
Economics in Brief

Finance

German Banker Warns of New Crash

April 27—In an interview with *Börsen-Zeitung*, Herbert Haasis, president of the German banking association, warned against a new round of Lehman Bros.-style crashes, because the banks and investment funds are making the same kind of speculative deals that were done before the 2007 crisis, and they are even doing worse now, with additional wild speculation in raw materials.

Since *Börsen-Zeitung* is read by only a limited number of people, who are more interested financial market news, it is important to note that *Bildzeitung's* mass-circulation front-page reporting on Haasis's remarks April 26 helps to circulate the warning nationally.

Nuclear

Russian-Indian Deal for Nuclear Fuel Plant

April 26—Russia's government-owned nuclear fuel major, TVEL, has announced that it is in discussion with Indian authorities to set up a nuclear fuel fabrication plant in Greater Mumbai, to supply fuel for the 8-10 Russian VVER-1000 and 4 Russian VVER 1250-type reactors to be built in India. Ivan Dybov, TVEL's executive director for communications and public affairs, also told the Indian media that the fabrication plant could serve the fuel requirements of the new-generation European Pressurized Reactors (EPR) of 1,650 megawatts each to be built by the French state-owned nuclear company, Areva SA, in Jaitapur in the western state of Maharashtra. TVEL is part of Rosatom.

Areva SA has signed an initial pact with Nuclear Power Corp. of India Ltd. for building up to six nuclear reactors in India, getting a foothold in this potential growth market for nuclear energy. Dybov said TVEL has an understanding

with Areva for fuel fabrication and has already fabricated 2,000 fuel bundles for them.

TVEL, which holds 17% of the world's nuclear fuel market, already has a contract with India's Department of Atomic Energy to supply 2,000 metric tons of fuel to the country's pressurized heavy water reactors over the next five years. The company already supplies two units of the U.S.-built Tarapur Atomic plant, as the U.S. stopped supplying fuel after India's Pokhran-I nuclear tests in 1974.

Austerity

Obama Commission Prepares 'Bloodletting'

April 25—Interviewed by Fox News today, the two co-chairmen of President Obama's newly appointed debt commission made it known in no uncertain terms that their intention is to kill Americans by massively cutting entitlement programs, including Social Security and Medicare. The interview took place two days before the first meeting of the commission scheduled for April 27.

Commission co-chair Erskine Bowles started out by saying: "If you look at where we are today and you just look at the mandatory payments, they equal the entire revenue that comes into the U.S. government. That means every dollar we spend today on the military, on homeland security, on education, infrastructure, transportation, it's all borrowed, half borrowed from foreign countries."

Co-chair Alan Simpson stated explicitly that the commission intends to start a bloodletting of the American population: "We are using only the actuaries of Social Security. We are using only the actuaries of health care. We're using only CBO figures. We're not going to go by our own figures. We're not going to say we're going to grow our way out of this. Hell, we could have double growth for 30 years and never grow our way out of this. And hopefully we can all say, this is where we are. Then if we can do

that—and that's my naive objective—then we can start letting blood."

Simpson also made it clear that the commission would consider further cuts in Medicare, beyond those already included in Obama's Hitlerian death bill: "Somebody said, 'well, is the new health care bill off the table?' I said, 'nothing is off the table, absolutely nothing.'"

Labor

European Unions Protest Iron Ore Price Hikes

April 22—In the wake of a recent hike in steel prices based on a decision of the iron ore cartel to spike prices, the German metalworkers union IG Metall, one of the largest unions in Europe, held two demonstrations today to protest speculation, because it's destroying industries' ability to keep their employees. One demonstration was in Duisburg, the headquarters of Thyssen-Krupp Steel, and the other in Brussels, at the European Parliament, which was joined by other Western European steel workers. The idea was to mobilize against raw material speculation; to support a regulated market and consequences for cartels; and to secure the industrial locations in Europe and jobs in this industry (these are the three demands of the Duisburg Call).

The demonstration site—which the organizers had planned for 10,000 people just from the trade unions, only to find buses arriving from everywhere in Germany that has anything to do with steel—was in the middle of nowhere, in the ruins of old steel-producing areas.

The speakers, most of them labor council leaders, blasted that policy, along with those who are pushing it, after the big financial crisis that was caused by the same methods. But they limited themselves to making appeals to Chancellor Angela Merkel and EU official José Manuel Barroso for more regulation.

Many left the rally early, apparently demoralized by its leaders' political impotence.