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Down with the flu

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News of human-to-human transmission of bird flu weighted heavily on financial markets this week despite reassurance that the virus has not mutated into even more dangerous forms

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CONTAGION has taken on a new meaning in the financial markets, as fears of a bird flu pandemic grow. News of more deaths from the disease in Indonesia helped push stockmarkets down in Europe this week, and rattled south-east Asian currency markets. Indonesia's rupiah was worst hit, as investors sought safety in the American dollar. Shares of big international airlines serving Asia also faltered. Deaths apart, investors worry that widespread regional outbreaks of bird flu will make so many people unable or unwilling to work that global supply chains will be interrupted and output will fall, tipping the world into recession.

The bad news from Indonesia was that seven members of a rural Indonesian family had caught the disease, probably from one another, and six had died. Transmission of bird flu among humans has so far been a rare hazard. Out of 218 confirmed human cases almost all those infected have caught the disease from poultry. Previous cases of human-to-human transmission may have occurred in Hong Kong, Vietnam and Thailand, as well as in Indonesia. But the latest Indonesian case has been the largest such cluster of deaths, even if not the first.

If the bird flu virus were to be mutating into a form more easily transmissible among humans, the risk of a global pandemic would greatly increase. But so far at any rate, that is not known to have happened. The World Health Organisation said this week it had found no evidence of mutation in the virus that had caused the latest Indonesian deaths. No other local villager was known to have caught the disease from the infected family.

The lethal strain of bird flu now at work, H5N1, has killed 124 people around the world since it re-emerged in South Korea in 2003. Millions of birds have caught and spread the disease. Despite culls and other measures, the virus is now endemic in many parts of Indonesia and Vietnam and in some parts of Cambodia, China and Thailand. It has passed into Europe. Azerbaijan and Turkey reported new cases of human infection this year.

Even now, the extent of the disease may be under-reported due to poor and reluctant surveillance in some affected countries. Myanmar has claimed to have bird flu under control after a first outbreak in March, but the country's secretive military junta is not to be relied on.

As apprehension grows, richer countries everywhere are stockpiling anti-viral treatments. Poor and badly prepared countries fear heavy death tolls. Every government and think-tank has its scenario. None is encouraging. The world's last great flu pandemic in 1918 killed 20m-40m people worldwide, and that at a time when the global population was smaller.

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