

# Business Briefs

## *Biological Holocaust*

### **HIV Can Be Transmitted by Kissing, Says Expert**

French researcher Prof. Luc Montaigner, the scientist who discovered that Acquired Immune Deficiency Syndrome (AIDS) is caused by the Human Immunodeficiency Virus (HIV), revealed that HIV can be transmitted through kissing. He was speaking at an AIDS workshop in Kampala, Uganda, on Aug. 29, the Ugandan daily *The Monitor* reported.

Montaigner, who is president of the World Foundation for AIDS Research and Prevention, explained that salivary glands contain viral components and can transmit these components to a partner. He said that there is need for a study to explain why HIV infection has led to an epidemic, and also for research into the increasing cases of heterosexual transmission in tropical areas and the relevance of transmission-prevention policies.

Montaigner said that some of the problems facing researchers into an AIDS vaccine in tropical countries, include inadequate animal models and virus variability. He said that he intends to start testing an AIDS vaccine in two years' time, which will work both as a therapy and a vaccine. He said this research requires close to \$20 million.

Montaigner called for the creation of an AIDS foundation, a prevention network and centers, and research, which the French Embassy in Uganda is willing to sponsor.

Lyndon LaRouche and associates were among the first, if not the first, to make the point that the saliva of AIDS victims contained far higher concentrations of HIV virus than semen.

## *Indonesia*

### **IMF Bailout Leads to Foreign Takeover**

One of Indonesia's leading family conglomerates, Bakrie and Brothers, provides a useful object lesson about how the international oligarchy's tools, such as the International

Monetary Fund (IMF), set up national assets for takeover.

Aburizal Bakrie is chairman of the Indonesian Chamber of Commerce and current majority shareholder of Bakrie and Brothers and its affiliated five firms, including agricultural firm Bakrie Sumatra Plantation, telecom operator Bakrie Elektrindo Co., mining firm Arutmin Indonesia, chemical firm Bakrie Kasei Corp., and satellite-based firm Iridium. At an extraordinary general meeting of Bakrie and Brothers on Aug. 28, Aburizal reported that the group's debt-restructuring program will lead to foreign creditors taking over 95% of the family's equity in the conglomerate in exchange for its accumulated debts of \$1.05 billion. Aburizal's current 55% stake will collapse to 2.5%. Company President Irwan Syarkawi said that, once finalized, the debt-restructuring plan would also translate into foreign creditors taking 95% control of all five of the subsidiary firms.

There's just one catch. Under Indonesian law, foreigners are not allowed majority ownership in some sectors, including mining and plantations. In mining, for example, there is a 49% cap on foreign holdings, above which firms are subject to mandatory divestiture. The debt restructuring is being held up, in part, until the government guarantees that it will respect the foreign shareholder's claim.

## *Infrastructure*

### **Iran Promotes Transport Corridor to Russia, India**

"A new corridor stretching from the north to the south, which will link Russia, Iran, and India, is being considered for international transport and transit," Iranian Deputy Roads and Transportation Minister Masoud Khanasari said in Tehran on Aug. 30. "Organizations and bodies involved in the transport of goods believe the new transit highway would facilitate and speed up the process of transportation," he told the Iranian News Agency. He touched on the readiness of Europe to invest massively in new corridors linking Iran and Russia, saying, "We did our best to introduce Iran's potentialities, and ca-

pacities that could help connect Asia and Europe."

Khanasari, who is also the head of the State Terminals Organization (STO), said that Iranian transport fleets face no serious problems travelling through Europe. He criticized the restricted amount of foreign exchange allotted by banks, as having delayed the renovation of the state's international transportation system, but he expressed hope that the issue would be settled within three to four years.

"Under the Third Five-Year Economic Development Plan [March 2000-March 2005], the STO would deposit a part of its budget with the banks, so that these, in turn, can provide the STO with fivefold the amount, to finance necessary business," he said. Khanasari did not elaborate the shape this transit corridor will take, nor other technical details.

On Aug. 26, Iranian Minister of Road and Transportation Mahmoud Hojati described the Kerman-Zahedan rail line as "an arterial route" between Europe and Asia. The rail line, now under construction, extends from Kerman in central Iran to Zahedan on the border with Pakistan, and is the only unfinished part of the southern route of the Eurasian Land-Bridge. Hojati stated that "the railroad enjoys international importance."

The fact that Iran is becoming a stabilizing factor, economically and strategically, as the fourth component of the Russian-China-India "Survivors' Club," is a source of great frustration for Anglo-American geopoliticians who want to pit Islam against Russia, India, and China.

## *Middle East*

### **Jordan Wants To Start Work on Red-Dead Canal**

An official in the Jordanian Water Ministry said that the Ministry will soon resume new and detailed studies on a project to build a canal between the Red Sea and the Dead Sea, and will also review the previous studies that had been made on this project, according to the Aug. 28 issue of the Arabic daily *Al-Quds Al-Arabi*.

**FACTORY ORDERS** in the United States posted the biggest one-month decline ever in August, collapsing 7.5%, or \$30.5 billion, the Sept. 1 *Wall Street Journal* reported. The retail sales index for August was the lowest in three years, and the National Association of Purchasing Managers reported a decline in manufacturing contracts to the point that the sector is shrinking.

**SUDAN'S** state-owned National Petroleum Co. plans to lay pipelines to supply Eritrea and Ethiopia with petroleum derivatives from the Khartoum refinery, the state news agency SUNA reported on Aug. 28. The firm plans to study the feasibility of a pipeline to export crude oil from the Adaryel fields in Upper Nile, south Sudan, to Ethiopia.

**JOSEPH STIGLITZ**, a former World Bank chief economist, conceded that full market liberalization for a developing country was a mistake, and said that "Malaysia did far better than most countries when it intervened . . . at an appropriate time" with capital controls and other measures to protect its economy. He was speaking at a conference on "Central Banking and Sustainable Growth in the 21st Century," in August.

**THE UN FOOD** and Agriculture Organization reported on Aug. 30 that one-fifth of the population in the Asia-Pacific region, or some 525 million people, are chronically malnourished.

**IRANIAN** gas pipelines will start delivering gas to Turkey by July 30, 2001, Turkish Energy Minister Cumhuri Ersuemer announced on Aug. 25. The deal was signed in Summer 1996, but Turkey had failed to implement the project on its side of the border for financial reasons.

**ETHIOPIA** is considering building rail connections to Kenya and Sudan, to get access to their ports, Vice Minister of Transport and Communication Ayenew Bitewilign said recently.

*Al-Quds* reports that the project, which costs about \$3.2 billion, is expected to produce about 700 million cubic meters of fresh water (through desalination and reverse osmosis), most of which (500 million cubic meters) would be used by Jordan. Water Ministry sources said that "this project would secure a renewable water source for Jordan to meet its deficit of fresh water beyond 2010," and stressed that "it will help maintain the water levels in the Dead Sea, as well as contributing to the national economic development plans."

## Economic Policy

### Malaysia's Mahathir Tells Africans: Beware of IMF

Malaysian Prime Minister Dr. Mahathir bin Mohamad advised African leaders concerning International Monetary Fund (IMF) and World Bank policies, in an interview with the *Zimbabwe Mirror* during the Aug. 21 Southern Africa International Dialogue summit (SAID 2000), hosted in Mozambique, and in which the leaders of southern Africa participated. The interview was published on Sept. 1.

When asked what lessons African can learn from Malaysia, Mahathir replied, "We have to understand that the world economic environment is a very hostile one. Weak nations are targets of economic attacks by the rich nations because they want to enrich themselves at the expense of the poor. And the international agencies cannot be relied upon to help, because they are instruments of the rich countries. So we have to depend upon ourselves and not on others. That is the lesson to be learned." Mahathir advised African countries to learn from Malaysia's experience in order to avoid a "very traumatic experience themselves."

Asked if a dialogue with the West is possible, Mahathir said that the Group of Eight is "a very exclusive club and they are not prepared to listen. Maybe one or two of them, Japan and France, may want to listen, but the others are not interested." The Japanese, he said, have "indicated that they would like to work with Malaysia in Africa. . . . We have already had two meetings with Japan in order to discuss the problems of Africa and what

Japan can do to help. For our part we have asked the Japanese to finance the cost of training African candidates in many fields in Malaysia, and they have actually undertaken to do that."

On privatization, Mahathir said, "It may be necessary for African countries to strengthen the capacity of the indigenous people before undertaking privatization. Of course, the international community is urging for immediate privatization because they know that if you cannot sell to your own people, they will come in and take over. But if you allow them to take over, it will be disastrous."

## Thailand

### Bangkok Elevated Rail System Project Revived

Thailand and Germany's Credit Bank for Reconstruction (KfW) are reviving the collapsed Bangkok elevated rail plan, the daily *The Nation* reported on Aug. 15. The State Railway of Thailand is conducting a study with the KfW to complete the \$2 billion project left undone by Hong Kong's Hopewell Holdings in the mid-1990s (before the financial crash in Summer 1997). The subway and skyway plans were drastically downgraded in favor of road building, due primarily to the lack of "profitability" of the rail systems. However, it is now recognized that the gridlock in Bangkok will never be solved with more roads and more cars. Only 1% of Bangkok transport is rail, compared to 50% in most advanced sector cities.

Meanwhile, the newly elected governor of Bangkok, veteran politico Samak Sundaravej, has withstood heavy criticism and stands behind his "14 projects" to develop Bangkok and the region. Pointing to the KfW's agreement to work with Siam Commercial Bank to finance the various expansion plans of the Bangkok Transit System, Samak has called for extending plans for the skyway rail system to three surrounding provinces. Other projects include three huge incinerators around the city, low-cost housing, and 300 low-cost-meal centers, as well as some road projects and office and convention complexes.