United States, shows that the difficulty many Americans have in distinguishing between LaRouche's economic forecasts and mere economic "predictions," stems from a philosophical belief in "linearity," which is precisely the same as the Newton-LaPlace-Cauchy view of the calculus. He shows that Plato's great enemy, Aristotle, embodied this view, which denies the logical possiblity of *change*—whether it be in matter, or in the human mind (creativity)—in his formal system of thought.

## **Gravitation theory challenged**

The issue also contains an extraordinary contribution by Prof. Shu-wen Zhou of China's Huazhong University of Science and Technology, who discusses his several years of experimental work on the measurable, abnormal effects on force and time measurements that occur around the time of solar and lunar eclipse, a challenge to standard thinking on gravitation. Also featured is a translation of a 1943 article by the Russian biologist Alexander Gurwitsch and his wife, Lydia, which reviews his discovery of mitogenetic radiation and answers the complaints of his reductionist critics. The Gurwitsches discuss how the discovery came about, and what they were thinking in the process.

The Special Report is on AIDS in Africa, and includes an update on work on an AIDS virus by Colin Lowry, a report on the pandemic, and an interview with the head of the White House Office of National AIDS Policy.

The nuclear report leads with Zbigniew Jaworowski on the absurdity of the concept of "collective dose" in measuring radiation fallout.

In a second article, food irradiation pioneer James H. Steele, professor emeritus at the University of Texas, discusses the history of food irradiation and the need for public health officials to start supporting it.

An Ancient Discovery section features dramatic color photographs of the 20-40,000-year-old rock art of northwest Australia's Kimberleys. Other articles include a viewpoint by senior entomologist Gordon Edwards on how the Food Quality Protection Act is bad for your health, and reports on the Japanese fusion program. The Books section includes a review of Cornell astrophysicist Thomas Gold's book, which argues that hydrocarbon fuels aren't fossils; a review of the life and ideology of Lysenko, a review of a book on Micronesia's lost cities; and a review of the biography of Sergei Korolev, the almost unknown Ukrainian genius who played the role of Werner von Braun for the Soviet space program.

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# Mahathir rallies Asia to build economy

by EIR Staff

Malaysian Prime Minister Dr. Mahathir bin Mohamad is carrying out an intensive organizing effort to get other Asian countries to play a vigorous role in protecting their economies from the International Monetary Fund (IMF) and the financial speculators, as well as in moving into the 21st century as nations strong in science and technology.

At the same time, the Malaysian government has presented its Y2000 budget, reaffirming the success of the protective measures introduced in September 1998, including capital and currency controls.

## Diplomacy

At a conference of the **Africa Asia Business Forum** in Kuala Lumpur on Oct. 16-19, Dr. Mahathir addressed 350 business executives from 28 African and Asian countries, declaring that now is the time for Asia, "with its fresh experience, new-found wealth, technology, and skills, to help other less-developed nations." He urged public and private sectors in Africa and Asia to form "smart partnerships" for mutual benefit. Both regions had, for too long, been Eurocentric, and he encouraged Africa to look for friends in Asia and the Americas, who would understand African development problems better than more developed countries. He said that if Asian countries became genuine partners of Africa, "it will create a cycle of prosperity." He further stressed the importance of political stability, not just changes of government, in creating conditions conducive for development.

On Oct. 30, Dr. Mahathir and Thailand's Prime Minister Chuan Leekpai signed an agreement on joint development of natural gas reserves, in areas where the two countries have overlapping territorial claims. The **Malaysia-Thailand Joint Development Area (MTJDA)** covers 7,250 square kilometers offshore, about 260 km from Songkhla, Thailand and 150 km from Kota Baru, Malaysia. The fields will be exploited for mutual benefit, with expenses and profits shared equally.

On the same day, Dr. Mahathir participated in Kuala Lumpur in the signing of a gas sales agreement between Malaysia's Petronas and the Thai petroleum authority PTT. On that occasion, he stressed the peace-making function of such projects as the MTJDA, which would, he said, "stand out in history as a testament to the unique cross-border cooperation between two neighboring countries in resolving territorial disputes and the ability of both countries to utilize jointly and equitably the

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hydrocarbon resources found within their overlapping claim areas, thereby further strengthening and enhancing bilateral sovereign relationships."

Among the lessons to be drawn from the Asian financial crisis, Mahathir said, was that the members of the Association of Southeast Asian Nations (ASEAN) should protectively manage their activities. "I believe the trans-ASEAN pipeline and power grid represents one of such important strategic activities as it will link and expand the region's existing pipelines and power infrastructures to meet ASEAN's energy requirement in the next millennium." He added, "It would also help achieve a quantum leap in the economic development and industrialization of the ASEAN region as a whole, through the efficient utilization of indigenous gas resources."

Mahathir said the foundation of the trans-ASEAN gas pipeline and power grid had already been laid with the connection of Malaysia's peninsular gas utilization system with that of Singapore. The Thai-Malaysia pipeline will interconnect a third ASEAN country to the same system.

Earlier this year, on Aug. 18, Dr. Mahathir spoke to the Third Malaysia-China Forum in Beijing, calling for China, Malaysia, and Japan to lead a regional and global offensive for change and development. Japan's proposal for an Asian Monetary Fund, "shot down by the U.S. and the IMF" a few years ago, has now been revived in Tokyo, he said, and "Malaysia believes that it is a concept worthy of support. It would also be good to solicit Chinese backing for the idea." Also, he said, the Malaysian proposal for an East Asian Economic Caucus (EAEC), comprised of ASEAN plus China, Japan, and South Korea, needs to be implemented. Had there been an EAEC, he said, "the first recourse for Thailand, Indonesia, and South Korea would not have been the IMF, but the EAEC. The reason is that these economies are fully aware of the harsh conditions that the IMF would exact from them in return for financial assistance.... The IMF intervention in Indonesia is a classic case to be avoided at all costs by future economies in crisis."

Mahathir challenged his audience to "think like Shakespeare," as Asia moves into the next millennium. "The ASEAN 10+3 needs to adopt a wholly new mind-set of not only becoming strong industrialized nations in the 21st century," he said, "but also possessing strong scientific and technological attributes. This calls for the overhauling of our respective educational systems. The biggest obstacle to becoming science- and technology-strong nations is not our stars, as Shakespeare would remind us, but in our thinking, in our mind-sets. Change them, and we will see great changes in scientific and technological advancement by East Asia in the next century. This is not Mission Impossible, but Mission Possible."

### Strong growth in domestic economy

On Oct. 29, Malaysian Finance Minister Tun Daim Zainuddin presented the Y2000 budget to the lower house of Parliament. According to the Bernama news agency, he made



Dr. Mahathir bin Mohamad during a visit to Argentina in 1997.

clear that the capital controls instituted last year *must* remain in effect, in order for the progress sustained in 1999 to continue. In the budget, Malaysia has revised its growth projections from 1% to 4.3% this year, a remarkable about-face from the 7.5% contraction in 1998. The country's selective capital controls have everything to do with it, together with the domestic spending program and loosening of credit, which is shown in 8.9% increase in manufacturing, 4.6% increase in agriculture, and 2.4% in services. Export earnings in dollar terms increased 23.1% between January and August, contributing to the rise in reserves to \$30.2 billion, four times the country's short-term exposure. Inflation is running at 3% for the year. Non-performing loans in the banking system were at 7.9% as of August 1999, compared to 11.4% in August 1998 — and compared to over 45% in Thailand at the moment!

Tun Daim described the Y2000 budget as a people- and business-friendly budget, including tax breaks and incentives to sustain and foster stable economic development. The total budget is \$20.53 billion (78.03 Malaysian ringgit), up 19% from earlier estimates; of that \$14.03 billion (RM 53.35 billion) is for operating expenditure and \$6.5 billion for development. The almost 26% increase in net development spending will contribute to a projected 4.4% budget deficit, but threequarters of the development spending will be funded from domestic resources. The character of the budget was identified by Tun Daim when he said, "Political stability and social harmony are important to the nation's progress. We cannot focus on development efforts if there is chaos."