

Business Briefs

AIDS

LaRouche policy featured in Thailand's press

The *Bangkok Post*, the leading English-language newspaper in Thailand, has run an article featuring a pamphlet on AIDS issued by Lyndon H. LaRouche's presidential campaign. In its Outlook Section, the article begins, "A reader has sent me two pamphlets by Lyndon H. LaRouche, Jr., an economist and former management consultant, who has more than once run for President of the United States on what can be called an anti-AIDS ticket. His thesis is that AIDS is a pandemic."

It then quotes seven selected paragraphs from the pamphlet, discussing the "non-risk group" cases, the presence of the virus in many bodily fluids, the absence of a cure, estimates from the World Health Organization and the U. S. Centers for Disease Control in Atlanta, Georgia on expected deaths, and the necessity to keep AIDS carriers out of certain public-exposure jobs.

The writer then describes the LaRouche proposal for a "crash program using conventional and unconventional methods to determine the nature of the AIDS virus and its prevention, treatment, and cure; widespread HIV testing; and that a series of AIDS research institutes be set up where patients can be brought and treated. LaRouche is behind bars now, a so-called 'political prisoner' of President Bush."

The article appeared during an International Monetary Fund meeting in Bangkok Oct. 13-14. LaRouche has accused the IMF of, in a sense, causing AIDS by virtue of its harsh austerity policies.

Monetarism

Japan model debated for Third World

Poor nations could face trouble if they try to copy the cosy relationship between government and business that helped produce economic miracles in some Asian countries, se-

nior World Bank economist Johannes Linn said on Oct. 15.

Linn said that although the United States may be suffering a recession, its consumer-oriented, pluralist economy was a better model for most developing nations.

The international financial fraternity Linn speaks for, apparently fears that widescale adoption of Japanese methods could be an obstacle to its looting practices.

"Our experience has been that developing nations that have applied the Japanese-type model were unable to provide single-minded determination in pursuit of economic goals," Linn told financial leaders in Bangkok for the annual meeting of the World Bank and International Monetary Fund (IMF) Oct. 13-14.

He said most developing nations did not have institutions capable of directing business, which is the key to economic success in nations like Japan and South Korea. Hong Kong and Thailand have successfully adopted a free market policy that approximates the U. S. model, he added.

The issue of the government's role in market-oriented economies was addressed by Bank of Japan governor Yasushi Mieno at a meeting of the IMF Interim Committee. Mieno said Asian nations showed the benefits to be accrued from close relationships between government and business and that government should set middle-term and long-term goals for the private sector.

Transportation

No recovery for U.S. airlines

According to officials of the International Air Transport Association (IATA), earlier expectations of a recovery for international airlines are gravely mistaken. They report that vital business travel worldwide is down sharply in 1991, with the decline in the U.S. far worse than expected.

U.S. airlines lost a record \$3 billion in 1990 and expectations now are that 1991 losses will exceed that figure. This prospect, according to *Aviation Week*, will force a number of U.S. airlines into bankruptcy over the com-

ing months.

But more significant, according to these industry officials, is the threat of cancellation or postponement of a large part of some \$40 billion in annual airline purchasing planned previously. The immediate impact of this will fall on the large U.S. airframe maker Boeing, and is a significant background factor in the intensifying pressure from Washington on European Airbus subsidies.

Similar gloom pervades European airlines, which expect their worst profit returns in history this year. Deep economic deterioration in several countries—Britain, Norway, Sweden—combined with travel fears regarding former holiday regions in Turkey and the Balkans, have severely hurt major European airlines, according to the Association of European Airlines.

The catastrophic problems confronting U.S. airlines must be laid to the effects of 13 years of U.S. government deregulation of the air transport industry, charges Capt. J. Randolph Babbitt, president of the Airline Pilots' Association. Babbitt points out that at the onset of U.S. airline deregulation in 1978, "the U.S. had the world's finest air transportation system." Now, after more than a decade of "free-market dogma" from government, "the current status of the industry can best be described as disastrous. . . . More than 20,000 U.S. airline employees have lost their jobs since January and another 18,000 at Eastern have been displaced."

Science

Nobel Prizes go for liquid crystals and NMR

A Frenchman who has researched liquid crystals won the 1991 Nobel Prize in Physics Oct. 17, and a Swiss researcher took the chemistry award for work on nuclear magnetic resonance (NMR). The Swedish Academy of Sciences awarded the physics prize to Pierre-Gilles de Gennes, a university professor in Paris, and the Nobel Prize in Chemistry to Richard Ernst, a professor at the Swiss Technical University in Zurich.

During the 1960s, Gennes began studying

liquid crystals, which have been known for more than a century and studied as early as the 1920s.

"De Gennes made his chief contributions to our knowledge of liquid crystals when he explained what is termed anomalous light scattering from nematic liquid crystals," the academy said. The nematic phase is one of the ordered phases of liquid crystals in which the molecules move as if in an ordinary three-dimensional liquid but with their axes pointing in the same way. The academy said it chose de Gennes for his discoveries involving how "methods developed for studying ordered phenomena in simple systems can be generalized to more complex forms of matter, in particular to liquid crystals and polymers." A polymer is a naturally occurring or synthetic compound that has large molecules made up of many relatively simple repeated units.

It said he has shown "that phase transitions in such apparently widely differing physical systems as magnets, superconductors, liquid crystals and polymer solutions can be described in mathematical terms of surprisingly broad generality."

Regarding the award for chemistry, the Academy said in its citation that it chose Swiss professor Ernst for his "contributions to the development of the methodology of high resolution nuclear magnetic resonance spectroscopy."

Eastern Europe

Russia can't follow Polish model: academician

Russia needs a capitalism protected against the outside world, rather than following the Polish model, said Tatyana Klyachko, economist at the Russian Academy of Sciences, in an interview with the German *Tageszeitung* daily Oct. 19. She is presented as a contributor to the Shatalin Plan of 1990, and a critic of the new economic union agreement.

"All in all, the situation is without any historical example, and the social differences with western Europe are colossal. That is why we cannot adopt modernization strategies as

they were practiced in postwar Germany or Japan."

Arguing against ultra-reformers that don't want to cooperate with experts that worked under the old regime, Klyachko calls for "new parallel structures" of development that could be built by drawing on "old forces."

"They may have been evil people, horrible bureaucrats who now want to draw profit from the transformation. But their knowledge of the world is deeper, where there's only naiveté otherwise."

"If we try the classic way towards market economy, we are heading for 40 million jobless. Poland cannot be an example. Several generations here haven't known unemployment. There is a giant potential for social conflict. One thing has become clear to the politicians. Privatization is not a solution to the cardinal problems. . . . People would very soon have the feeling of being betrayed once again. This could mount into a variant of national socialism, or national communism again. The most friendly variant would be nationally protected capitalism."

'Free Market'

Major planning to dump Thatcher policies

British Prime Minister John Major "is planning to ditch the last remnants of Margaret Thatcher's free market experiment if the conservatives win the next election," the *Sunday Observer* of London reported Oct. 20.

"To emphasize his clean break with Thatcherism, Major wants to appoint Michael Heseltine as Minister of Trade and Industry because of Heseltine's belief in the virtues of bolstering home industries," as opposed to Thatcher's ideological "free market magic" dogmatism. The paper added, "Major is convinced there are many industries which need government backing if they are to survive." Under Thatcher's free market policies, British industry became a junk heap and unemployment soared.

Briefly

● **FIRST BOSTON** International Corp. economist Pedro-Pablo Kuczynski, has attacked "two groups"—economist Jeffrey Sachs's crowd at Harvard University and the International Monetary Fund-World Bank group—who "agree . . . that shock treatment is essential" for the Soviet economy. This could disemploy overnight a major portion of the 28% of Russia's workforce in manufacturing, while sudden price decontrol would unleash inflation. Instead, the Soviet economy needs infrastructure development, he said.

● **THE MOUNT GRAHAM** International Observatory's construction in Arizona may not be halted, according to a federal judge, just because the Sierra Club fears that the three-telescope astronomical center would threaten the existence of the Mount Graham red squirrel, which has supposedly lived in isolation on the mountain for 10,000 years.

● **IVANSILAYEV**, head of the interim Union Economics Council, said in Moscow Oct. 17 that the Soviet military-industrial complex must be converted to civilian use. "We cannot have an interest in keeping this monster alive for much longer," Silayev declared, recommending that the West invest in reconversion projects and help to build a civilian production sector base operating on a high technological basis.

● **HUNGARY** has implemented a policy of mandatory testing for AIDS of "risk groups." The new policy was announced by the Hungarian Social Ministry.

● **A FREE TRADE ZONE** on the Russia/China/Korea border was the subject of an Oct. 14 meeting between officials of Russia, China, Mongolia, North and South Korea, and Japan; in Pyongyang. Under the coordination of the United Nations Development Project, the plan calls for a \$30 billion investment to create a free trade area along the Tumen River estuary at the tri-border region.