

# Business Briefs

## Health

### AIDS sweeping through Zambia

AIDS is sweeping through Zambia so fast that, "if effective action is not taken quickly, a large part of our community will be wiped out," a health ministry official told a national AIDS seminar the weekend of July 26-27, the London *Guardian* reported on July 28, in an article entitled, "Zambia in AIDS Alert."

Health Ministry official Evariste Njelesani told delegates: "Many of us see disaster ahead—a whole generation is under threat." Blood surveys show that up to 15% of the 6.2 million population may be carrying the virus.

According to the *Guardian*, until very recently, numbers of patients actually suffering from AIDS in Zambia had been kept secret. More than half of the currently known AIDS patients are between the ages of 15 and 35. There have already been several hundred AIDS deaths in Zambia, the *Guardian* reports.

## South Africa

### British parliament seeks 'Marshall Plan'

A report on South Africa issued in late July by the House of Commons Foreign Affairs Committee has proposed a Marshall Plan for South Africa, which will involve industrial and economic development of the South African republic as the ultimate solution to the apartheid problem. According to one committee spokesman, the plan will involve "substantial aid to the South African government as a condition for ending apartheid." The money would be provided by involved governments, and earmarked for projects in education, black business, etc.

The report stipulated a second option that is reserved for the condition in which "no concessions are made by the South African government, and then, Britain and other

countries, will be under increasing pressure compelling them to go with sanctions."

## Labor

### Presidential candidate calls for 'piece-work'

Unannounced presidential candidate Charles Robb, former governor of Virginia, called for tying workers' pay to their productivity, in a speech in San Francisco, California on July 21.

Addressing the Commonwealth Club in his capacity as head of the Democratic Leadership Council, Robb said that a new "social contract" is needed between the American people and their government, because the New Deal "has run its course."

Apparently under the delusion that high workers' salaries are the cause of the crisis in the U.S. economy, Robb stated that, to regain America's competitive edge, "we need to link productivity and pay. The old system of compensation—fixed, hourly pay or annual salaries without regard to how a company actually performs—may well be obsolete. A dramatic alternative is the share-economy idea, in which workers would receive some percentage of their pay in bonuses, depending on the fortunes of their company. . . . By giving the companies the flexibility to . . . lower payroll costs by trimming or foregoing bonuses during bad times, layoffs could be avoided and workers could gain in job-security what they lose in compensation."

## Holocaust

### Plague of locusts hits Africa after rains

After 10 years of drought, the rains have returned to the plains of Africa, and conditions are nearly ideal for crops. But in an almost Biblical progression, a new peril has appeared: a plague of locusts and grasshoppers,

clouds of the migrating insects that strip the ground bare.

A source reported to Reuter news service what it is like when the locust nymphs emerge from their eggs buried in the shallow, moist dirt: "So far as the eye could see, they were boiling out. Every inch of open ground appeared to be bubbling with young locusts as pod after pod gave up its contents. This went on for three hours from just before dawn. Within three days, the whole of the vast egg field had been hatched out and the creatures were ready to march."

The rains, which make the egg laying possible and bring the crops that feed the insects, have brought a massive outbreak of grasshoppers in West Africa and of four species of locust in eastern, central, and southern Africa.

## Aerospace

### Soviets outpace U.S. in airplane production

The United States has a deficit in required military aircraft of at least 5,500 units, in comparison to the military forces of the Soviet Union, according to the forthcoming *EIR Quarterly Economic Report* for the second quarter of 1986.

Although Russia has only about 1,900 more aircraft than the United States, 62% of their fleet has been built since 1975. Only 27% of U.S. aircraft are that new.

The *EIR* report will contain an analysis of the state of the aerospace industry in the United States, and an evaluation of the devastating economic impact of the defense-weapons development "reforms" recommended by President Reagan's Packard Commission on Defense Management.

Some examples from the report:

Since 1968, production of civilian airliners has fallen 60%, from 702 in that year to 278 in 1985. The production of military aircraft is down 48% since 1975, from 1,779 aircraft in that year, to 930 in 1984. Civilian transport production represents the nation's military airlift capability in reserve.

In the previous period, from 1958 to 1968 aircraft industry productivity measured in aircraft per production worker per year,

# Briefly

● **DEFENSE DEPARTMENT** cost overruns in major weapons programs are lower, often much lower than the majority of large civilian projects, commercial or governmental, according to separate studies by the RAND Corporation and the Analytic Sciences Corporation.

● **THE VALUE** of the confiscated marijuana in Oklahoma exceeded the value of the state's 1985 wheat crop, according to the *Tulsa World* on July 29. Around \$800 million of marijuana was confiscated, estimated as less than 25% of the total crop. The value of the wheat crop was \$700 million.

● **BANKRUPTCY** of Gulf States Utilities may lead to bankruptcy for the states of Louisiana and Texas. The utility is fighting for rate increases in Texas and Louisiana, and has filed a 26.2% rate-relief request with the public-service commission. Spokesman Bernard Weinstein said, "Bankruptcy for GSU would be bankruptcy for the whole region."

● **POLAND** and the United States agreed on July 30 to reschedule the Polish government's debt of \$1.7 billion due the U.S. government for 1982-84, the official news agency PAP said. "The payment of a total of some \$1.7 billion owed by Poland to the U.S. was rescheduled under the agreement," PAP said. It was not disclosed what period of time was agreed for Poland to repay the debt. Poland's debt to Western countries totals about \$31 billion.

● **DONALD EPHLIN**, United Auto Workers vice-president, emphasized the importance of "the erosion of our industrial base" in his July 28 address to the annual Automotive News World Congress in Dearborn, Michigan. "The fact is that we as a nation have silently given away such a tremendous part of our way of living, our standard of living, that it is a national disgrace. Our government continues to act as though we have no real problems facing our nation."

generally rose at an exponential rate. Productivity in civilian and military helicopter production has collapsed 60% from 57 per 1,000 employees in 1975 to 20 in 1984. Since 1980, production of helicopters for non-military uses has fallen 72%, from 1,366 to 376 in 1984.

Likewise, the physical plant and equipment in the aircraft industry has shrunk in total size since the 1960s, and efforts to modernize the stock of equipment have stagnated. The industry had 30% fewer machine tools in 1983 than in 1977. Fully 65% of the 1983 inventory of tools, is considered "obsolete" by the standards of the machine-tool industry, which regards equipment that is 10 years old, beyond its useful life.

## Organized Crime

### Dope, Inc. bank sues LaRouche under RICO

First Fidelity Bank, one of the most notorious "mob banks" in the United States, filed a new lawsuit against Lyndon LaRouche and 36 different organizations and individuals in late July, charging that they constitute a "LaRouche enterprise" under the Racketeering Influenced and Corrupt Organizations Act (RICO).

The suit names 17 organizations, ranging from The LaRouche Campaign (TLC) and Independent Democrats for LaRouche (IDL) to the National Caucus of Labor Committees (NCLC) and the PMR Printing Co., which it claims are under the control and domination of the National Executive Committee of the NCLC, which in turn is alleged to be under the control and domination of LaRouche. The RICO complaint claims that the 17 organizations are "the alter ego of LaRouche and of each other."

In November 1984, First Fidelity, cooperating with the FBI and corrupt elements in the Justice Department, confiscated \$200,000 of IDL funds, preventing a scheduled LaRouche election-eve national broadcast on CBS-TV. A series of legal actions followed from IDL against the bank.

First Fidelity's RICO claims against TLC, IDL, and many of the other named

defendants have already been thrown out of court once. Last year, both a federal magistrate and a federal judge dismissed First Fidelity's attempts to amend their libel-and-fraud suit against TLC and IDL to include a RICO claim, on the grounds that it was "untimely" because the case was too far along in discovery to add new claims.

The organized crime connections of First Fidelity have been exhaustively detailed in *EIR* (e.g., Feb. 7, 1986, "First Fidelity: LaRouche Foe Caught in Bed with Dope, Inc."). The bank, through its president, Robert Ferguson, played a key role in the legalization of casino gambling in New Jersey, and the recent exposure of First Fidelity's dealings with professional con man Richard Mamarella—involving loansharking, drug trafficking, at least two murders, and shakedowns of legitimate and illegitimate businesses—reveal the depth of the bank's ties to organized crime.

Legal experts have told *EIR* that they expect the new RICO suit to be readily dismissed. When that happens, First Fidelity (and Robert Vesco's) attorney Al Besser will face massive fines for having filed a frivolous lawsuit.

## Pornography

### International trade in children for sex

One million young children, aged three or more, are kidnapped, sold, or otherwise forced onto the international sex market, according to a report released by the Norwegian Ministry of Justice and reported in the *Times* of London on August 1.

Denmark is one of the key European centers through which the children are funneled on route to North America or some of the Arab countries. West Germany and the Netherlands are also involved, according to a Ministry spokesman.

Most of the children are drawn from the Third World, especially Thailand, Indo-China, and the Philippines. Child pornography and prostitution are worth an estimated \$2 billion in the United States alone.