

Business Briefs

Environmentalism

Pan-American Highway completion held up

A United Nations-sponsored "biodiversity project" (dubbed "Biopacifico") is stalling work on an 85-mile stretch of the Pan-American Highway in the Darien Gap jungle between Colombia and Panama. The construction of this segment would complete the highway, a 70-year dream to unite the hemisphere with a highway from Alaska to Argentina.

Biopacifico was set up under the auspices of the Colombian Environment Ministry, which in mid-October issued its report claiming that the completed link would lead to "inevitable" colonization, deforestation, pollution, and other environmental damage to the national parks on both sides of the border. The report urges that alternate routes be considered, possibly the use of a ferry service between the Panamanian and Colombian coasts that would bypass the parklands.

Colombians pushing the project argue that the completion of the road would help preserve the sovereignty of the two nations, benefit trade and tourism, and enable the Colombian Armed Forces to better control drug trafficking, arms smuggling, and banditry which currently flourish in the currently unpatrolled region.

China

Modern superhighway to receive outside funding

Hongkong construction baron Gordon Wu in early October announced a \$17.5 billion, five-year plan to invest in China, centered on construction of a modern superhighway to connect Guangzhou (Canton) with the Yangtze River in Hunan Province. The 750-kilometer road has already been approved by the Chinese government, according to the *Hongkong Standard* on Sept. 20.

"By linking up the Yangtze with Hongkong through a transportation artery on land, Hongkong will actually be connected with

Shanghai, which is at the estuary of the river," Wu said.

Wu built the 123-km highway connecting Guangzhou with Shenzhen and Hongkong. Wu has also built power plants in China, but earlier this year announced the cancellation of plans to build several more. The current announcement may include revival of those power plant plans, but details are not yet available.

Russia

Public health measures demanded against AIDS

A group of academicians and doctors has sent a letter to Russian President Boris Yeltsin calling for a serious policy to deal with the threat of AIDS, *Moscow News* reported in its Sept. 25-Oct. 2 issue. The group met in St. Petersburg recently, and has been accused of being "proponents of repressive measures" who are proposing to forcibly examine "the whole population of Russia and to intern all HIV-infected individuals," the paper said.

The group, headed by Academician Edward Karamov and biologist Andrei Kozlov, who is credited with being the first to come up with AIDS diagnostic techniques in Russia, considers the growth of AIDS to fall into the sphere of the "strategic interests of Russia."

To fight AIDS will require a national medical infrastructure, Kozlov stressed. "In every country an epidemic takes its own course. . . . Because of this the methods of struggle must also be different. We say intensive testing demands a great capital investment development of infrastructure, qualified medical workers. . . . In Africa such a thing was scarcely possible [sic]. But we have . . . a very strong tradition of military field medicine. . . . In Russia an excellent anti-plague system was created." Russia could help the world, he said.

The paper reported that a war may have begun between Russia's state apparatus, which adheres to the World Health Organization policy that the spread of AIDS should be contained by relying on the promotion of "safe sex," and the Karamov-Kozlov group. According to Kozlov, Russia has tested 25 million people a year for AIDS in the past two years, and continues a huge testing program.

A law on AIDS is about to be passed by the Duma (Parliament), however, and proponents of the WHO line want to stop mandatory testing. Kozlov argues that testing is not an infringement of personal liberty, and rejects demands that such a program is too expensive. "Let the government itself decide what price it can afford to pay for the health of its citizens," he said.

Credit

Israeli minister pushes development bank

The deputy director general for economic affairs of the Israeli Foreign Ministry reiterated the need for a regional development bank, in an interview with *EIR* in Jerusalem on Oct. 14. The official said that the key element of the upcoming Casablanca conference will be the establishment of a regional development bank to finance Middle East development.

"The World Bank is not in a position to do this effectively," he said. Therefore, the countries in the region must take the initiative.

Although the United States has opposed such a bank, the official indicated that the Israeli government will continue to push for its establishment.

Nuclear Energy

Vatican backs use for peaceful purposes

Those who oppose the Vatican support for nuclear energy lack "sufficient information or professional competence," Mons. Mario Zenari, permanent representative of the Holy See at the International Agency for Atomic Energy, said at the 38th general conference of the IAEA in Vienna on Sept. 19-23. The full text of his speech was distributed on Oct. 10 to the press by the Vatican press office in Rome and was covered widely in the Italian press. The German daily *Bildzeitung* headlined its front-page coverage, "The Pope Is for Nuclear Energy."

Briefly

In his speech, Monsignor Zenaro said: "The Holy See in its past statements at the General Conference has always striven to be objective regarding the use of nuclear energy for peaceful purposes as the international community has doubtlessly benefitted from the activities of the agency. However, some statements of the Holy See dealing with the application of nuclear techniques for peaceful purposes have been met occasionally with heavy criticism because of, in most cases, a lack of sufficient information or professional competence."

Citing the "enormous progress" made in nuclear research "in practically all fields, not only in the field of energy supply, but also in agriculture, in hydrologic research, and, especially, in the field of medicine," the Vatican representative quoted the pope at the end of his speech: "All these efforts should be directed to the service of the human family, as His Holiness Pope John Paul II pointed out in his address to the Pontifical Academy of Sciences, underlining the leading role of men and women of science in the 'joint effort demanded of our generations to make the earth more habitable, more fertile, and more fraternal,' and stressing the 'great challenge of integral development, which demands skill and qualities which are both intellectual and technical, moral as well as spiritual.'"

Infrastructure

'Sahara pipeline' construction begins

The construction of the "Sahara pipeline" has started, and was characterized by government representatives from Spain, Morocco, and Algeria as an historic event "for the Maghreb and for Europe." The pipeline is one of the energy infrastructure projects listed in November 1993 in the White Book of recommended infrastructure projects of European Commission President Jacques Delors.

In 1996, the Sahara pipeline is supposed to begin delivering up to 20 billion cubic meters of gas per year from the Hassi R'Mel gas fields in the Algerian desert, to Tangiers in Morocco, a route of 1,100 kilometers, and further on, through a 40 km underwater pipeline, to Gibraltar.

In Europe, the pipeline will be extended throughout Spain and Portugal, and will reach France in the year 2000. Participants in the DM 2 billion (\$1.25 billion) project on the European side are several Spanish construction companies and Siemens and Mannesmann from Germany. The Italian firm Saipem will build the underwater pipeline. The two biggest Spanish gas companies, the private Gas Natural SDG SA and the state-owned Empresa Nacional de Gas SA (Enagas), will merge in order to form one of Europe's leading gas delivery firms.

The project has the full backing of Spanish Minister for Industry Juan Manuel Eguiaagaray, and will be supported by the European Investment Bank with Ecu 440 million in credits.

Economic Policy

Allais dates economic crisis back to 1974

The ongoing economic crisis can be dated back to 1974, Nobel Prize-winning economist Maurice Allais wrote in the Paris daily *Le Figaro* on Oct. 10. The two main causes of this state of affairs, he said, are the growing liberalization of trade and the dislocation of the world monetary system combined with floating exchange rates.

"Since the massive growth of unemployment and the lowering of the rate of growth of the Gross National Product per capita, it is impossible to pretend that the globalist, free-trade policy of the European Community has favored growth and developed employment," he said.

The year 1974 is key, said Allais, whose charts for France on 1) employment in industry, 2) real GNP per capita, 3) unemployment, and 4) underemployment are quite convincing. The chart on industrial employment, for instance, shows that between 1950 and 1974, France went from 5 million jobs to over 6.2 million; it then dropped down to some 4.5 million from 1974 to 1993.

A similar tendency occurred in real GNP growth, which remained at an average of 3.9% per year until 1974, and then decreased to 1.8% through 1991.

● **TAIWAN** plans to set up an aerospace zone in 1998 to boost an industry that could post sales of \$2.9 billion by 2003, the Industrial Development Bureau said on Oct. 9. Taipei will invite firms to set up plants in the zone, seek subcontracting deals with foreign firms, or jointly develop new aircraft.

● **PERU** is threatened with an epidemic of bubonic plague, according to *Si* magazine. Eighteen states have suffered "rat invasions," and the increase in the rat population is "explosive," it said. Bubonic plague has broken out in the states of Lambayeque and Piura where it is endemic. Three deputies have asked the government to declare a state of emergency in three states.

● **AFRICAN** nations in war zones are suffering food production losses, according to *Africa Recovery*. Angola is producing 78% of its normal crop; Liberia, 43%; Malawi, 60%; Somalia, 35%; Burundi, 73%; and Swaziland, 63%. Roughly 32 million people are affected.

● **INDONESIA** hosted the World Infrastructure Forum, sponsored by the Asian Development Bank, in Jakarta on Oct. 17-21. "We expect billions of dollars worth of infrastructure projects to be announced, particularly in the transport and telecommunication sectors," said Andrew Way of Development Forum Administrators, a conference organizer.

● **THE MAGELLAN** spacecraft on Oct. 12 ended a successful five-and-a-half-year mission to map the surface of Venus and measure its gravitational variations. It mapped 98% of the planet's surface to an average resolution of better than 300 meters, and compiled a high-resolution gravity field map for 95% of the surface.

● **OLIVETTI** Corp., controlled by the De Benedetti family, is the number one Italian loser in the derivatives market, *Corriere della Sera* reported on Oct. 10. Olivetti reported losses of over \$80 million so far this year.