

## Business Briefs

### Auto

#### GM sales down 1 million units

Car and truck sales in the United States in 1987 were down to about 15 million units, more than a million below the 1986 record-low of 16.3 million units sold, and General Motors accounted for most of the loss. Truck sales rose for the year, but not enough to offset the sharp decline in cars sold.

General Motors suffered the greatest sales loss, 20.6%. Its sales fell to 3,728,313 units from 4,693,161 units sold in 1986.

Ford was the only automaker to show a net gain in sales. While car sales were down 1% from 2,080,822 to 2,060,834, truck sales were up 5.2% from 1,381,438 in 1986 to 1,453,225 in 1987.

Chrysler has yet to report its sales.

Volkswagen reported a 17.4% drop in U.S. sales, and an 8.8% drop in imports. Nissan gained 127.5% on domestic cars, but fell 18.7% on domestic trucks. Its imported cars lost 17.2%, while imported trucks rose 8.9%. Mazda said its imported cars fell 7.4% and its imported trucks fell 21.3%.

### Banking

#### One savings bank to close each week

The Federal Home Loan Bank Board expects to close about one savings bank a week during 1988, many of them in Texas, according to a report in the *Houston Chronicle* Jan. 3. In January 1987, the liabilities of Texas's 281 savings and loan institutions exceeded their assets. By October 1987, they were \$5.12 billion in the hole.

Obviously, many of these banks should have been closed long ago—except that the Federal Savings and Loan Insurance Corporation (FSLIC), the agency that insures the nation's thrift depositors, didn't have the funds to do its job. Regulators now do have the money, and many thrifts will be closed.

Congress voted the FSLIC a \$10.87 billion bailout, and the FSLIC now plans to

give thrift institutions IOUs instead of cash for repossessed real estate. The real estate the government picks up for these IOUs will be held, rather than immediately sold, to help prop up real estate values.

Rather than sell off sick thrifts to healthy thrifts one by one, groups of thrifts will be sold, under standardized terms, says the report. Since the sick thrifts are paying high interest rates to attract deposits, the FSLIC expects that the closing of many thrifts will reduce interest rates paid by all Texas thrifts.

Commercial banking is in little better shape. At least 275 U.S. banks failed in 1987, although the Federal Deposit Insurance Corporation officially reports only 184 bank failures, compared to an official 138 in 1986, 120 in 1985, 79 in 1984, 48 in 1983, and 42 in 1982.

Again, Texas led the nation with 50 failures in 1987, followed by Oklahoma with 31, Louisiana with 14, Colorado with 13, and Minnesota with 10.

However, adding in the "assisted transfers" of ownership to official failure figures brings the numbers up a bit. There were 19 official assisted transfers. Also consider the assisted transfers of two Texas bank holding companies: First City Bancorp. had 61 banks, and BancTexas Group had 11. Thus, the FDIC counted these as two, failing to count 70 banks. Adding those brings the total to 273. Throw in two private Texas banks which failed but did not involve the FDIC, and the total number of bank failures in the United States in 1987 was 275—at least.

### East-West Trade

#### Fewer restrictions on goods for Soviets

The U.S. Commerce Department plans to relax the list of security-restricted items, so that more so-called "low-technology" goods can be exported to the Soviet Union, according to Acting Commerce Undersecretary Paul Freedenberg.

Freedenberg told the *Baltimore Sun* that a high-level meeting is to take place in late January between top officials of the United

States, Japan, and the NATO countries, to tighten up regulations on the export of high-tech goods to the East bloc.

In exchange, the United States will loosen up its restrictions on less-advanced items, such as personal computers. "The Russians still don't make a good one," he said, "but that doesn't mean we can't sell them one."

### AIDS

#### A chaste Carnival planned in Rio

Don't indulge in sex during Carnival, Brazil's orgiastic equivalent of Mardi Gras. That is the recommendation of the Brazilian government's National Division of Sexually Transmitted Diseases, in the face of the rapid spread of AIDS in Brazil.

Division head Lair de Macedo said that if abstinence were impossible, Carnival revelers should try to limit the number of their partners and to use condoms. She said that there were 2,900 registered AIDS cases in Brazil in November, triple that of 12 months ago. Brazilian numbers are growing so fast that she felt Brazil has now "surpassed France and Africa" to become second only to the United States in AIDS.

Her World Health Organization figures fail to acknowledge millions of African cases.

The Health Ministry will distribute leaflets at bus stations and show videos at airports when Carnival tourists arrive in February.

### Agriculture

#### Colombia's coffee crop sharply down

Colombia's 1988 coffee crop will collapse by as much as 80% in some areas due to rust and other diseases, the president of the National Committee of Coffee Growers, Mario Gómez, has announced. Hardest hit will be