

Business Briefs

Biological Holocaust

AIDS figures reveal big jump in Africa

Officially reported cases of AIDS from 164 countries across the globe were up by 37,467 to 484,148 by the end of the first quarter of 1992, the World Health Organization (WHO) reported. Far and away the biggest increase occurred in Africa.

Proportionally, the worst-hit country was Uganda in Central Africa, where the total of officially reported cases rose by almost one-third to 30,190 over the year-long period since it last submitted returns to the Geneva-based WHO. AIDS cases in Zimbabwe also rose approximately one-third, with the official total at 10,551 as of April 1.

The largely Muslim countries of North Africa and the Middle East remained relatively free of the disease with a total of 1,191 cases, according to official returns. Many countries, including some of the most affected in Africa as well as Haiti in the Caribbean, have not reported up-to-date figures for many months or over a year, and an untold number of victims die without the disease being identified.

Infrastructure

Electricity deregulation 'could prove fatal'

Deregulation of the electricity transmission system could "prove fatal to the standards of reliability," states the annual report of the North American Electric Reliability Council. The NERC is made up of electrical utility companies, and its purpose is to coordinate the largest "machine" in the world—the interconnected electrical generating and transmission systems in the United States and Canada.

In its 1991 annual report, the organization states that it "will strive to remain apolitical, but we must let policymakers and lawmakers know when mistakes are being made."

What most concerns NERC are the proposals to deregulate the transmission system, opening up access to anyone who generates any electricity—proposals now being passed into law. This could create instability in the

system, which, the report notes, is unique. Electricity does not flow like water, but is phased. "Reliable service must not be sacrificed on an altar of perceived competitive gains," the report states.

Legislators see little difference between deregulating the telephone and electricity systems, it says, and the staff of NERC spent "hundreds of hours" talking to staffers and members of Congress about the legislation, but found support for deregulation pervasive. The report instructs the NERC staff "not to panic," but is wary of the consequences of the new laws.

Physical Economy

Magazine calls for U.S. 'industrial policy'

International *Business Week* of April 6 devoted its cover story and editorial to "Industrial Policy," and "Forging a Growth Policy for America."

The editorial read, "America needs a new growth policy for the 1990s, an industrial policy that acknowledges that ideas drive growth. Government should provide a fertile environment for individuals, companies, and industries to pursue new ideas and new techniques, and it should be willing to spend money and even lose money today in order to ensure more vigorous growth tomorrow."

In its cover article, it wrote that a "new growth agenda" could cost billions, not easy to find. "But unlike other federal spending, over the long run, this industrial policy will boost productivity and living standards, generating plenty of tax revenues to more than pay for itself. It's the best investment America can make."

Business Week cited the "dismal productivity performance" of the last 20 years, especially as compared to other industrial nations. It claimed that the so-called "freed up resources" from defense cutbacks could offer an historic opportunity for fast growth, based on an "industrial policy." It called for government to be a "key player" in the "coming knowledge economy," and for investment tax credits.

"The government can enhance productivity by building up infrastructure," the magazine

wrote—meaning, however, "high-speed communication networks" rather than railroads or waterworks. The collapse of infrastructure accounts for up to 50% of the falloff of productivity growth, but while bridges and roads are mentioned, what is really needed is a "communications infrastructure that can support the information-intensive industries of the 1990s," the article claimed.

The article also called for "big science projects" like the \$40 billion space station. Citing previous such projects, it noted that "most of the spinoffs of this taxpayer-funded science were unforeseen."

Health

U.S. missed chance to wipe out TB

The United States missed its chance to wipe out tuberculosis, because the White House refused to spend the money when the chance was there, the Atlanta, Georgia Centers for Disease Control director William Roper told the House Human Resources subcommittee March 31. Now, hundreds of millions of dollars are needed to deal with the worsening problem.

Roper said CDC requested \$25 million in 1989, but the White House only approved \$7 million; in 1990, the request was \$29 million and \$7 million was approved; in 1991, \$35 million was requested and \$8 million approved; and this year, \$35 million was requested and \$12 million approved.

"The tragedy of this epidemic is that we had it under control," said subcommittee chairman Rep. Ted Weiss (D-N. Y.). "But then we dropped the ball. We let the programs that defeated TB run out."

Meanwhile, a New York study shows that 23% of state prison inmates have TB. The New York State Commissioner of Correctional Services released a survey which reports that 6% of prison employees also test positive for TB.

The survey is the most thorough ever undertaken, according to Commissioner Thomas A. Coughlin III, who ordered the study last November in response to reports that a guard and more than 20 inmates had died from a drug-resistant form of the disease. The CDC says that approximately 10% of those exposed

comedown with the disease under normal conditions.

Because no other state has done such a study, it is impossible to tell if these results are typical for prisons across the United States.

Asia

China and Vietnam open their border

The official opening of the China-Vietnam border took place April 1, with hundreds of porters carrying goods across muddy mountain border trails. Trucks were to start moving soon, and the first train since 1978 will cross in mid-April.

Frontier police officer Chu Minh Ngoc told Reuters that the trucks and trains will be state-operated and will not affect the booming private trade that feeds vast quantities of consumer goods and building materials into Vietnam's economy. "The porter trade will continue because it is much easier to avoid paying customs duty this way," he said.

Hundreds of Vietnamese porters carry huge loads suspended on poles over their shoulders the two miles to and from China. Some, of course, are also trading heroin to and from China. Police officer Ngoc said maintaining law and order in White Gate, home to thousands of itinerant workers, was extremely difficult. "There are many social abuses—casinos, opium smoking, fighting," he said.

Nutrition

FDA to lower recommended standards

Food label changes planned by the Food and Drug Administration, to take effect in November, will cut the standard recommendations for some nutrients as much as 80% from current U.S. Recommended Daily Allowances (RDA). Recommended Daily Allowances (RDA), reported the *New York Times* March 25.

The government's ostensible rationale for the changes is to lessen confusion about RDAs, which are generally interpreted as

minimum requirements, but, says the *Times*, are "usually higher than necessary for much of the population."

FDA also wants to bring U.S. nutritional labels more in line with those in Europe, where "dietary recommendations tend to be lower than in this country," and thus allegedly ease impediments to international food trade.

Space

Russians invite U.S. to join scramjet tests

The director of Russia's Central Institute of Aviation Motors (CIAM), Donat Ogorodnikov, was to give a briefing at NASA headquarters in early April on the results of a ramjet-scramjet engine test conducted by the Russians on Nov. 28, according to the March 30 *Aviation Week*. It was the first time supersonic combustion of the hydrogen fuel was achieved in a flight test.

According to the article, there has been fear on the part of the U.S. military that this new propulsion technology could be used to power a supersonic cruise missile. Ogorodnikov hopes that the disclosure of the details of the technology will allay those fears. This is of concern to the Russians, because they have run out of money for the test program, and want the United States to participate. The institute has not been able to pay its staff and has no budget yet for 1992.

Ogorodnikov told *Aviation Week* that the tests are part of a long-range program to develop a commercial transport to fly at 5-7 times the speed of sound, and a single-stage-to-orbit spaceplane. He envisions a flight test that would use some U.S. equipment, and Russian resources. They would like to conduct the next test before the end of this year.

It is also reported that a tissue-loss experiment, carrying 15 billion cells currently on board the Space Shuttle, where scientists hope to study the triggering mechanisms for changes in microgravity, may be flown by the Russians on their Mir space station, under the NASA/Russian space agreement which will likely be renewed before its expiration April 15.

● **IRAN, PAKISTAN**, and Turkey have agreed to set up a joint bank with a capital of \$320 million, to finance trade and invest in joint or separate projects. It is to be established within the framework of the Economic Cooperation Organization, a long-dormant three-member economic club which admitted five former Soviet Muslim republics at a Teheran summit in March.

● **PRICES** have skyrocketed in Nigeria, triggered by a 43% fall in the value of its currency, after currency reforms urged by the International Monetary Fund were instituted on March 5. Inflation is likely to double to 60%. An average wage earner in one day earns only enough to buy a loaf of bread.

● **RUSSIA** has offered to sell to the United States the N-1 rocket engines it developed to take cosmonauts to the Moon. After four unsuccessful tests of the rocket, the project was abandoned in the mid-1960s. More than 90 liquid-fueled N-1 engines are for sale. The engines were designed to be used 15 times.

● **ISRAEL** opened up direct-dial phone links with 11 Arab countries in early April, Reuters reported. Israel's largely state-owned Bezek telephone company initiated the phone links. Israel previously had direct phone links only with Egypt, which in 1979 signed the sole Arab-Israeli peace treaty. The new links include Jordan and Lebanon but not Syria.

● A **CHOLERA** epidemic is predicted for the U.S. southeast, the Argentine daily *La Prensa* has reported. The threat is "the result of horrendous sanitary conditions in which the vast bulk of the populations live on both sides of the border between Mexico and the state of Texas. Public Health director for El Paso, [Texas] Dr. Laurence Nickey suggested that Ciudad Juárez, Mexico could prove the entrance point for a possible epidemic," the paper said.