

'Too big to fail' bank names made public

At the Cannes summit of the world's leading economies, 29 banks have been named as being so important to the global financial system that they are likely to need to hold more capital reserves than their rivals

Leaders said they will have to put in place a plan to allow them to be wound up without taxpayer help if they hit trouble. Seventeen are from Europe, eight from the USA, and just four from Asia. They include Germany's second-largest lender Commerzbank and Britain's Royal Bank of Scotland which on the same day announced their latest quarterly profits had taken a hit from loans to Greece.

The aim is to ensure taxpayers will never again be called on to foot the bill in a major banking crisis. Other elements there were approved included common tools for supervisors to wind up ailing banks and more intensive supervision for large lenders. The international industry watchdog the Financial Stability Board also received G20 backing for plans for tighter regulations of the so-called 'shadow banking' sector — that is the non-banking financing industry.

Earlier Royal Bank of Scotland said its third quarter profits slumped and it expects



Customers use Commonwealth Bank automatic teller machines

a tough fourth quarter. That after it took a further hit on its Greek government bonds and sold most of its Italian bonds. RBS has slashed its holdings of sovereign debt

from Portugal, Italy, Ireland, Greece and Spain since the start of the year.

At the same time, Germany's second-largest lender Commerzbank is accelerating

a pullback from euro zone nations as it posted an almost 800m Euro third-quarter operating loss.

The bank which already needed one state bailout said

it will refuse to make loans which don't help its core markets Germany and Poland. Eurozone banks will get back less than the half the money they have lent to Greece.



A man looks at Olympus Corp's products displayed

Scandal hit Olympus' shares plunge further

Shares of Japanese camera maker Olympus continue to plunge as more details emerge of a financial scandal dating back 20 years

The stock fell by nearly half in just two days last week. It has now been revealed that Olympus lost huge amounts through investments over a two decade period. One report said it involves more than 700 million Euros worth. It then covered up those losses by appearing to pay extremely high advisory fees when it took over other companies.

The revelation comes following a public campaign by Michael Woodford, who was fired as chief executive

of Olympus after just weeks in the job when he questioned the advisory fees. Woodford is now helping Japanese and international investigators. Top bosses of Olympus have resigned and could face criminal charges and lengthy jail terms. Company President Shuichi Takayama blamed Tsuyoshi Kikukawa, who quit as president and chairman on October 26th, Vice-President Hisashi Mori and internal auditor Hideo Yamada for the cover-up that used funds related to M&A deals, saying he would consider criminal complaints against them.

The scandal threatens to undermine trust in Japanese firms.

Swedes say intelligent trucks on our roads soon

Critics say that the transport of goods by road damages the environment, because of the high levels of pollution and high fuel consumption

Researchers in Sweden are testing a technology to reduce these effects. If the tests are favourable it could change the way lorries use our roads, and the way distribution systems work. The Swedes are testing 'intelligent vehicles', which go along roads like a sort of train; forming convoys of evenly-spaced vehicles in a chain. There are experiments with cars underway using a similar technology.

The trucks are able to communicate between each other and automatically find their position on the road. The objective is that several trucks could line up behind each other just like skiers or cyclists do to reduce air friction. This could save as much as 10 percent of fuel costs.

"There will be space to get in between the trucks; we are considering gaps

of between 15-25 metres. So you will be able to get in between and you will be able to pass if you are going fast enough. The system will sense the approaching car and slow down to

Experts answer that they have taken the advantages of trains and moved them out onto the roads. "The train is very good for some types of transport, but it's not very flexible. Very long



'Intelligent vehicles' to appear on roads

make the gap a little bigger," says head of research Tony Sander. The computers control all the pedals, and the trucks can steer themselves. So what will the drivers do? Like pilots with autopilots, they will still supervise and maintain control of the system.

So would it not be simpler just to use trains?

trains take a long time to load and unload. Here trucks can join and leave the caravan while it is still moving along the motorway," says Sandberg. The vehicles, according to researchers, are entering the final stages of development and could be operational next year on Swedish highways.

Palestine vote leads to US cutting UNESCO money

There will be no new UNESCO projects this year, following a cut in funding by the United States

Since UNESCO granted full membership to the Palestinians last month, Washington has withdrawn its support, along with Israel and Canada. The UN's cultural agency, whose tasks include protecting heritage sites and working to improve literacy, has appealed to other member countries to donate more. America is responsible for contributing a fifth of the organisation's money and UNESCO's director general said the agency now has a funding gap of over 105 million Euros. According to US law, money cannot be given to any branch of the UN that gives full membership to a group not internationally recognised as a state, such as the Palestinians.

Trouble flares during student demo in London

British police have made at least 20 arrests at a demonstration in London by students protesting against the trebling of university fees

Police say the arrests were made mostly when a group of anti-capitalist marchers attached to the demonstration broke off and tried to set up a tented village in Trafalgar Square.

"They are in contravention of Section 12 of the Public Order Act and they are now being arrested for that. They have been warned, they are being warned. They have every opportunity to leave if they wish to do so," said one of the police officers involved. In all 4,000 police officers were on duty, but they outnumbered the marchers two to one.

"It's about our academics getting fired, it's about our education getting less. We're not going to have the resources that we need so we're paying more for less and it's just not acceptable," said one marching student.

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