

Business Briefs

Nuclear

Brazil To Build 50-60 Plants in Next 50 Years

"Nuclear policy is a priority for Brazil," and the country shall build 50 to 60 new nuclear plants over the next 50 years, Mines and Energy Minister Edison Lobao told reporters, after inspecting Brazil's existing two plants (Angra 1 & 2), and the construction site for the third (Angra 3) on Sept. 12. The power from those new plants would increase Brazil's electrical capacity by 60,000 megawatts, more than half again as much as total installed capacity today (100,000 MW).

Nothing like this has been heard in Brazil since the aggressive nuclear plans of the 1970s were crushed by environmentalist attacks and threats from the Carter Administration. Lobao's emphatic statement indicates that Brazil's pro-development forces are back in action, pressing to regain the ground lost under globalization.

Ibero-America

Fernández, Lessa Ridicule Monetarists

Argentine President Cristina Fernández de Kirchner, and Brazilian nationalist Carlos Lessa, former president of the Economic and Social Development Bank (BNDES), are two voices of sanity which stand out among those many government and other officials, who—at least publicly—choose to deny the reality of the current global financial crash.

Fernández, on Sept. 16, noted the irony of Lehman Brothers and other now-crumbling Wall Street investment firms, having attacked her government's economic policies just two weeks ago, forecasting that Argentina would collapse under the weight of her gross "mismanagement." The time Lehman Brothers spent forecasting doom for Argentina would have been better spent examining

"its own risk," Fernández suggested, because the "First World" model they recommended for her country, has "popped like a bubble." She didn't deny that Argentina would be affected by the financial blow-out, but indicated that the model she defends, based on industry and production, is better prepared to "weather the storm."

Lessa, interviewed by Reuters Sept. 16, warned that the measures that monetarist central bank president Henrique Meirelles has supposedly put in place to defend Brazil from crisis, are non-existent. Moreover, he admonished, in the face of what is about to hit Brazil, its \$200 billion in reserves are meaningless. As for the United States, Lessa explained that its alleged "financial gain" bears no correspondence to the generation of real wealth, and has created a large bubble. Here, Lessa echoes what he told *EIR* in an exclusive April 2005 interview in which he warned that "the financial dragon has to be slayed!"

Hydroelectric Power

India To Build Two Projects in Myanmar

Myanmar signed an agreement Sept. 19 with India to build two hydroelectric power projects. Under the agreement, Myanmar's Department of Hydropower Implementation (DHPI), with the help of India's National HydroPower Corp. (NHPC), will build the 1,200 megawatt Tamathi hydropower project and the 600 MW Shwzaye hydropower project on Chindwin River. New Delhi called it a "major strategic victory" for India. The deal was signed in the newly built administrative capital, Naypyidaw, during a ceremony attended by the Myanmar Minister for Electric Power Zaw Min and Indian Ambassador Bhaskar Kumar Mitra. New Delhi is already in the process of building the 111 MW Thahtay Chaung thermal power project in Myanmar.

The breakthrough came after a number of meetings between representatives of the two countries, followed by the visit

of the Indian Minister of State for Power and Commerce, Jairam Ramesh, to Myanmar on June 23, where he firmed up investment plans after his meeting with Lt. Gen. Thiha Thura Tin Aung Myint Oo, Secretary of the State Peace and Development Council, Myanmar.

"This is a major strategic victory for us. The Chindwin River holds huge hydro-power potential and we intend to further strengthen this relationship by going in for other such projects in Myanmar," Jairam Ramesh said.

Interest Rates

London Scribbler Wants 'Shock and Awe'

The bailouts of Freddie Mac, Fannie Mae, and insurance giant AIG were not enough for the City of London. City mouthpiece Ambrose Evans-Pritchard, writing in the London *Daily Telegraph* Sept. 19, calls for slashing interest rates, to produce "shock and awe" in the financial markets. Evans-Pritchard quotes Stephen Lewis of Insigner de Beaufort, as warning that, "The Central Bank [U.S. Federal Reserve] action treats a symptom of the disease, not the disease itself. It is a palliative. At root, there is no way of imbuing worthless financial claims with value."

Evans-Pritchard then endorses U.S. Treasury Secretary Hank Paulson's call to set up a Resolution Trust Corporation-type institution, which he calls a "super sewer" to swallow up all the banks bad debts, but laments the probability that Congress will adjourn before taking any action. This, it is hoped, will lead to the solution demanded for months now, by Evans-Pritchard's Anglo-Dutch financial masters: slashing interest rates.

"This crisis will not begin to abate until monetary gods at the Fed and the ECB make it clear at long last that they grasp the full extent of the crisis by slashing interest rates in a single concerted action. That will shock and awe," Evans-Pritchard concludes.