

Business Briefs

Health

Soviet needles spread AIDS

Another cluster of pediatric AIDS cases has been discovered in Russia, apparently during routine screening.

Izvestia reported May 6 that seven children in Volgograd, hospitalized with lung problems, had been found to have AIDS. The diagnosis was made, according to regional health chief V. Shchuchkin, "during a planned study which is now being conducted."

Izvestia blamed the use of unsterilized syringes for the children's illness. This was the route of infection in the last reported AIDS cluster, at Elista.

The new report is evidence that the deadly disease is spreading far and wide in the Soviet Union. Elista is 150 miles south of Volgograd, which is the city on the southern Volga, formerly called Stalingrad.

Hunger

World food conference opens in Cairo

The World Food Council opened a four-day conference on hunger May 22 in Cairo, and was read a speech by Egyptian President Hosni Mubarak. The conference was billed as dealing with the "political issues" behind hunger. The WFC is a U.N.-affiliated body formed in 1974, out of a conference in Rome, which Henry Kissinger attended as representative of the United States.

At least 512 million people have died of hunger so far this decade, asserted the Egyptian President, he stated in a prepared text read to the meeting on his behalf.

The industrialized nations should forgive some foreign debt of the Third World nations, in order to finance food projects, said Mubarak, as a key part of his message. "I hope your conference will be able to have contacts with the industrialized countries to give up a percentage of debts owed by the Third World countries to finance food projects."

Agriculture

New York loses 10.5% of its farms

The State of New York lost 10.5% of its farms over a five-year period, according to official data.

Based on a 1987 enumeration, the United States Census Bureau said, the number of farms in New York dropped from 42,206 in 1982 to 37,743 in 1987, a loss of 4,460 farms or 10.5%. The amount of land devoted to farming also declined by 800,000 acres.

Over the five-year period, most of the farms that went out of business were dairy farms. A New York State report showed that the number of milk cows on New York farms dropped by 54,250 head, or 6%, from 1987 to 1988.

Richard T. McGuire, the state Commissioner of Agriculture and Markets, said, "One conclusion I would not want people to draw is that farmers are going out of business because of falling income."

The Debt Bomb

Kennedy: Brady plan 'too little, too late'

At the end of a three-day visit to Mexico, Sen. Ted Kennedy gave a speech to a group of Mexican and American businessmen in Mexico City in which he called Treasury Secretary Nicholas Brady's suggested 20% reduction in Ibero-American nations' annual debt payments "too little, too late." He said that the debt should be reduced by at least twice that over a six-year period.

Said the Massachusetts Democrat, "We cannot afford to err on the side of the banks, when the alternative is a nightmare of depression and upheaval. . . . The workers and the people of Mexico must no longer be required to shoulder the burden of the financial world's mistakes."

In the same speech, Kennedy called for an "Alliance Against Drugs." Trying to evoke his brother's "Alliance for Progress" program, Kennedy said, "It is time to stop

talking at each other about the supply problem in Mexico and the demand problem in the United States and start talking with each other about ways to deal with both problems."

Kennedy met with a number of political leaders over the three days, including former presidential candidates Cuauhtémoc Cárdenas, a nationalist, and the fascist National Action Party (PAN)'s Manuel Clouthier. He praised President Carlos Salinas de Gortari for his six months in office, particularly for cracking down on drugs and "corruption." The latter was presumed to be a reference to the government's police-state action in breaking the oilworkers' union and arresting its leader, Joaquín Hernández Galicia.

Environmentalism

Sun responsible for 'global warming'

The Sun is responsible for higher temperatures on the surface of the Earth, not "greenhouse gases," according to Albert Arking, head of the climate and radiation branch of NASA's Goddard Space Flight Center.

In a commentary in the May 23 *New York Times*, Arking argues that although "greenhouse gases" play an important role in moderating the Earth's temperature, the record does not indicate that greenhouse gases, added to industrial activities, have increased the temperature of the Earth.

He stated, "Stories in the news media give the impression that a consensus exists among scientists, and government scientists in particular, that the global warming of the 1980s is primarily the result of increased 'greenhouse' gases in the atmosphere. . . . There is strong evidence that another factor is having an important influence on our climate: solar activity. The recent upward trend in global temperatures has been the subject of intense scrutiny. The current warming trend goes back only 12 years, however. Before that, temperatures were decreasing or unvarying between 1940 and the late 1970s—although this period was one of strong growth in world energy consumption

and fossil fuel burning. Furthermore, the 50 years prior to that—from 1890 to 1940—was a period of significantly less fossil fuel burning, yet the Earth warmed up by more than 1° Fahrenheit. That represents about twice the amount of the recent warming.”

Trade War

U.S.'s Mosbacher attacks Japan

U.S. Commerce Secretary Robert Mosbacher said on the Cable News Network's "Evans and Novak" program May 20 that Japan should be officially named later this May as a country to be retaliated against for unfair trading practices.

"In my own opinion, they should be one of those mentioned. . . . Whether they will be or not is a matter of policy debate" now under way in the Bush administration, he said.

Mosbacher said that unless the United States stands firm on the trade issue, Japan in 10 years would dominate high-technology industries such as computer electronics. Mosbacher acknowledged that singling out Japan for unfair practices could backfire and start a global trade war.

Europe

EC debates bailout for East bloc

Frans Andriessen, External Affairs Commissioner of the European Community, has unveiled a controversial plan to bail out Eastern Europe.

Andriessen's proposal would use the EC's European Investment Bank (EIB) to extend to Poland an undisclosed amount of "soft" credits. At this stage, the proposal remains "very general," sources report.

British trade specialists are extremely critical of the new Community initiative,

however, calling it "very ambitious." But senior London financial sources say the proposed bailout plan is being backed strongly by West Germany and is regarded as a "very serious proposal" in London financial circles.

"The ongoing British-Soviet spy rift is designed to cool U.K.-U.S.S.R. relations at precisely the time Russia and the rest of continental Europe are warming their relations, to demonstrate to Thatcher that she is 'out of step with the times,'" the source argued.

Malpractice

Michigan judge rules HMO policies legal

A Michigan judge ruled on April 27 that the procedures used by health maintenance organizations (HMOs) to cut medical costs and boost profits are not illegal, although the Michigan woman who brought the suit is dying of cancer because of these policies.

Sharon Bush sued her Blue Cross HMO because its policies forced her physician to decide between his financial gain or her proper care. As a result, he refused her the diagnostic tests and timely specialist referrals necessary for early cancer detection and treatment.

As part of the financial incentives involved in the HMO plan, Mrs. Bush's physician and the HMO group split the funds not used on such tests and referrals at the end of each year. The physicians are at financial risk should a patient's tests, referrals, or hospital stay exceed the allotted funds set aside per patient per year (capitation). The less a physician spends on a patient, the more profit he receives. The more funds spent—the less profit he receives.

In the case of Mrs. Bush, who was denied care from her primary physician for eight months of pain and bleeding, a simple Papanicolaou test, would have indicated cervical cancer.

Nevertheless Judge Robert Kaczmarek of the 10th Circuit Court of Saginaw County refused to find this HMO capitation system in violation of public policy.

Briefly

● **HOLLY FARMS** announced May 22 that it had accepted a sweetened \$1.38 billion buyout bid from ConAgra, Inc. that replaces an earlier deal rejected by Holly Farms shareholders. The agreement allows Holly Farms to terminate the deal if it receives a higher offer. The merger will create the largest chicken producer in the United States, with a 17% market share. It will produce 17 million chickens per year, which is about 32 chickens per second or 46,600 birds per day.

● **JAPANESE** firms have now bought beef processing operations at 15 locations near Fresno, California, a cotton mill in Fresno itself, and 10 wineries in the Napa Valley.

● **25,000 COLLEGE** youth carry the AIDS virus, says a recent study, by the American College Health Association under the sponsorship of the Centers for Disease Control. It estimates that 25,000 are infected, based upon tests that showed 2 out of 1,000 students to test positive. The study concluded that because of the sexual promiscuity of college youth, the virus was sure to spread throughout the population.

● **U.S. TRACTOR** sales dropped by 2,412,000 for the period January through April 1989 as compared to the same period a year earlier. According to the Farm and Industrial Equipment Institute, sales of large, four-wheel-drive tractors in the 200 HP range and up grew by 73%, while sales of tractors below 140 HP declined by 14.3%. Combined sales are off 21%.

● **APPLE GROWERS** in New England say that they could lose up to one-third of their crop this fall, if they are prevented from using the growth regulator Alar, which has been attacked by environmentalists. "In the long run, I think many growers who depend on McIntosh apples and are prevented from using Alar will be put out of business," said one apple grower.