

Business Briefs

Medicine

AIDS-contaminated blood scandal may hit U.S.

The political and health establishment in the United States may soon be hit by a scandal over AIDS-contaminated blood like the one that recently rocked France, French journalist Franck Nouchi wrote in the Feb. 12 daily *Le Monde*.

According to Nouchi, the minutes of a meeting on May 6, 1985 of the Public Health Service (PHS) Executive Task Force on AIDS, presided over by Dr. James O. Mason, director of the Atlanta-based Centers for Disease Control and later U.S. assistant secretary for health, reveal that high-level officials were aware that certain manufacturers of "anti-hemophilic factors" were selling stocks of "unheated products," even though they had available "heated products, inactive for the AIDS virus." The minutes show that the FDA was fully informed of the circumstances of the matter, but was only prepared to "pressure" the relevant companies not to sell unheated products.

Dr. Mason was one of the bitterest opponents of the LaRouche movement on the AIDS front in the mid-1980s, using his position at the CDC to run a gigantic coverup of the extent of, and dangers represented by, the AIDS epidemic.

Chemicals

Kohl defends German industry from attack

The international campaign against the German chemical industry is aimed at hitting the world's leader in chemical research and production, declared Chancellor Helmut Kohl at the Wehrkunde (military policy) conference in Munich on Feb. 5. Kohl indicated that the motivation for the attacks is not what the attackers claim.

Kohl warned that concern over proliferation of "dual use" (i.e., civilian and military uses) technologies cannot be allowed to hamstring industrial advances. "We cannot stop all

research and development because of the dual-use aspect," Kohl said. In this light, he said that he wanted to make some remarks "on this occasion . . . in defense of the German chemical industry."

Kohl said that he wished that within the western world there were a spirit of "fair cooperation" among the respective industries. "Don't always blame the Germans, just because some despicable German firms have traded chemical technology to Iraq and other states," Kohl said. He urged the media to publish the list that is available from the U.S. Congress of "all the names of firms that did that, and there also others, many others, not just Germans."

Kohl said that he suspected other motives than concern about proliferation of dangerous technologies behind the German-bashing campaign in the media. "We are number one in chemical research and also in the production of chemical products, on a world scale," he said.

Sen. Donald Riegle (D-Mich.), chairman of the Senate Committee on Banking, Housing, and Urban Affairs, stated on Feb. 10 that the U.S. government under the Reagan/Bush administration routinely approved shipment of viruses and bacteria (used to develop biological weapons) to Iraq prior to the Persian Gulf war.

Poland

Free trade finance minister resigns

Polish Finance Minister Marek Borowski, a backer of "free trade," resigned on Feb. 4. Borowski, who was deputy prime minister responsible for the economy, said he was annoyed that his economic policies had been undermined by Prime Minister Waldemar Pawlak. It is not clear if Borowski's resignation will lead to a dismantling of the left-wing coalition government which took power three months ago.

The row between Borowski and Pawlak, leader of the Polish Peasant Party (PSL), erupted the week before when the prime minister fired Deputy Finance Minister Stefan Kawalec without consulting Borowski. Borowski was

often a target of veiled attacks from the PSL for his refusal to divert from a strict free market course, and for drafting a tight budget for this year, based on strict monetary policies.

Media commentators have said Pawlak jumped at the first opportunity to humiliate Borowski, when a controversy erupted over the sale of Bank Slaski, the country's third biggest bank. Slaski shares climbed 1,250% from the issue price on their first listing, stirring accusations that the Finance Ministry had grossly underpriced the issue. A 25.9% stake in the bank was sold for \$56 million to the Dutch banking and insurance firm Internationale Nederlandse Groep in the first privatization deal signed by Borowski. PSL deputies in the Sejm (parliament) criticized the sale, saying the treasury lost hundreds of millions of dollars, and Pawlak fired Kawalec, who had direct responsibility.

Russia

Volsky blasts Sachs, looks to French model

Arkady Volsky, the president of the Russian Union of Industrialists and Entrepreneurs, blasted the "Jeffrey Sachs-Harvard" shock therapy economic program for Russia, the Paris daily *Le Figaro* reported Feb. 11. Volsky, who headed "an important delegation of heads of firms of the Russian military-industrial complex" that visited Paris Feb. 9-11, according to the paper, said he prefers the "French model" of targeted state aid to key sectors of the economy. The Russian delegation was invited by the French CNPF industrialists' association.

Speaking to *Le Figaro*, Volsky blasted those kinds of "reforms" that have been inspired by "Jeffrey Sachs and the bunch of Harvard graduates." A preferable foreign example for Russia to follow is "the French model: Here, in France, it is normal to give [public] funds to aerospace or to fishing."

It is assumed that Volsky would be referring to the traditional Gaullist dirigist model of what the French call "planification," and not to the current Balladur government's practice of giving out state money only to calm anger at austerity measures that result from the gov-

Briefly

ernment's privatization and free trade policies (see p. 49).

Volsky stressed that "the important thing today, in Russia, is to prevent people from going out into the streets [in protest]. Today, in Russia, one-third of the population lives below the poverty threshold." Fighting inflation is not the highest priority for Russia, he indicated. The fact that Yegor Gaidar, an architect of the reforms, claims to have brought down the monthly inflation rate is of no importance, since "to reach this result, they didn't pay workers for three months," he explained.

Volsky said that he supports assistance to large-scale enterprises, particularly to "agriculture, medicine, and all that which affects the daily life of people: energy, food for children, in sum, everything that is vital."

Le Figaro noted that despite all the difficulties that the Russian market presents, French businessmen continue to be interested in it. According to Michel Freyche, president of the "Russia Committee" of the CNPF, French exports to Russia are second only to those of Germany.

Defense

Neutral-particle beam weapon may be 'elipton'

The super-weapon, "non-nuclear, but able to destroy the world," referred to by Russian Third Rome ideologue Vladimir Zhirinovskiy last December, would most likely be a neutral-particle beam weapon, according to the French monthly *Science & Vie* in February. During the work on the U.S. Strategic Defense Initiative (SDI) program, both McDonnell Douglas Astronautics and Los Alamos National Laboratory worked on the concept of such a weapon.

The idea is to accelerate charged particles with a classical accelerator using an electromagnetic field; once accelerated, the particles are stripped of their charges so that the particles don't repel each other; otherwise the charges cause the beam to diverge.

In the U.S. work, the charged particle was negative hydrogen, that is, hydrogen with an extra electron. After being accelerated, this

beam is collimated (made parallel) with magnetic optics. It is then neutralized by passing it through an aperture in a sheet of metal—the extra charges jump off onto the metal.

The U.S. scientists also worked on another method, more elaborate, called photoneutralization, in which the beam is neutralized by passage through the cavity of a laser. The efficiency is 90%, compared to 50% for the metallic sheet, but the main advantage is that the amount of residual divergence is much less.

According to the magazine, the Russians may have made great progress in applying this method. "It is, of course, only a hypothesis. Because it is also possible that the whole thing is only bluff or an exaggeration. A threat is stronger when it is veiled. We should therefore not wait for Zhirinovskiy or the Russians to know more," it concluded.

Agriculture

Argentina promoting meat consumption

For the first time in its history, the Argentine government is promoting meat consumption. Agriculture Secretary Felipe Sola has taped a television spot to encourage people to eat meat. In 1980, the average Argentine consumed approximately 175 pounds of meat annually; today that figure stands at about 125 pounds.

The decline in consumption is due to several factors, including a serious hoof and mouth disease epidemic which is affecting both cattle and sheep, and has caused a decline in the country's meat exports as well. According to the Feb. 7 *Noticias* magazine, 100,000 sheep infected with the virus were recently slaughtered, and government authorities are making an effort to inoculate livestock, but expect that the virus will only be eradicated in 1997.

Dr. Oscar Bruni, president of the Professional Council of Veterinarians, reported that while the inoculation campaign is going well, the government has failed in recent years to take necessary measures or spend the required funds to carefully monitor animal diseases and epidemics.

● **PRESIDENT OF CHAD** Idriss Deby held meetings on trade and commercial ties with Nigerian leader Gen. Sani Abacha in Lagos, in early February. The visit was designed "to formalize our commercial activities," and acquired greater urgency because of the devaluation of the CFA franc in Chad, President Deby said.

● **ENERGY PRICES** in Russia have jumped above world levels and are "choking the entire economy." First Deputy Prime Minister Oleg Soskovets told *Rossiiskie Vesti* Feb. 4. The prime cost of producing a ton of oil has reached \$192, compared with the world market price of \$88. He said that the government was considering reintroducing regulation of prices in the form of "cartel agreements."

● **FIVE TYPHOONS** within five weeks in the Philippines have left more than a million people displaced, according to the Red Cross in Manila. But as the death toll rises, aid contributions remain slow. The Red Cross has aided more than a million people with emergency food, blankets, and cooking utensils.

● **THE NASA** budget request by the Clinton administration for FY 95 fell for the first time in two decades. Funding for space science is relatively constant, but manned space flight activities are reduced \$350 million because of more "economy" pressures on the Shuttle. Aeronautics research is down 17%.

● **A SPACE SATELLITE** for early warning against intercontinental ballistic missiles, part of a future, joint U.S.-Russian ABM system, will be launched in December, according to sources in Moscow. The experiment, whose project title is "Skipper," will be carried out on a Russian Molniya rocket; the satellite will weigh 230 kilograms.

● **ALMOST 20 MILLION** people worldwide will become refugees before the end of the year, according to the Red Cross Federation's Refugees and Displaced Persons Department.