The Nov. 17 cover of Business Week announced in huge type: "RESCUING ASIA. HOW A $100 BILLION BAILOUT COULD REFORM ECONOMICS AND REIGNITE GROWTH." The cover shows a sinking arm tattooed with a map of Eastern Asia sinking into an ocean, grasping at a life-preserver (composed of green currency thrown to it). The lead article proposes a financial bailout "with a price tag of more than $100 billion. At stake: Global economic health." But nowhere is there spelled out in the six-page article the least understanding of the basis for the Asian collapse. Business Week proposes an International Monetary Fund (IMF) bailout, mostly paid for by the U.S. taxpayer. It would shell out $40 billion to Indonesia, $40 billion to South Korea, $22 billion to Thailand and a measly $1 billion to the Philippines. Nothing is said relative to the ludicrous IMF terms imposed on the bailed-out grantees, such as the demanded and delivered big increase in the Thailand sales tax and other crippling preconditions.

Business Week glosses over the Thai-land heavy sales tax hikes. And it barely mentions the "58 wobbly finance companies that made big, bad bets on the real estate market." BW asserts that "it was Washington's pledge of $3 billion to the Indonesian bailout that gave the IMF the extra boost it needed. "Nothing was said about the Suharto government being one of the most corrupt and unjust dictatorships in a world where land monopolists, controlled by or consisting of the Government, make any outside help useless, whether it comes from the IMF, World Bank or the United States."

BW also briefly mentions China, where top banks have $90 billion in problem loans, "and real estate in Shanghai and Beijing is overbuilt." China admitted that some of the money already lent to it by the World Bank (mostly U.S. money) "had been used for speculative investments."

Referring to foreign banks being involved with aiding Japanese banks on their exploded real estate loans, BW states that Bankers Trust, New York Corp. has teamed with Nippon Credit Bank, Barclay's bank, with Hokkaido Takushoku Bank, and Swill Bank with Long-Term Credit Bank of Japan "to package real estate into marketable securities, price, and distribute them globally." With the Japanese banks thus removing the bad real estate loans from their lists, in return for disposing of Japan's bad land loans, these foreign banks get equity stakes in the Japanese banks, as well as fees for brokering deals and a chance to acquire decent Japanese real estate at below-market prices.

In sum, it is high time that we realize that economic stupidity in one nation affects the economy of all other nations, in this world of economic interdependence. It is high time that BW, IMF, the World Bank, and the US government realize the truth of the statement by David Ricardo about 175 years ago that, "There is no gain to society at large from the rise of (ground) rent. It is advantageous to the landlords alone and their interests are thus permanently in opposition to those of all other classes."