

Business Briefs

Foreign Debt

Egypt faces moment of decision on IMF

Egypt's new parliament was elected on April 6, will meet by mid-month, and its first priority will be Egypt's foreign civilian and military debts, and the demands of the International Monetary Fund for more austerity. The Mubarak government had used the elections to make no decision on the IMF. It only indicated repeatedly to Washington bureaucrats that it was committed to signing a letter of intent.

With a sizeable majority for his ruling National Democratic Party, Mubarak will now have to decide: capitulation or confrontation.

Egypt has not paid any of its debt service for more than six months. Unlike Brazil or Peru, Cairo's refusal to pay was overlooked, because its coffers have simply been empty.

The government avoided any serious economic debate during the elections, but now, government-linked newspapers such as *Al-Ahram* or *al-Akhabar* have begun to give in-depth coverage to Brazil's policy. *Al-Ahram* hailed Brazil, and called for an international Third World debt conference.

Infrastructure

Majority of bridges set to collapse

Fifty percent of the bridges in the United States are in the same condition as the bridge that collapsed, killing four people, on the New York State Thruway April 4. According to a National Public Radio Broadcast two days later, a national expert on bridges reported that the majority of the nation's major bridges are in bad need of repair, and in danger of a similar collapse.

Two years ago, *Executive Intelligence Review* did an independent study of the country's unpaid amortization of basic infrastructure, including bridges, and determined that expenditures totaling \$3 trillion would be required to restore things to a con-

dition comparable to the early 1970s.

According to the expert quoted on radio, most of the nation's major bridges were built by the Works Progress Administration during the depression years of the 1930s. Such bridges have an average life-span of 50 years. Ergo: They are ready to go.

"You can expect a lot more such incidents in the next decade," he said.

International Credit

AFL-CIO said to support Brazil

U.S. labor backs Brazil's debt moratorium, according to Jay Mazur, AFL-CIO vice president. He declared that U.S. workers support Brazil's decision to suspend interest payments. Had the country instead gone to the International Monetary Fund, he added, the result would have been economic stagnation.

Mazur said the latest executive council meeting of the U.S. labor federation determined its complete support for a political solution to the debt, and that the debt is unpayable and therefore should be at least partially forgiven.

"We do not think it correct that the World Bank or the IMF impose conditions on debt renegotiation, affecting salaries, social programs, and the evolution of trade. That seems unjust to us," he stated.

The Debt Bomb

Will Africa follow Brazil?

African nations may follow Brazil in declaring debt moratoria, according to the French newsletter *Lettre d'Afrique*, which reports that international financial circles are worriedly asking themselves, "If the majority of African countries will not follow the recent example of Brazil?"

At a meeting in Addis Ababa in mid-March, African commerce ministers called

for a five-year moratorium on debt service payments. They pointed out that Africa's export revenues fell to \$43.3 billion in 1986, compared to \$60.6 billion in 1985, which was a year of terrible drought.

The United Nations has set up a committee of "wise men" to study the African debt crisis. It will be composed of a dozen individuals from the large creditor nations, commercial banks, and Africa. The World Bank will also participate. The U.N. spokesmen say they hope for "concrete short-term solutions."

Speaking at a meeting on the General Agreement on Tariffs and Trade (GATT) in New Zealand on March 27, the Nigerian trade minister said that for African economies to grow by 3-4% by the end of this decade, more than \$35 billion in annual investment was necessary. During this same period, African debt service would be \$24.5 billion per year, almost half of Africa's export earnings. In this context, he called for the reduction of interest rates.

AIDS

More states consider testing legislation

New Hampshire Gov. John Sununu and state legislative leaders have proposed mandatory AIDS testing before the issuance of marriage licenses.

Speaking April 7 in Concord, Sununu said, "I think it is a good, strong initial step."

In North Carolina, a state task force has called for legislation to control the spread of AIDS. Included in its recommendations are jail terms for those who knowingly carry the AIDS virus and fail to curb their sexual activities.

The U.S. Army has already instituted such penalties. An Army private has been charged with aggravated assault for having sex with two other soldiers—one female and the other male—even though he knew he was an AIDS carrier. Adrian G. Morris, Jr. was charged in April by his company commander at Fort Huachuca in southeastern Arizona.