

# Business Briefs

## Italy

### Industrialists contrast LaRouche to Novak

*Denaro (Money)*, the weekly magazine of the Southern Italian Industrialists Association, reviewed U.S. physical economist Lyndon LaRouche's book *La scienza dell'economia cristiana (The Science of Christian Economy)*, in its issue for the week of Sept. 18. LaRouche's view is "diametrically opposite to that of Michael Novak," who claims in *Catholic Ethics and the Spirit of Capitalism* that "there are links between the economic thought of Adam Smith and Catholicism," the reviewer said.

LaRouche has repeatedly warned against the corrupting influence which Novak's free trade outlook has among elements of the Catholic Church.

"Lyndon LaRouche, American economist," the weekly wrote, "is one of the protagonists of American politics, and also very active in terms of revolutionary economic reforms, as well as being controversial." It quotes from LaRouche on the counterposition between the American System and the British System of economics, Leibniz, the Book of Genesis, and Leo XIII's encyclical *Rerum Novarum*. "LaRouche dictated this book by phone from jail. Now he is free on parole, and waits for the full recognition of his innocence."

Last March, *Il Corriere di Roma* and the press agency ARI also published reviews of this book.

## Biological Holocaust

### Scientists warn about resistance to antibiotics

Soon, scientists warn, infectious diseases such as tuberculosis and pneumonia will no longer be treatable, because more and more bacteria are becoming resistant to even the strongest antibiotics, the German daily *Die Welt* reported on Sept. 14.

The latest bad news comes from the health department of New Jersey, where more than half of the hospitals in that state have found that their patients were carrying enterococci

bacteria which is resistant to the antibiotic Vancomycin, the last drug that was able to destroy them. Enterococci are the main cause of blood infections in hospitals.

A study by the Atlanta, Georgia Centers for Disease Control showed that 8% of all enterococci isolated in U.S. hospitals are resistant to Vancomycin — 20 times more than six years ago.

London-based microbiologist Dr. William Noble has proven in his laboratory that enterococci can transfer their immune characteristics to other forms of bacteria, such as staphylococci. "If this happens in a hospital, it could result in epidemics," said Dr. Mitchell Cohen from Atlanta.

The spread of TB, which is related to the AIDS epidemic, is also increasing. Doctors have isolated TB bacteria strains that are nearly immune to every antibiotic drug. A similar situation is found in pneumococci bacteria, which cause pneumonia and meningitis.

Tufts University professor Dr. Stuart Levy warns: "It will not be enough to simply change old antibiotics. We will not have a totally new sort of antibiotics available in this decade. Before it will get better, it will become very bad."

## Energy

### Mediterranean nations agree on joint projects

An agreement for the joint development of energy infrastructure in the western Mediterranean region was signed in Algiers, Algeria by six governments — Spain, France, Morocco, Algeria, Libya, and Tunisia — on Sept. 20, European dailies reported.

The agreement includes establishing links between the coasts of southern Europe and northern Africa. On a bilateral level, a power line, which is already under construction, will be built between Morocco and Spain. There is also a plan to build new gas pipelines and promote electrification of the coastal areas, especially in northern Africa.

The agreement is part of a broader initiative for the joint European Union-African-Middle East conference in Barcelona, Spain on "Mediterranean Economic Development," scheduled for late November.

## Central Asia

### Divert Siberian rivers, Uzbekistan leader urges

Uzbekistan President Islam Karimov called for diverting Siberian rivers to provide water for arid Central Asia, following a U.N.-sponsored summit in Uzbekistan where plans were discussed to save the Aral Sea, according to Sept. 22 wire reports. The project would require "huge investment from the World Bank and the European Bank for Reconstruction and Development, but I believe they will contribute to the implementation of this project," he said.

The plan, which was called "the project of the century" and was backed by former Soviet leader Leonid Brezhnev, was cancelled in 1986, for cost and environmental reasons. The failure to provide adequate water has contributed to health and ecological problems in the region.

A World Bank-drafted program released at the end of the meeting contained no plans to divert north-flowing Siberian rivers south toward the Aral, and the leaders of Uzbekistan, Kazakhstan, Kyrgyzstan, and Tajikistan signed a declaration which created the framework for "sustainable development" in the Aral basin.

## Transportation

### Kazakhstan, China discuss rail link

Kazakhstan President Nursultan Nazarbayev discussed "modern railways" linking Central Asia to China and the Pacific, during a visit to Beijing, the Sept. 13 English-language *China Daily* reported.

On Sept. 12, Nazarbayev said that his country hopes to see broader cooperation with China, including on "big and large-scale projects." Kazakhstan is considering a plan to open up "grand oil pipelines, extending from this former Soviet Union republic to the Pacific coast. If the blueprint can combine with China's design to build oil pipelines from its western areas to the eastern area, this will be a mammoth project. Japan and other Southeast

## Briefly

Asian nations also are showing interest in co-operation in this project," he said.

Nazarbayev expressed optimism "that with modern railways linking the heart of Asia to the Pacific coast, there will be increased co-operation among central Asian nations and China in the 21st century."

### Niger

#### Labor federation vows to defeat IMF deal

The Labor Federation of Niger has vowed to defeat International Monetary Fund plans to impose more austerity on the West African nation. "We will make it impossible for the government to implement the conditionalities of the [IMF's] Structural Adjustment Program which it hopes to sign, if it does not drop plans for retrenchment or liquidation of state-owned companies," Labor Federation chief Ibrahim Mayaki told the government-owned daily *Sahel-Dimanche* on Sept. 22.

Mayaki made the remarks while an IMF-World Bank mission in the country praised the country's efforts to clinch the deal but said it needed the support of trade unions for further cutbacks.

Mayaki insisted that no other labor unions in Africa or Europe would accept the conditions demanded for the IMF loan of \$102 million. He described "restructuring of state corporations" as a smokescreen for massive layoffs.

### Infrastructure

#### Australian urges use of pension funds

Superannuation (pension) funds should be used to finance "investment in public infrastructure and major Australian projects," said Neil O'Keefe, a senior member of the Australian Labor government, the Sept. 16-17 *Weekend Australian* reported.

O'Keefe's call is not in line with the policy of the government of Prime Minister Paul Keating. Although he did not propose specific

projects, and the amounts fall far short of the amount of government-generated credit needed to finance such projects, since 1990, the idea of vast investments in "great projects" and expanded infrastructure has almost uniquely been circulated by the LaRouche movement in Australia, the Citizens Electoral Councils, in their "Sovereign Australia I" and "Sovereign Australia II" pamphlets.

O'Keefe also called for the use of superannuation funds to "buy back the farm." This slogan goes back to the early 1970s, when the then-Labor government of Prime Minister Gough Whitlam tried to bypass the traditional lending sources of Wall Street and City of London, with long-term, low-interest loans from the Arabs, to buy back the immense mineral deposits which had been taken over by Rio Tinto Zinc, the Anglo American Corp., and other firms tied to the British monarchy. Whitlam's government was sacked by the governor general, the British queen's representative in Australia. This case is featured in the July issue of the *New Citizen* newspaper.

### Economic Policy

#### Ukraine will support production, says Marchuk

Ukrainian Prime Minister Yevhen Marchuk indicated that Ukraine will shift policy toward protectionism and support for production, in an address to economists on Sept. 15, wire services reported. "The government sees support and stimulation of home-produced goods as its priority task," he said. "This means credits to enterprises, tax and other breaks, and customs barriers on goods entering Ukraine."

"The government sees such protectionist measures as temporary," he said. "The so-called market blitzkrieg has turned out to be premature. Ukraine has ended up with an uncontrolled system of production. The cabinet intends to overcome these shortcomings and ensure they do not recur."

President Leonid Kuchma said that Ukraine had to halt a prolonged slump in production, and "cannot accept a weakening of the regulatory function of the government." However, he also reportedly called for faster privatization.

● **BELL LABS** will be split in two, as a result of the breakup of AT&T, *What's New*, the personal newsletter of Robert L. Park, president of the American Physical Society, reported in its Sept. 22 issue. Among the world's top 20 corporations investing in R&D, only seven are now American, compared with twice that number only five years ago, it said.

● **ROLAND LEUSCHEL** of Banque Bruxelles Lambert repeated his warning about the financial "bubble bursting," in an article in the Sept. 22 German daily *Süddeutsche Zeitung*. He characterized the mountain of debt in Europe, and in Germany in particular, as a "time bomb."

● **THE RUSSIANS** are fast approaching the point at which they will rudely stop selling off their raw materials and other resources at dirt-cheap prices, to those in the West seeking to loot Russia, a researcher at Moscow's USA-Canada Institute told *EIR* on Sept. 18.

● **BURMA** is on the brink of an epidemic of AIDS and HIV infection, due in part to the continuing financial and political isolation of the military government, health experts at the Third International Conference on AIDS in Asia and the Pacific in Chiang Mai, Thailand warned, Reuters reported on Sept. 19.

● **CRUDE OIL** produced from the Azeri offshore fields in the Caspian Sea will more likely be shipped through Chechnya to the Russian port on the Black Sea, Novorossisk, rather than through Georgia, as Turkey has hoped, the weekly *Argus Petroleum* reported on Sept. 21.

● **'JAPAN** prefers direct financial aid to the Palestinians without the involvement of the World Bank or any other international organization," officials with Japanese Trade Minister Tomishi Hashimoto said during his visit to the Gaza Strip on Sept. 20, *Al Hayat* reported. Japan promised \$200 million in "direct aid" to the Palestinian Authority.