

Business Briefs

Eurasia

Belarus, China discuss Land-Bridge cooperation

Belarus Deputy Prime Minister Valeri Korakaw and visiting Chinese State Council Vice Premier Wu Bangguo announced in Minsk on April 3 that "Belarus and China are interested in creating a Europe-Asia transcontinental transport link," Interfax reported. In addition, "the creation of the transport corridor was also discussed at the recent meeting between Russian Prime Minister Viktor Chernomyrdin and Belarus Prime Minister Syarhey Linh," according to a source in the Belarus government.

Linh proposed that a reduction in tariffs on freight transportation via Russian territory be considered, the source said, underlining that the Russian prime minister "reacted positively."

"China is interested in the creation of a transcontinental Eurasian corridor from Rotterdam to Beijing, which would pass through Belarusian territory," the Belarus newspaper *Belapan* reported. "The sides exchanged letters on providing Belarus with a P.R.C. [People's Republic of China] government nonreturnable grant of 2 million yuan [about \$240,000]." Other economic ties were also discussed.

Health

Salmonella outbreaks show irradiation need

Four outbreaks of salmonella in Melbourne, Australia in late March, underscored once again the need for food irradiation technology. Dr. Graham Rouch, the state of Victoria's chief health officer who is in charge of handling the salmonella outbreaks, said that the only way to guarantee meats that are free of microbes, such as *E. coli* bacteria, is to sterilize them using gamma radiation, the *Herald Sun* reported on March 30. Thus far, in the salmonella outbreaks more than 500 people have been hospitalized and at least two have died.

In some recent cases of *E. coli* meat con-

tamination, manufacturers may not be entirely to blame, Rouch said. Future *E. coli* outbreaks "could force Australian food producers and consumers to confront their fears about irradiation, the only sterilization technique that can guarantee the safety of fermented meat smallgoods and other processed meat products," he said.

The outbreaks have highlighted the collapse in meat inspection standards that has accompanied the rise to power of Victoria's Mont Pelerin-controlled Premier, Jeff Kennett. In 1994, Kennett pushed through legislation which abolished food-handling regulations, and replaced them with voluntary codes of conduct. As a result, the number of local government meat inspectors has been cut from 400 in 1994 to 250 today. Nationally, the number of meat inspectors has been slashed from 2,500 to 800. Class-action lawsuits have been filed against the offending companies, and the state opposition has called on Kennett to hold a judicial inquiry into food inspection, and reintroduce enforceable regulations. The government has rejected the call, saying the outbreaks are "isolated."

Albania

Reconstruction projects needed, says Italian

Gen. Luigi Ramponi, a former head of Italy's Military Intelligence, SISMI, and current security and defense spokesman for the National Alliance, the second largest opposition party, told *EIR* on April 5 that construction of infrastructure in Albania was necessary to stabilize the crisis in that nation. "We must finance concrete reconstruction projects in Albania," he said.

Ramponi is a well-known figure in Italian military circles. During his tenure as head of SISMI, Italy led the "Albatross" operation, a military mission involving 10,000 troops which rebuilt a minimal infrastructure network in post-communist Albania. According to Ramponi, the infrastructure is now much better than what they found in 1991, despite the recent looting and destruction.

"There is no ethnic conflict in Albania,

and the reason for the insurrection is economic," he said. "Therefore we should address the economic problem. Albania should be considered as a backward region in the EU [European Union], and there should accordingly be a development program. Credits should go for concrete investment projects. Albania is a country with 3 million people; the situation is a joke in terms of investment effort."

South Africa

Fight looms over water, as British move in

"A battle royal is looming between the Zulus and the Basotho, over who will supply water to South Africa in the next century," the April 11 *Mail and Guardian* reported. The fight comes as the British Empire is intensifying its efforts to exert control over South Africa. The Hongkong and Shanghai Banking Corp., a crown jewel of empire banking, is the official adviser to the South African government on privatization, which program, along with Anglo American Corp.'s "black empowerment" schemes, are integrating leading figures of the African National Congress (ANC) into British-run business networks. Simultaneously, selective scandals and assassinations are being used to eliminate potential nationalist resistance.

South Africa's strategically important state-run water resources sector is now being targeted for privatization. A British company, Biwater, which is connected to former Prime Minister Margaret Thatcher, has linked up with the South African National Civics Organization (SANCO), to bid for water privatization in Nelspruit. "The partnership appears to put Sanco Holdings (headed by former Congress of South African Trade Unions militant Moses Mayekiso) in direct conflict with organized labor and in an alliance with conservative British capital on the issue," the paper commented.

Under privatization, the state-run water infrastructure, dam, and canal network, including the massive Lesotho Highlands Water Project begun in the late 1980s, is to be used to generate new income streams for the financial markets, with price increases and

conservation being the guarantee for any new financing. This policy of ANC Minister of Water Affairs and Forestry Kader Asmal has pitted white farmers in South Africa's large irrigated agriculture sector, industry, and residential users against each other.

The Zambezi River water project of South African engineer Desmond Midgley, featured in *EIR* in 1990, combined with completion of the Lesotho project, could provide sufficient water for the next decades, thus laying the basis for relaunching South Africa's industrial development and rise in standards of living. But the profitability of this project is measured in decades, and not by the hot-money criteria of the international financial markets being imposed on the South African government with privatization.

Ibero-America

Church leader attacks IMF and 'IMF Catholics'

Latin American Bishops Conference (CELAM) President Oscar Andrés Rodríguez Madariaga, archbishop of Tegucigalpa, Honduras, attacked the neo-liberals (free-traders) of the Mont Pelerin Society who try to pass themselves off as Catholics, in a two-part interview in November and December 1996 editions of the Vatican publication *30 Days*, published in Brazil.

"The so-called structural adjustments of the economy, the plans to reduce the deficit imposed on states by the International Monetary Fund and World Bank, have caused an increase in poverty," the archbishop said. "The neo-liberal therapies imposed by the international organizations are not in any way therapies, since they intervene solely in macro-economic indices, such as inflation and the state deficit, but totally omit the real situation of persons, of how the population is experiencing increasing poverty."

Asked to comment on the fact that there are Catholics in high-level posts in these multinational financial organizations, he said, "It is true there are high-level Catholics, but they are not the masters. Fearing loss of their prestigious jobs, they obey those who pay them their luxurious bene-

fits." The Honduran archbishop concluded that the United States and the Group of Seven nations want to separate economy from justice, "but the economy cannot be autonomous from the law."

Romania

Government backs bank privatization proposal

Under International Monetary Fund (IMF) pressure, the government of Romania has adopted a draft law on the privatization of state-owned banks. The draft, which will be submitted to the parliament for urgent consideration, stipulates that no person can hold more than 5% of the shares in a privatized bank without the approval of the National Bank. Companies can acquire up to 20%, but some 100 banks of "world repute" are to be exempt from this ceiling. The state will hold 10% of shares in each bank.

On April 7, the IMF's chief negotiator assigned to Romania, Poul Thomsen, arrived to examine Romania's progress on fulfilling IMF conditions.

The World Bank is demanding that Romania slash meat production. The state farms will cut their number of cattle by at least one-third, a precondition for a loan of \$200 million for the restructuring of the agriculture sector by the World Bank, Agriculture Minister Dinu Gavrilesco announced. Several thousands of cattle starve every day, because farms have been unable to buy feed after all subsidies and loans were cancelled (also a condition imposed by the World Bank). The cadavers are being cooked and fed to other animals. This is the only way to at least save part of the cattle, the minister stated.

The production capacities of the hog and chicken sectors are also being termed excessive by the World Bank. First, 20 hog and chicken farms will be closed down or privatized, with another 54 to follow.

The government announced its intent to import at least 200,000 tons of grain to secure the supply of bread for the population until summer, the April 1 *Agra-Europe* reported. At the same time, spring planting is being reduced due to "very difficult economic conditions."

BANGLADESH will get more development assistance from China, including for the construction of the fifth friendship bridge, visiting Chinese Vice Premier Luo Gan said on March 29, the Bangladesh *Daily Star* reported. The Ganges water treaty with India, and planned subregional cooperation were also discussed.

BOLIVIA'S debt should be written off, as a reward to the Sánchez de Lozada government for having privatized everything, the April 4 London *Financial Times* said in an editorial. The write-off would be a way of "much reducing Bolivia's susceptibility to external shock."

THE STRIKE PROCESS in Russia is not waiting for scheduled demonstrations. On April 8, hundreds of coal miners from the Kuzbass blocked the Trans-Siberian Railway at Anzhero-Sudzhensk. Despite the promises of First Deputy Prime Minister Anatoli Chubais, who flew to Kuzbass just after his appointment last month and promised speedy payment of back wages, they are still up to eight months behind.

GEORGE SOROS has bought a 5% stake in Australian petroleum producer Petroz NL, the April 5-6 *Weekend Australian* reported. Petroz's main operation is in the Undan-Bayu gas field in the Timor Sea, a sensitive area, due to its close proximity to East Timor, a constant source of destabilization for Indonesia.

THE NIGERIAN government has decided to move the European headquarters of the national oil company from London to Paris, the April 9 Nigerian daily *Daily Times* reported. The government chose Paris "due to France's friendly attitudes toward the Nigerian government."

THAILAND is dumping \$3 billion of government workers' pension funds into the bailout of banks and finance companies, the *Asia Times* reported on March 26. About 60% will go into deposits in the shaky financial institutions.