

Business Briefs

Agriculture

South Korea will subsidize farm machinery prices

South Korean farmers who buy power tillers and other farming machines will be given government subsidies amounting to 50% of the purchase price, according to the *Korea Times*. This was an election pledge made by new President Kim Young Sam, which he apparently plans to keep.

The half-price policy was finalized in a meeting between the ruling Democratic Liberal Party and the government at the Korea Chamber of Commerce and Industry on March 17.

The government help will apply retroactively to those who purchased machines since Jan. 1, and will be effective through 1997.

Medicine

Scientists discover anti-malaria vaccine

Colombian and Spanish scientists said on March 19 that they had developed an anti-malaria vaccine that could be more affordable and effective in fighting the disease than other treatments, Reuters reported. *EIR* first reported the discovery and interviewed the vaccine's inventors on Nov. 29, 1991. The vaccine was created by synthetically copying part of the structure of the blood parasite that causes malaria, which, spread by mosquitoes, strikes some 300 million people worldwide each year and results in nearly 3.5 million deaths. Some doctors said it could be the single biggest medical breakthrough since the World Health Organization eradicated smallpox in the 1970s.

Reporting in the British medical journal *Lancet*, a team led by Manuel Elkin Patarroyo of the Bogotá hospital San Juan de Dios, said it had been proven that its vaccine could help combat the most common strain of the disease, *falciparum* malaria. The team said the vaccine, known as SPf66, was tested in Colombia in 1,548 volunteers, half of whom received three doses of the vaccine and half a placebo. Nearly 34% of those who were given the vac-

cine were protected from a first case of malaria, the study said.

Geoffrey Targett, head of parasitology at the London School of Hygiene and Tropical Medicine, said that the results indicated that the new medicine was more effective than previous vaccines, which have not been tested on such a wide scale.

Germany

Thousands of businesses demand debt moratorium

Several thousand east German private firms are calling for a debt moratorium to escape bankruptcy. In a statement issued in Erfurt on April 1, the Association of Businessmen in Thuringia (VWT) warned that of the reprivatized companies in eastern Germany, about 1,000 are faced with bankruptcy in the near future and another 6,000 in the medium term.

The main reason is the immense burden of the old debt (most of it fraudulent) inherited from the communist system (see *EIR*, March 26). These debts were written into the books of the firms against their will by the abolished East German regime, and were then taken over by the German government after unification in October 1990.

The key catalyst for the accelerated threat of bankruptcy, the VWT spokesman said, was the decision of the German Credit Bank to collect the full interest rate on that old debt from the reprivatized firms. The VWT is calling for a moratorium on the old debt for at least five years, to give the firms a chance to survive and consolidate.

Health

AIDS virus has no latent period, scientists say

The AIDS virus causes immediate, major damage to the human immune system, meaning AIDS has no real "latent" or inactive stage, researchers reported on March 24, according to UPI. The finding gave added weight to argu-

ments for general testing for the AIDS virus and the early start of treatment for those infected.

"The task is more formidable than we thought," said Dr. Ashley Haase of the University of Minnesota, where his team made the finding along with researchers led by Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases. Haase and Fauci discovered that the virus rapidly spreads throughout a person's body within a few weeks of infection, a point when people report flu-like symptoms. But the immune system clears the virus from the bloodstream, and patients appear healthy, usually for about 10 years. It is during this symptomless period that the virus "hides" in the lymph nodes, infecting crucial T cells in large numbers and eventually crippling the body's defenses against other infections.

"We have vastly underestimated the extent of virus activity in an infected person, particularly during the 'asymptomatic' phase," researchers Bolognesi and Temin said in a commentary accompanying the scientific reports in the journal *Nature*.

Fauci said the results indicate that, eventually, anti-viral drugs should be administered at an earlier stage of HIV infection. This would also appear to indicate that large-scale testing for early detection and treatment is essential. "If we had the perfect anti-viral agent . . . you should start therapy as soon as you know someone is HIV infected, because we know that at the earliest possible time there is activity and progression of disease even though someone looks and feels well."

Energy

Philippines may develop nuclear power

Science and Technology Secretary Ricardo Gloria announced on March 17 that the Philippine government is seriously considering nuclear power as an alternative source of energy. The Department of Science and Technology is now conducting a study on nuclear power development in the country, including its social and political impact, he said at a working group meeting of the Vienna-based International Atomic Energy Agency held in Manila.

Addressing the same meeting, Foreign Secretary Ricardo Romulo noted that while a number of nuclear power plants in the United States and Europe have been mothballed, Asia-Pacific countries are increasing activity in this field. He said that just among members of the Association of Southeast Asian Nations, Thailand is planning to put up six power plants, Indonesia 12 plants, and Malaysia, one. He added that both China and Pakistan will increase the number of plants; that Japan alone has 9 nuclear plants; India, 7; and South Korea, 9.

Dr. Carlito Aleta, director of the Philippine Nuclear Research Institute, said at the same gathering that nuclear power is the "energy of the future."

The energy crisis in the Philippines has all but closed down the economy. It was announced on March 19 by Labor Secretary Nieves Confesor that small Philippine companies may have to lay off up to 20,000 people because of a severe power shortage gripping the country. Confesor told reporters after a meeting of the National Security Council chaired by President Fidel Ramos that the blackouts may force medium-size factories to shut down. "If the eight-hour blackouts continue, you'll be talking about a very bad time, even if just temporary, because many of our people are on daily wage arrangements. You are talking about a real alarming layoff that could reach 20,000," she said.

Economic Policy

Nigeria austerity program threatens civil unrest

Nigeria is pushing ahead with cuts in subsidies on domestic fuel prices despite fears of widespread unrest. Reuters reported from Abuja on March 24. Many Nigerian politicians say that higher gas prices, sought by foreign creditors and the International Monetary Fund (IMF), could trigger chaos capable of upsetting the Army's delayed civilian rule program. Trade unions have threatened strikes and university students protests if subsidies are cut to enable relief on Nigeria's \$27 billion foreign debt. A small 0.20 naira (now less than one U.S. cent) rise in gasoline prices in the late 1980s trig-

gered violence and mass strikes.

Western creditors warned Nigeria on March 24 that new loans will dry up if the country fails to reduce its \$3-4 billion arrears on official debt repayments. Nigerian Finance Minister Oladele Olashore was summoned to appear for two hours before the Paris Club of creditors, to explain why the country had fallen so far behind in its debt payments. The London *Financial Times* noted, "It is very rare for finance ministers to be asked to the Paris Club's regular monthly working level meetings, a mark of lenders' concern over Nigeria's case."

The Nigerian Labor Congress (NLC) is spearheading the fight against the government's decision to go along with the IMF and scrap oil subsidies. IPS news service reported from Lagos on March 26. The NLC has warned President Ibrahim Babangida that it will call for a nationwide strike if the government does not rescind its decision. Food and other consumer items have recently also been raised by as much as 200%.

Private airlines are already seeking a 400% hike on airline fares, arguing that aviation fuel went up from 4¢ to 22¢ per liter. Former government minister Bolaji Akinyemi, said, "The issue of removal of oil subsidy is a time bomb that should be left alone. There is no economic or political justification for the removal."

Trade

India offers Thailand advanced technology

In a major bid to boost high-technology exports in Southeast Asia, India has offered nuclear power technology to Thailand, as well as technology in the fields of optical fibers and computers.

The offer was made at a high-level meeting of foreign secretaries of the two countries in Bangkok in March. This is the first time that India has offered technology to set up nuclear power plants in any country in the region.

While no formal response has been made to the offer, Thai officials said that the government was "keenly exploring" the possibility of getting nuclear expertise to meet Thailand's growing power requirements.

Briefly

● **THE SWEDISH** state-owned Nordbanken announced a SKr 16 billion (\$2 billion) operating loss for 1992, the biggest loss ever reported by a Swedish bank. A total of 70% of its losses were related to property loans.

● **CHILDREN** are being drawn into prostitution at much earlier ages because clients fear they will catch AIDS from older prostitutes, according to Wassyla Tamzali from Unesco at a conference in Brussels in March. "The children being traded are getting younger and younger. Even children as young as 12 years old are being sold for prostitution."

● **NORTH KOREA** and Thailand have signed an aviation agreement on landing rights for their airlines. The accord, initialed in Bangkok on March 18, calls for North Korea's Air Koyo to make its maiden flight to Bangkok on April 5. Thailand is the third country to gain landing rights in Pyongyang after Russia's Aeroflot and China's CAAC.

● **WATER RESERVOIRS** under the Sahara and the Sahel deserts are so plentiful that the whole territory of Germany could be floated 600 meters high, scientists from Berlin say. Some of the water is localized up to 5,000 meters under the surface of the earth.

● **CHINA'S** central bank will cut loans to loss-making industries and turn itself into a commercial bank, People's Bank of China deputy governor Zhou Zhengqing announced, Reuters reported on March 24. Zhou said the government is setting up new banks for "policy loans" directed to areas such as transportation and developing new sources of energy.

● **THE U.N.** has warned that retirees will soon start to outnumber children in Europe and North America for the first time in history. A report released by the U.N. Economic Commission for Europe and the U.N. Population Fund says that the number of old people on the two continents doubled in the past 40 years and would continue to rise sharply.