

# Business Briefs

## Environmentalism

### Vulcanologist declares war on ozone fraud

Haroun Tazief, one of the world's leading vulcanologists, stated on French radio Aug. 17 that he has decided to "wage war" against the "ozone hole" fraud because the French government is reserving grants almost exclusively to scientists dedicated to confirming these hoaxes.

Tazief said the ozone scare was a "pure invention" and that there was absolutely "no risk" to humans.

The chemical multinationals stand to make billions of dollars out of banning of chlorofluorocarbons (CFCs), he said, which is why they are perpetrating the ozone hole scare.

## Banking

### Spanish banks agree to fight money laundering

The Spanish Private Bankers Association (AEB) and the Spanish Savings Banks Confederation (CECA) agreed to fight drug money laundering at a meeting in late July in Madrid.

The measures include special monitoring of transactions from fiscal paradises; accounts opened for a specific purpose will be closely watched; no accounts can be opened nor strongboxes rented without all signatories being known to the bank; no operations of over a million pesetas will be carried without the operator being identified; banks will not inform their clients of investigations being carried out by the police or magistrates on clients' financial activities when they relate to organized crime or narcotics.

"Now, all we need is a good sniffing nose, because given the volume of the operations, finding out which ones are suspect will not be easy," CECA head Juan José Pinto told the press.

Shortly after the meeting, the Spanish and British Interior Ministers met in Madrid, ostensibly to discuss the fact that Gibraltar, a fiscal paradise, is in breach of every one of the measures proposed by the Spanish banks.

## Technology

### Panel urges U.S. develop supercomputer

The National Commission on Superconductivity, in a report sent to President Bush Aug. 7, said that it should be possible to develop a computer capable of performing a million billion operations per second using superconductors, the *New York Times* reported. The fastest supercomputers today perform about a billion operations per second.

The commission also recommends focusing research efforts on development of high-temperature superconducting wire that would be suitable for motors, magnets, and generators.

The report cites high interest rates and unfavorable tax policy as making it difficult for American companies to undertake superconductor projects, but it fails to recommend increasing federal funding, which it claims is adequate.

The report also fails to recommend a project in magnetically levitated trains. According to David McCall, the commission chairman, transportation experts should decide whether superconducting railroads make economic sense.

## Health

### FDA approves drug to reduce infant mortality

The Food and Drug Administration has approved a new drug that will reduce both the severity and the number of deaths from respiratory distress syndrome (RDS), the most common cause of death and disability among premature infants.

Since 1986, more than 4,400 infants have been involved in clinical trials with the synthetic lung surfactant, with 10,000 more infants receiving it since 1989 in more than 400 hospitals nationally.

Exosurf Neonatal replaces the lung surfactant which premature infants are unable to produce and which is needed to maintain lung inflation and prevent lung collapse. The freeze-

dried powder is reconstituted at the bedside, creating a foamy liquid which is then administered through the child's ventilator tube. Children with RDS are usually placed on ventilators which force oxygen into the lungs, often for months, until the infants can breathe on their own. This usually results in damage to the lungs.

The drug, invented by Dr. John Clements of the University of California and manufactured by Burroughs Wellcome Co., is used as a preventive treatment in infants born under three pounds. As a single preventative dose in infants born weighing between 1.1 and 3 lbs., the drug reduced deaths by 50%. As a rescue treatment in infants with established RDS, within 24 hours of birth, it reduced death by 66%.

## Labor

### Housing costs gouging U.S. living standards

More than one-third of all Americans pay so much for housing that they do not have enough money remaining for other necessities like adequate food, clothing, and medical care, according to a study written by Michael E. Stone of the University of Massachusetts at Boston and released by the labor-linked Economic Policy Institute in early August.

The study found that between 1970 and 1987, median rents increased 26% while median incomes dropped 13%. Stone contests both the federal government's standard for defining poverty, which hasn't been revised in 25 years, and the standard approach for studying housing affordability. He finds that the practice of using a benchmark figure of 25% or 30% of income to determine reasonable housing costs is highly misleading, as some families can reasonably afford that portion or more, while larger families of low income can afford less, and in many cases, nothing at all, given other needs.

Stone found that as of 1987, the "shelter poor" in the U.S. included 42% of all renters, 22% of all homeowners, and a full 80% of renter households with incomes between \$10,000 and \$30,000 a year. The gap between what poor families paid for housing in 1987 and

what Stone's formula says they could afford totaled \$92 billion.

Another study, issued by Harvard's Center for Housing Studies, found that the percentage of blacks financially unable to buy homes in the U.S. has remained unchanged in the last 30 years. Only 3.5% of blacks and 16.9% of whites who rent in the U.S. are able to afford to buy a home.

## Infrastructure

### Japan announces project to stop Sahara spread

Japan is planning to launch an \$11 billion multinational project over the next 30 years to curb the spread of the Sahara Desert, the Aug. 9 *Journal of Commerce* reported.

The plan will include a 2,100-mile "greenery defense belt" stretching from Lake Chad to the Senegal River, to halt the desert's southward advance. Water from the Niger River would be used to irrigate farmlands and forests now threatened by the encroaching desert. The project is expected to cover parts of Niger, Chad, Cameroon, Nigeria, Mali, Guinea, Senegal, Burkina Faso, and Benin. Officials of the Agriculture, Forestry and Fisheries Ministry have been studying the project since 1985 and expect to complete their research by next March.

"Success of this massive project," said one Japanese official, "would enable the special green belt to produce sufficient food each year to feed up to 40 million people."

Japan plans to call upon the United States, European nations, and the U.N. to help with the task.

## Science

### Hubble space telescope makes first discovery

The first images received from the Hubble telescope Aug. 13 gave astronomers a close look at a star cluster in a galaxy which is described as a "star nursery." Thirty years ago, astronomers

assumed a bright spot in the "30 Doradus" nebula was one gigantic star. Improvements in ground-based observations in the 1980s revealed that there were 27 individual stars in this bright spot.

The Hubble images, which were computer enhanced to remove the fuzziness caused by the mirror flaw, showed at least 60 individual stars being born. These stars were not seen in the heavens by ancient civilizations, Ed Weiler from NASA explained. "It's almost like the 1950s baby boom in the United States."

Astronomer Rick White from the Space Telescope Institute in Baltimore stated that these first images show "that computer restoration is going to be a powerful tool" in efforts to overcome the flaw. The Hubble images were 10 times as sharp as the average ground-based images.

## AIDS

### Science journal echoes EIR on virus spread

A study released by the *Journal of Science* reports on "startling" findings about the spread of AIDS in the West African nation of Ivory Coast, where the disease has become the leading cause of death among men and the second leading cause of death among women in the capital city of Abidjan.

"These are startling data," said James Chin, chief of surveillance, forecasting, and impact assessment at the World Health Organization's (WHO) Global AIDS program. "This is West Africa. We should not have expected, at this point in time, that high a mortality attributed to HIV."

Chin said that AIDS is already the leading cause of death in most Central African cities. "Our projections are that by the early 1990s, in some of these cities, AIDS will double the total adult mortality rate," he said.

The researchers were shocked by the findings, because Ivory Coast is one of the wealthier countries in Africa, and does not have the grinding poverty which afflicts the nations currently being wiped out by the disease.

Blood testing of samples of all deceased in Abidjan showed 41% of the males and 32% of females testing positive for the virus.

## Briefly

● **RED CHINA** will provide a small nuclear reactor to Iran for "research and experimental" purposes, according to a report published in the *Middle East Economic Digest*. The reactor is expected to be built at the Atomic Energy Organization of Iran's research center in Isfahan.

● **INDIA** formally offered to export nuclear technology and nuclear products in June when Dr. P.K. Iyengar, chairman of India's Atomic Energy Commission, presented a list of items to the IAEA in Vienna. The list covers nine items under facilities, processes, products, and equipment.

● **AIDS NOW AFFLICTS** twice the number of persons in Latin America as three years ago, reported Anne Marie Kimball, the regional adviser to the Pan American Health Organization, speaking at a PAHO regional conference.

● **THE NETHERLANDS** will provide a 40% subsidy to increase windmill power from 40 to 1,000 megawatts by the year 2000, Reuters reported Aug. 13. The cost of the electricity is 8.5¢ per kilowatt hour, compared to 4¢ for conventionally generated power. The 1,000 MW target can only be counted upon to provide 200 MW of power due to wind unreliability.

● **TEXACO** signed a deal with the Soviet Union for development and production of oil reserves, the Aug. 16 *Washington Post* reported. Texaco will focus on developing reserves in the Timan-Pechora region near the Arctic Circle.

● **NEARLY ONE-THIRD** of the U.S. 1.5 million homeless are veterans, reports Sumner Garte of the Department of Veteran Affairs in Chicago. Adolescents are living on the streets at a much younger age than a few years ago, the Aug. 16 *Los Angeles Times* reported. A fourth of the homeless youths surveyed in the Hollywood, California area are reported to be in poor health.