Business Briefs

Money Laundering

Mexican ambassador advises looking at banks

Amid all the attacks on Mexico as the primary source of drugs into the United States, Mexico's Ambassador to the United Nations, Mario Moya Palencia, on Oct. 24 told a panel of editors from 20 newspapers from around the world that the U.S. press should pay more attention to U.S. banks that are profiting from drug money.

One hundred billion dollars is spent each year on illegal drugs in the United States, but the money only leaves the United States to be "laundered," and later returns to the economy, the ambassador said. "These operations represent a marked form of corruption, in which some banks participate, a matter which has not received the attention it merits in the U.S. press."

Thus far, the ambassador's comments have not been reported in the U.S. press.

Moya Palencia is a most unlikely figure to be attacking drug-trafficking, having been accused of ties to drug traffickers inside Mexico, and to foreign banking interests which are money-launderers, one reason his party deemed him unfit for the job of President of the Republic.

Debt

Poland unable to pay back debt

Poland's Minister of Finance, Bazyli Samojlik, said on Oct. 28 that his country is unable to service its \$33.4 billion debt to the West and hinted it favors a moratorium on repayments.

"We cannot pay back more than we are able to," said Samojlik at a news conference with Western reporters. "If there is a favorable understanding on the side of our creditors... that a cooperation with the debtor is necessary in the interest of the debtor, then I hope we will be able to reach an agreement satisfying both sides."

On May 28, the International Monetary Fund announced that membership had been approved for Poland, which was immediately granted relief by its commercial creditors. At that time, Polish chief debt negotiator Jerzy Malec, vice-president of the Bank Handlowy, said that Poland was keeping up with its current interest payments, and that in June, the first payment on principal in 1986 would be made.

Budget

Japan drafts supplemental budget

Japan's government drafted a supplementary budget aimed at stimulating the domestic economy, badly hit by the yen's appreciation against the U.S. dollar, officials said. They said the new budget, to be submitted to Japan's parliament for approval, calls for an additional outlay of \$3.43 billion for public works. They said \$157.5 million will be set aside for relief of medium- and small-sized enterprises suffering from sluggish exports as a result of the yen's steep appreciation.

However, the government was forced to slice \$1.65 billion off the original program of \$831 billion due to a revenue shortfall estimated at \$7.8 billion. They said the yen's appreciation, coupled with lower crude-oil prices, has helped the government cut its spending by \$2.8 billion, including \$220 million in defense expenditures.

Labor

Colombian movement unites against IMF

Colombia's former Labor Minister Jorge Carrillo stated on Oct. 24 that 80% of Colombia's labor movement will join in a single confederation on Nov. 15, the Unified Workers Union (CUT), in order to defeat pressures from the International Monetary Fund and its errand-boys in Colombia who are trying to wipe out the labor movement.

Carrillo said that, ever since he became minister a year ago, he has been accused of being "partial" to the workers for having promoted a "harmony of interests" between labor and industry, such as that sought by Abraham Lincoln. "We have shown that we workers are not the enemy," Carrillo said, "but the high interest rates and the usurious international banks" are.

The majority of the 50 regional and industry-wide federations that will be at the founding conference of the CUT have already held internal congresses at which they voted to join it and elected their delegates.

After Carrillo spoke to the Bogota workers union assembly Oct. 24, its general secretary, Pedro Rubio, read a letter from United Workers of Colombia (UTC) confederation president Victor Acosta saying he has decided to "expel" Carrillo from the UTC for promoting CUT. Laughter and catcalls erupted thoughout the hall.

CUT's leaders stress it will not be a trampoline for any party or political group. The new organization represents a threat to the U.S. State Department's American Institute for Free Labor Development and West German socialists' Friedrich Ebert Foundation, which have controlled the UTC leadership, and have ties with drug trafficking groups in Colombia.

Invisible Hand

Drugs on the job seen increasing

A study by the National Institute on Drug Abuse indicates that marijuana, cocaine, and a growing list of other drugs are showing up in offices and workplaces across the nation, costing American business \$30 billion to \$100 billion a year, according to an Oct. 28 Reuter wire.

Dr. Michael Walsh, director of NIDA, estimates that 7% of American workers take drugs or drink alcohol regularly on the job. Walsh says that 15% of the American workforce has used drugs at least once in the past

EIR November 7, 1986

Briefly

One expert estimates 5,000 workers each day try cocaine for the first time, encouraged by increasingly cheap and potent forms of the drug. Walsh says, "People in the drug testing labs are seeing phenomenal rates of cocaine use. The NIDA study indicates that absenteeism is 250% higher among drug users, while their accuracy and job performance decline 25% to 33%.

Farming

Reagan signs changes in bankruptcy code

President Reagan signed special farm legislation Oct. 27, which is now inserted into the nation's bankruptcy code as Chapter 12, developed especially to aid family farmers. Under the new law, farmers with debts of as much as \$1.5 million could apply for bankruptcy under the special farm section of the bankruptcy code—if they are family farmers who earn at least half their gross income from farming and can attribute at least 80% of their debt to it.

The measure gives farmers 90 days after filing for bankruptcy to submit a reorganization plan to be adopted over the objections of creditors if a court determines the plan meets certain tests for fairness and equity.

"It is the most extensive rewrite of the federal bankruptcy code in 50 years and will greatly enhance the financial viability of many family farmers," said Sen. Charles Grassley of Iowa, the measure's chief Senate sponsor.

Demography

27% of Brazil's women sterilized

A survey by the anti-population lobby's Brazilian front, BEMFAM (The Society for Family Well-Being), recently found that 27.7% of all women of childbearing age (15 to 44 years old) have had their Fallopian

tubes surgically tied—that is, have been sterilized. In the poorer regions of Brazil, the North and Center-West, the number rises to 42%.

"I wouldn't be surprised if about 35-40% of the female population of Brazil were sterilized," commented Elza Berquo, the demographer who is president of the Health Ministry's Commission on Reproductive Rights. She told the Fifth National Encounter of Population Studies in Aguas de Sao Pedro, Sao Paulo, Oct. 14 that half of those who have been sterilized, were sterilized before the age of 30. If only women who have been married are counted, the percentage sterilized goes way up, a survey by the newspaper Folha de Sao Paulo determined.

There are 120 private family-planning institutions in Brazil, most of which promote sterilization. Berquo said, "There is no doubt that this process intensified in recent years through the action of networks of clinics set up in the country, tied to the Brazilian Association of Family Planning Entities and receiving money from the Association for Voluntary Sterilization, based in the United States."

Although Pope John Paul II's 1980 visit prevented birth control from being legalized, the state hospital system is certainly complicit. The daily *Jornal do Brasil* commented Oct. 15, "Surely, the process of sterilization is intimately linked to the excess of Caesarian sections in the country, which leads in world statistics. BEMFAM's survey found that 31.7% of births in hospitals were Caesarians." In other words, at the same time that the Caesarian section is performed, the mother's Fallopian tubes are tied—presumably, in most cases, with her consent.

The biggest boost in this anti-population drive came from the International Monetary Fund, which created conditions of starvation and despair which made parents and prospective parents into easy prey for the genocidalists and their pro-sterilization propaganda. In 1980, there were 5.3 million live births in Brazil; by 1984, after three years of harsh IMF austerity conditionalities, there were only 3.9 million babies recorded in the country, according to a study by Laura Wong, a Brazilian government demographer.

- AIDS CASES among heterosexuals known to have had sexual contact with an infected person, are doubling every six or seven months, the Sunday Times reports, citing a report delivered in late October to a symposium on AIDS and heterosexuality in New York by Anthony Robertson's RTD Corporation. According to this study, there are now 27,000 confirmed victims in the United States, and an estimated 3-4 million people infected with the AIDS virus.
- FEDERAL DRUG AGENTS announced Oct. 29 the largest cocaine seizure in U.S. history, a shipment of more than two tons with a street value of about \$500 million. Customs agents discovered the cocaine on Oct. 17 hidden in a secret compartment of the 41-foot shipping container unloaded from a Venezuelan-registered freighter at a port in West Palm Beach, Florida, authorities said. "We're quite proud of this accomplishment."
- ARGENTINA is about to "import" an economic development program, prepared for it by Zaburo Okita, "architect of the Japanese miracle." The study, consisting of six volumes, is super-secret, according to Ambito, but focuses on four main points: 1) global planning and the free market; 2) government and private sector; 3) foreign capital and technology; 4) long-term strategies for industrialization. Okita is a member of the Trilateral Commission.
- FRANCE AND IRAN have reached agreement on repaying a \$1 billion loan granted by the late Shah to the French Atomic Energy Commission, the French Foreign Affairs Ministry said Oct. 29. The accord, which follows the resumption of talks on the loan dispute between the two countries Oct. 27, will be signed at the political level shortly, according to the Ministry.