

Business Briefs

Research and Development

India to sell research reactors

India's state-controlled nuclear industry says it plans to sell reactors to developing countries for research purposes, Radio Australia reported Aug. 12. The move is connected to India's need to boost the country's foreign exchange reserves.

The director of the reactor group of India's atomic research center, Mr. S.K. Nata, said India was prepared to sell nuclear reactor engineering, isotope and radiation technology, and electronics and instrumentation.

Although he did not disclose the names of the countries, he said the technology would be sold to countries that strictly adhered to international safety standards.

Poverty

Swedish report calls Peru poorest nation

The Peruvian population has become the poorest in the world, according to a Swedish think tank. A study recently released by the Radda Barnen Foundation, entitled "The Shock of '90," documents this claim, pointing out that prices of almost everything rose between 2 and 30 times under President Alberto Fujimori's International Monetary Fund "shock program" of last summer, while wages only increased 100%. Yet, since there is still inflation, by the IMF's reasoning, "demand" is still too great.

Fujimori's measures brought poverty to previously unheard-of depths, and there is no immediate potential for an improvement.

The study showed that thousands of workers have been thrown out of work, many small and medium-size factories have closed as sales have fallen, and this has produced a continuing "recession." The Peruvian living standard was already below that of 1950 before Fujimori introduced the IMF program on Aug. 10, and

now unemployment and underemployment levels have reached 8% and 81%, respectively. Many households cannot obtain even half of the prescribed weekly market basket.

The program's introduction "is difficult to understand in a country like Peru, where 60% of the population already had problems of subsistence due to low incomes," the study said.

Children were also interviewed on how they have been affected, including the growing numbers who must leave school to work for their families. The number of abandoned children has jumped from 100,000 to 190,000, and those who only eat one meal a day has jumped from 0.3% to 3%. The number who only eat two meals a day has increased from 10 to 21% of the population. And 50% of families who should see a doctor can't, while the government fails to maintain an emergency social program to compensate the poor.

AIDS

No vaccine research on African strains

There is currently no AIDS vaccine research being done for the strains hitting the most affected countries. No current research focuses on the African strains of the virus, Prof. Peter Piot, head of the microbiology department of the Institute of Tropical Medicine in Antwerp, Belgium, says in an article in the magazine *The Courier*.

"Since a future vaccine will be most useful in the developing world, it will be essential that it protect against 'divergent' HIV isolates widely circulating in Africa. Unfortunately, current vaccine research in Europe and North America does not consider this issue. Will we come to the cynical situation in which there is a vaccine, but that it will not protect those populations who need it most?"

Dr. Michael H. Merson, director of the World Health Organization's Global Program on AIDS, says in the same magazine, "We don't have anyone working on a vaccine for HIV-2, which is prevalent in West Africa."

Energy

Indonesia seeks first nuclear reactor

Indonesia is shopping around for its first nuclear power plant. According to the Aug. 14 *Los Angeles Times*, President Suharto has decided that Indonesia should proceed to buy its first commercial nuclear power plant, though it has large reserves of coal and natural gas. Westinghouse and Mitsubishi are most aggressively wooing the Indonesians to garner the contract.

Opposition has come from government "economists," who are worried about Indonesia's \$4.3 billion projected balance-of-payments deficit and its \$45 billion debt, and from the World Bank and Asian Development Bank, which are expected to rule out financing for the project.

Westinghouse is offering various financial and other incentives to get Indonesia to buy its AP-600 advanced design reactor, a standardized 600 megawatt plant. The Indonesians have indicated that if the price is right, they will go with the Westinghouse offer.

Ecological Holocaust

WHO releases alarming statistics on disease

The World Health Organization's latest figures on global diseases are alarming. According to WHO:

- Malaria remains one of the most serious and widely spread tropical diseases in the world today. Over 40% of the world's people are still exposed, in varying degrees, to malaria in some 100 countries. However, another 32% are unlucky enough to live in regions which, having seen the reduction or even elimination of malaria, are now witnessing its re-emergence. Nearly 200 million people, mostly in tropical Africa, live in high-risk areas with virtually no strong anti-malaria programs. WHO believes that between 1 and 2 million malaria-related deaths occur in the world every year.

Briefly

- Vitamin A deficiency is by far the most common cause of preventable childhood blindness. There are at least 40 million preschool children in 37 countries who are vitamin A deficient.

- Pneumonia and diarrhea—the two major preventable childhood diseases in the Third World—caused 7.5 million childhood deaths in 1990 alone. This is more than half of all childhood deaths. Those children who do manage to survive attacks of diarrhea or pneumonia often suffer from varying degrees of malnutrition or retarded growth.

The number of deaths due to diarrhea can be slashed by one-half by the end of this decade, mainly by treatment with oral rehydration salts. In the same time span, deaths due to pneumonia can be reduced by one-third, through the timely use of simple oral antibiotics. Both these treatments typically cost less than 50¢.

- WHO believes that about 30% of the world population has little or no regular access to essential drugs. Over two-thirds of the world's people live in developing countries, but in terms of medical drug consumption, they account for less than one-third of the world's market.

The most serious illnesses in Africa listed by WHO are:

- Schistosomiasis: About 141 million people on the African continent are infected with this tropical disease caused by water-borne parasites, which contribute to malnutrition, especially in children. The largest number of cases occur in Ghana, Mozambique, Nigeria, Tanzania, and Zaire. For less than \$1, a patient can be cured. The disease can be wiped out by installing and sustaining clean water supplies and sanitation.

- AIDS: The conservative WHO estimate is that nearly 6 million African adults are already infected with HIV. By early 1991, WHO estimates that over 1 million men, women, and children had developed AIDS in sub-Saharan Africa. In the coming decade, more than 10 million HIV-infected children will be born, and an additional 10 million are likely to be orphaned by the death of one or both parents from AIDS.

- Sexually transmitted diseases: Some 45 million infections with sexually transmitted agents occur annually in Africa. As 5-15% of

pregnant women are infected with gonorrhea or syphilis. Ophthalmia neonatorum, a potentially blinding disease transmitted from mother to fetus, and congenital syphilis are extremely common in newborns. It costs 70¢ per pregnant woman to prevent these conditions.

- Measles: An estimated 11 million children contract measles in Africa each year. Of these, more than 500,000 die. This disease can be easily prevented by immunization.

Soviet Economy

Medicine shortage reported desperate

"Medicines are in catastrophically short supply" in the Soviet Union, wrote the Soviet Communist Party daily *Pravda* Aug. 14. "Not only are pharmacies empty, hospitals lack even basic medicine for surgical operations. Doctors warn that unless medicine is received as soon as possible, thousands of ill people will die." Sanitation in the hospitals is bad, and infant mortality is high. The situation is the worst in Central Asia, where there is no running water in the hospitals.

The trade union daily *Trud* wrote, "During the war and at the hardest time of dislocation, the situation with medicines was never so disastrous."

Industry

Production called key to wealth

The view that a service economy will replace industrial society is wrong, declared Karl Heinz Kaske, chairman of Germany's electronics giant Siemens, in a journal published by his company Aug. 13. He called the post-industrial attitude a "dangerous mistake."

"We are not on the way from a production to a services society," he wrote. "What is in fact happening is that we are moving from one kind of industrial society to another, but production remains the only guarantee of wealth."

- **FIVE CASES** of HIV-2, a strain of the AIDS virus prevalent in West Africa, have turned up in Montgomery County, Maryland. They are the first of 30 known HIV-2 cases in the United States which have not been traced to West Africa. There may be many more, since it took a well-equipped hospital, going beyond the normal AIDS testing procedures, to discover the virus.

- **ARGENTINE** President Carlos Menem and U.S. Vice President Dan Quayle signed an agreement for space cooperation in Buenos Aires on Aug. 8. It is the first bilateral space agreement between the U.S. and an Ibero-American country. The first joint project will be development of a satellite to study solar physics and astrophysics.

- **SOUTH KOREA** will spearhead an effort to form a Northeast Asia Development Bank, according to the economic daily *Seoul Kyungje Shinmoon*. It will seek equity from Japan, China, the U.S.S.R., Hong Kong, and North and South Korea. Such a bank would further reunification and "be useful for special economic zones North Korea and China envisage and a free trade zone in the Nakhodka area of the Soviet Union," said the newspaper.

- **COMMERCE** Secretary Robert Mosbacher has threatened an embargo against South Korean and Taiwanese seafood products, accusing the two countries of "blatant violation of our driftnet agreements," involving the use of driftnets outside the boundaries set by agreement. Sanctions exist under the Pell Amendment to the 1967 Fisherman's Protective Law, which has never been used before.

- **INVESTMENT** in Britain's industrial sector dropped 21% by the end of the second quarter this year, despite lower interest rates. Worst off is the construction sector, which may have to lay off 150,000 workers and employees by spring 1992 and another 100,000 next year.