise the interest rates which are already very heavy on our society." In this system, he warned, "the weight of finance prevails over any other consideration, including industry."

On Franco-German relations, he said: "I never thought that Franco-German friendship

should be confused with an exchange rate. The legitimate national interest should be consistent with German interest. . . . We should not confuse Europe with a purely monetarist vision which goes back to the beginning of the '70s."

As an alternative, Chevènement urged "a new frontier, a project on a European scale," to be "articulated with projects developed with the United States or Japan," and which "should be largely opened to countries of central and eastern Europe, as well as to developing countries."

He blamed the United States for destroying the Bretton Woods System with the floating exchange rate, and for creating the oil shock and other crises which created chaos in the western economies. "We have no reason to allow our living standard to be imposed by countries. . . . preparing for economic world war. . . . We should not allow the loss of all our productive capabilities."

Iran

'Free market' reforms, population policy adopted

The Iranian government announced some details on May 20 of a five-year economic plan to begin in March 1994. Massoud Roghani Zanjani, head of the Plan and Budget Organization, said that the Supreme Council of Economy had decided that the second five-year plan will press ahead with privatization, cuts in the civil service, and the reduction of subsidies.

Under the new plan, banks will decide on loan requests by the private or public sector solely on technical grounds, ending discrimination in favor of state enterprises. The civil service will be reduced, the government will continue selling industries while tightening its supervision of those it keeps, and fuel, electricity, and water prices will gradually rise while subsidies are reduced.

Zanjani said the council had also decided that, "while keeping the deficit [at] zero, the government would meet its general budget by tax revenue, and spend the oil income on infrastructural projects." This means that taxes

must increase. In the budget for this year, oil exports provide more than 66% of government revenue while taxes account for only 23%. Some 60% of government outlays are for current expenditures and 40% for development.

The Iranian Parliament also ratified a radical population control bill on May 16, which takes the Islamic country a step closer to the draconian "China model." Under the bill, all special government benefits granted to the first three children of a family will not be given to the fourth child who is born a year after the law comes into effect, the Iranian News Agency reported.

Russia

Military complex will not be touched, says general

Gen. Yuri Yashin declared that the capabilities of the Russian military-industrial complex will not be dismantled, and that any "conversion" would only be along the lines of transferring high-tech capabilities and know-how to lift the technological level and productivity of the civilian economy through new technologies, on May 18 on a German television program.

Yashin, a doctor of technical sciences, the former number-two man in the Strategic Rocket Forces, a former deputy defense minister in charge of coordinating high-tech, top secret military research, and who is an important military adviser to Russian President Boris Yeltsin, dared anyone to try and dismantle such capabilities.

Erich Riedl, a former expert on space for the Christian Socialist Union in the German parliament who appeared on the same program, extolled the strength, quality, and importance of Russian capabilities. Riedl said that, with more than 1 million scientists, the Russian military-industrial complex is the largest in the world, containing also the largest reservoir of untapped scientific concepts for "future technologies."

Riedl said that Russia has "more exceptional scientists" than any country, and is "the world leader in space." He cited as an example the safety features of the Buran space shuttle,

which, had the United States had them, could have averted the Challenger disaster. Riedl urged Europe to link up with Russian space and other technological capabilities. He called upon Germany to accept a Russian proposal to establish an "International Aerospace Academy" at Peenemünde.

Demographics

Fertility rate drop threatens Thailand

The *Bangkok Post* featured an article on May 9 headlined "Drop in Fertility Rate Threatens the Thai Race." The article reported on the work of Thai demographer Dr. Tieng Pardthaisong of Chiang Mai University's Medical Science Faculty, whose findings on the devastation of the Thai population due to government population-control policies were published in *EIR* in 1991.

The fact that the demographic crisis in Thailand is now being publicized in the biggest English-language daily in Thailand, indicates how serious the crisis is. In the big cities such as Bangkok, Chiang Mai, and Nakhon Ratchasima, and in the rural areas, there is a serious labor shortage, and it is commonplace to see signs at all kinds of stores, factories, and restaurants announcing "unlimited" jobs. Some establishments have had to close due to lack of labor.

While migration to the cities may account for some of the labor shortage in the villages, Tieng has documented a below-replacement, *negative* fertility rate since the introduction of the government population control policies in the early 1960s. Thailand's overall fertility rate (the average number of children born to a woman in her lifetime) is only 2.21, below the replacement level of 2.3. Population growth is now only 1.2%, as opposed to 3% before the birth control programs were introduced, and Thailand's population is aging rapidly. At this rate, and as the more numerous older generations die out, Thailand's population of about 55 million would be reduced to 17.5 million in only a little over 100 years. At that point, the

proportion of elderly people would be 25%. Already by 2035, Thailand's population will start to fall.

Tieng criticized the widespread use of the injectable contraceptive DMPA, produced by Upjohn, in Chiang Mai. That program, he stated, which began in 1963, was started seven years before the government's national program, and fertility fell to below replacement level by the mid-1970s. As of 1990, it was at 1.47.

Space

International Mars exploration group formed

NASA announced on May 17 that the International Mars Exploration Working Group was formed at a meeting on May 10 in Wiesbaden, Germany. The group is to produce an international strategy for the exploration of Mars after the year 2000. The Russians are planning a 1996 unmanned Mars mission with international participation, and NASA has been trying to win approval for a series of unmanned Mars landers and probes.

NASA, the European Space Agency, the Russian Space Research Institute, the Italian Space Agency, the German Space Agency, and the French National Center for Space Studies decided to form this international group to evaluate proposals for multilateral exploration of Mars, to coordinate future missions, and to study the possibility of an International Mars Network mission.

During the meeting in Wiesbaden, the space agency representatives, along with scientists from around the world, unanimously expressed support for the Russian 1996 mission, an extension beyond 1996 for the U.S. Mars Observer mission, and a new start for the U.S. Mars Environmental Survey Pathfinder mission in 1994.

NASA stated that "all interested space agencies that wish to participate will be invited to join the working group," which opens the door to developing nations with space programs to participate. The first meeting of the group will be in Graz, Austria this October.

● **RUSSIA** opened a weapons demonstration in Beijing on May 19, the largest overseas since the breakup of the Soviet Union. "Weapons are one of their best-performing exports right now, and they need the foreign exchange," one western diplomat told Reuters.

● **THE COLOMBIAN** inventor of a new anti-malaria vaccine, Manuel Elkin Patarroyo, announced in Geneva that he was donating the vaccine to the world, in order to keep the cost as low as possible and within the reach of the inhabitants of the poorest countries most in need of it.

● **ISRAEL AND EGYPT** have revived moribund banking ties planned for at Camp David, and plan to boost bilateral trade, Israeli bankers said on May 20, Reuters reported. Gideon Schurr, a Bank of Israel official, said that an agreement on reviving a partly Egyptian-owned bank in the Occupied Territories had been initialed, and that reestablishing correspondent banks would be explored.

● **TINY ROWLAND**, the former head of *Lonhro*, announced on May 14 in Johannesburg that he is planning to set up a new South African newspaper in cooperation with the African National Congress, and that the outgoing editor of the *London Observer*, Donald Treiford, would run it.

● **BRITAIN** is home to one-fourth of Europe's poor, one-fifth of Europe's unemployed, one-third of Europe's working children under 16, and Britons have longer working hours than their EC counterparts, the *London Observer* reported on May 23.

● **JOB CREATION** in the United States has been negative for the last 11 quarters, according to a report by the National Federation of American Business, Hobart Rowen reported in the May 23 *Washington Post*.