

Business Briefs

Usury

Western banks impose sanctions on Zaire

The Western nations, through the offices of the World Bank and other banking institutions, are imposing the equivalent of sanctions on the nation of Zaire, in retaliation for President Mobutu Sese Sekou's defiance of the conditionalities of the International Monetary Fund.

In December, President Mobutu, following in the footsteps of President Alan García of Peru, decided that Zaire would limit its debt service to 10% of its export earnings. "A young nation cannot go on indefinitely sacrificing everything merely for the sake of servicing its external debt," Mobutu said in announcing the decision.

In response to this action, the World Bank has suspended a loan slated for industrial development in Zaire, and supplies of foreign exchange in the market have fallen sharply, according to London's *Financial Times*.

Zaire's decision to challenge the IMF was its response to the AIDS threat. Zaire was the first nation in Africa to take the threat seriously, setting up a Project AIDS in 1984 to monitor the disease. But under IMF austerity, there is no hope for stopping the disease. In Kinshasa, the capital city of 4 million, 7% of the population is officially recorded as infected with the virus.

Research & Development

Israeli scientist scores funding cuts

Israeli scientists "are facing a very serious situation which must be remedied at once," Prof. Yehoshua Yortner, the new head of Israel's Academy of Sciences and Humanities, warned in a statement reported by the Jan. 1 *Jerusalem Post*.

Because of cutbacks in funding for basic research and university facilities, research-

ers are leaving for abroad, in what is becoming a form of "hidden emigration." Yortner stated: "What is happening now will be reflected in 10 to 15 years. How we will fare scientifically in the year 2000 is being decided at this moment."

Yortner noted that Israel's scientific successes in electronics, aircraft, and chemical industries has been the result of investment in basic research during the 1950s and 1960s: "Then we were pioneers in such things as computers and biotechnology. Now, I am sorry to say, the situation is very different."

Yortner made two recommendations: first, the establishment of a new scientific research fund, to provide grants of \$20 million a year for the next three years, to halt the "brain drain" of scientists; second, "We also need a change of atmosphere," back to the "kind of enthusiasm" about science that prevailed in the days of the late Prime Minister David Ben-Gurion.

Space

NASA budget cuts slow down space station

The NASA budget proposed by the President for FY88 will slow down development of the space station. Though the \$9.5 billion overall Reagan administration request for the space program is a moderate increase over this year's funding, the key project, the space station, which will determine whether or not the United States can return to the Moon and later go to Mars, suffered a serious cut.

NASA head James Fletcher stated in a UPI interview that NASA was requesting \$1.1 billion next year for the station. After the Office of Management and Budget slashed that to about \$550 million, Fletcher appealed directly to Reagan. In the budget released Jan. 5, the space station received only \$767 million.

Though spokesmen for NASA have stated that the station can still be kept on a schedule for initial operations in 1994, that is highly unlikely. Fletcher stated that a cur-

rent review will determine "if the program is consistent with the schedule of funding," rather than, what funding level is required to meet the current program.

The U.S. Budget

Mayors critical of Reagan spending cuts

The president of the National Conference of Mayors told a press conference in Washington Jan. 6 that President Reagan's proposed FY88 budget will wipe another \$21.4 billion out of programs to aid collapsing U.S. cities. "It is urban Darwinism," said Joseph P. Riley, mayor of Charleston, South Carolina, head of the mayors' organization.

He noted ironically that while President Reagan may have claimed he was launching a War on Drugs last year, this year's budget cuts \$575 million out of the Anti-Drug Abuse Appropriations Act.

He characterized AIDS as a "time bomb," noting that a \$1 billion cutback in Medicaid to the states and cities comes just when Medicaid is being hit with the burden of exponential growth in AIDS cases. Other major cuts include \$5.5 billion for education and \$4.7 billion for Medicare.

Austerity

Train wreck blamed on lack of repair funds

The wrecked Conrail train that crashed into two locomotives outside Baltimore lacked a modern safety device that might have prevented the Jan. 4 collision. In addition, one warning signal was in disrepair, according to W.W. Lauer, vice-president of the Brotherhood of Railroad Signalmen.

He emphasized that the lack of maintenance and funding are the key reasons for the failure of the railroad's signaling system.

The train lacked a device installed on modern train systems in Europe and Ja-

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pan—an automatic control system which would have slowed the train to a halt automatically. In the few seconds he had, the engineer could not stop the train manually. One automatic signal was actually taped up, awaiting repair. In addition, the need to shunt express and freight trains back and forth onto the same track is itself dangerous. European systems maintain separate tracks for freight and passenger trains.

Lauer cited studies from the Federal Railroad Agency proving that the industry lacks maintenance, materials, and supervision. In 1973, after years of lobbying, a much-needed Highway Crossing System Bill was passed, whereby 3,000 new systems were to be installed, and 50,000-60,000 more repaired. However, the government never provided maintenance funds on a consistent basis, and a \$3 billion repair program never got off the ground.

AIDS

Italy creates special commission on disease

As panic grew in the Italian population, the government announced the creation of a special commission empowered to carry out a "war plan against AIDS," the daily *Corriere della Sera* reported on Jan. 3.

The matter of whether children with AIDS will be allowed to go to school, is one subject to be investigated. Another will be powers for directors of hospitals to isolate AIDS cases from other patients. *Corriere* reports that in certain infectious-disease sections of hospitals in Milan, measures for the isolation of AIDS patients are already in effect.

The death of two children from AIDS in Milan, aged two and four, created shock in the population and front-page headlines. On Jan. 5, *Resto del Carlino* in Bologna entitled its article, "A Press Black Out is Not the Way to Fight AIDS."

"It is necessary to speak the truth with full voice in order to reach even the most deaf persons. Alarmism? No, a sacred alarm. That, today, for AIDS, is indispensable."

The editorial concludes with a comment about the role of a newspaper in reporting the truth.

Italy's Health Minister, Carlo Donat-Cattin, in an interview to the newspaper *Il Giorno* on Jan. 6, said that by Jan. 13 the central commission for the fight against AIDS will be operating effectively and that the AIDS test will be available to "everybody who wants to have the test. The test will be fast and free. . . . Scientists must continue their work without worrying about the financial resources that, given the exceptional nature of the problem, are guaranteed one hundred percent. I'm personally involved in finding the money."

Donat-Cattin refused to meet with "homosexual leaders." According to *La Stampa*, he explained: "Those guys are not only homosexual but also maniacs. My officials listen to them, but I have better things to do. Who cares about 'condoms.' I certainly cannot publicize anal coitus, as they would like, nor publicize condoms, which do not protect against AIDS because condoms overflow and break."

'Free Enterprise'

Pakistan called major opium poppy producer

Pakistan is reemerging as a major opium producer, the *Hindustan Times* reported Dec. 27. Last September, 2,000 more acres were planted in opium poppies, bringing the total to 5,000 acres. The rate of heroin addiction in Pakistan is higher than that of the United States. Pakistan has an estimated 400,000 addicts.

Afghan refugees brought their laboratories for processing heroin with them as they fled invading Soviet forces, and this, coupled with favorable weather for the past few years, has led to the recent bumper crops.

An effective law against illicit trade, trafficking, and chemical processing of poppies is soon to be presented in the Pakistani parliament, but some politicians are encouraging their constituents to plant poppies, the Indian newspaper reports from Islamabad.

● **DOV ZAKHEIM**, U.S. deputy undersecretary of defense, arrived in Tel Aviv, Israel on Jan. 3, to try to persuade Israel to ground the Lavi jet project in favor of less expensive aircraft. Zakheim, an ordained rabbi who speaks fluent Hebrew, is the author of a Pentagon study on alternatives to the Lavi. The Israeli newspaper *Ha'aretz* reported that he would propose that Israel manufacture F-16s.

● **THE JAPANESE** government increased the 1987 budget for AIDS prevention to 155 million yen, the *Japan Times* reported Dec. 31. AIDS was first discovered in Japan in 1985, and the government spent only 43 million yen in 1986. The budget on AIDS prevention will go up to 148 million in 1987, a 300% increase. Since November 1986, all blood donors have been screened for AIDS and imported blood and plasma products are also being tested. There were 21 cases of AIDS in Japan as of June, 13 of whom died.

● **TEXAS** leads the nation in bank failures. A post-Depression record of 138 banks failed in the United States during 1986, compared to 120 in 1985, 79 in 1984, 48 in 1983, 42 in 1982, and 10 in 1981. Texas led the nation with 26 failures in 1986, followed by Oklahoma with 16, Kansas with 14, Iowa with 10, and Missouri with 9. The FDIC reports that 1,484 of the nation's 14,948 FDIC-insured banks were on its "troubled" list as of December—almost 10%.

● **SEN. DURENBERGER** (R-Minn.) blasted the Reagan administration's proposed budget as insensitive to the needs of rural America and a contribution to the "decoupling of rural America from the rest of society." In remarks Jan. 6 at a Rural Revitalization Conference sponsored by the Universities of Minnesota and Wisconsin, Durenberger said it was "hard to conceive of a budget that could be more insensitive to the needs of rural America."