

Business Briefs

Agriculture

Soviet fertilizer plant to be built in Argentina

The Soviets will build a fertilizer plant in Argentina, Argentine President Raúl Alfonsín announced in a Moscow press conference Oct. 16.

The Soviets will finance the deal, build it with Argentine private companies, and utilize Argentina's gas for production, he reported. All the Soviets are asking is the guarantee that they get 100% of the production.

Argentina will provide agro-industrial equipment to the Soviets, and "has firm hopes that we can work together with third countries to introduce equipment in this area," Alfonsín added.

South Africa

Black U.S. bishop attacks business pullouts

Washington, D.C.'s black Episcopal Bishop, John T. Walker, has broken with the official position of the Episcopal Church and launched a personal campaign to encourage U.S. companies to provide more training for their black employees rather than merely withdrawing their companies from South Africa.

Walker, in an interview with the *Washington Post* in mid-October, said that he has not changed his opposition to South African racialist policies, but says he is attempting to find a more "pragmatic" approach to the issue that could lay the groundwork for a peaceful transition to majority rule, while avoiding an economic collapse, which would be a disaster for South African blacks.

"If the alternative [for U.S. companies] is to simply pull out and turn over their operations to the South African government or someone who is not in concert with the notion of the destruction of apartheid, then I'd say I'd rather have them stay because we can work with them," Bishop Walker said.

One concern is that the "Sullivan Rule," a code adopted by virtually all major U.S.

companies requiring them to provide non-segregated facilities and equal pay to their black employees, would simply be ignored by the new owners of the former U.S. companies.

Leon Sullivan, for whom the Sullivan Rule is named, was interviewed on Oct. 19 on ABC-TV, and defended the GM pullout recently announced, asserting that "moral principles" are more important than the risks of job losses for African blacks.

The *Wall Street Journal* of Oct. 22 commended Bishop Walker's stand. "The elimination of the American business presence in South Africa is a great victory for America's militants. It comes at no cost to themselves, at little cost to the businesses, and in all likelihood at great cost to South Africans of all races," the *Journal* wrote.

East-West Trade

Soviets will open up for business

At a meeting hosted by Trilateral Commission member Kurt Biedenkopf, Yigor Guriev of the Western Trade Section of IMEMO told German economic experts during the third week of October that 15 government ministries and about 70 business corporations of the Soviet Union would soon be authorized to sign individual trade contracts with Western governments and industries.

He said that there would be "very good prospects for German industries to capitalize on this liberalization."

Guriev's announcement was evaluated as "sensational" by German businessmen and government officials.

Foreign Debt

Talks to begin on Philippine rescheduling

Philippines President Corazon Aquino said negotiations with foreign creditor banks began in New York the last week of October on rescheduling part of the nation's record \$26.2 billion debt.

The talks, beginning Oct. 27 were focused on the rescheduling of about \$3.6 billion in maturing loan amortizations from 1987 to 1992. The government also hopes to renegotiate terms of about \$5.7 billion in loans that began coming due between 1983 and 1986 and were rescheduled in the final years of the regime of deposed President Ferdinand Marcos.

Aquino said she hoped to secure better terms and lower interest rates for the previously rescheduled loans. The government program is aimed at lifting the country from the worst economic crisis since World War II, and is a critical component of Aquino's plan to counter a communist insurgency with economic growth and increased employment opportunities in the countryside.

The International Monetary Fund, Aquino said, is expected to approve shortly a stand-by credit that will provide \$508 million in additional financing during the next 18 months, with about \$300 million available by Oct. 31 or Nov. 15. She said approval also would allow the final release of \$350 million in fresh commercial loans previously negotiated with the nation's creditors. A World Bank economic "recovery" loan of \$300 million also is expected to be approved by December, Aquino said.

Technology

Japanese organize Denmark SDI meeting

Tokai University of Japan held an international symposium on the U.S. Strategic Defense Initiative Oct. 21-22, "Space Development and International Cooperation," at its European Center in Copenhagen, Denmark.

The seminar occurred during the celebration of the 15th anniversary of the Tokai European Center. It provided the opportunity for private discussions between Japanese, U.S., and Soviet government officials.

The first day's discussions were introduced by the Japanese ambassador to Denmark, and by Dr. T. Matsumae, a member of the Japanese Senate's foreign affairs committee. Discussion focused on the stra-

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tegit, technological, and economic implications of the SDI and the Eureka project.

Participants were introduced at a traditional tea ceremony. Featured speakers were Uwe Henke v. Parpart, representing the Schiller Institute; G. Andreani, head of the French Foreign Ministry's Office of Strategic Affairs; T. Sasagawa of Japan's Strategic and International Affairs Research Institute; D. Sanders of Britain's University of Essex; Ole Noergaard of Denmark's University of Aarhus; and Thomas Ries and Jan Skorve of the Norwegian Institute of International Affairs.

Noergaard, reporting on the Soviet response to the Chernobyl disaster, discussed Soviet defense, industrial, and social organization. Ries and Skorve reported on Soviet activities and construction projects on the Kola Peninsula. Comments by others introduced discussion of Soviet military, social, and cultural-response capabilities to SDI.

The second day's proceedings featured presentations by T. Sakata and H. Shimoda of Tokai University Research and Information Center. They discussed remote sensing and global satellite monitoring. Sakata presented computer-enhanced imaging of the Chernobyl site, Vladivostok, and the Kurile Islands.

International Trade

Kissinger warns about mercantilism

Henry Kissinger told his audience at a Milan meeting organized by Montedison, the Italian industrial conglomerate, that "even if the economists are saying that the free market is the most effective way to optimize the international distribution of resources, the mercantilist phase has already begun. It means that the actual problem is to deal with the existing nets of protectionist barriers," according to *La Repubblica* on Oct. 17.

Kissinger said that in the medium term, an energy crisis is likely, and, in spite of that, nobody is worrying about it.

Martin Feldstein, former head of the President's Council of Economic Advisers, former German Chancellor Helmut Schmidt,

Montedison's Mario Schimberni, former Japanese Prime Minister Takeo Fukuda, and Isamu Miyazaki, Daiwa securities research institute president, all participated in the meeting.

Biological Holocaust

African nations ask for AIDS help

African nations have requested international help in fighting AIDS, reports the *London Guardian*. African health ministers are reported to have told the British representative at the Commonwealth health ministers' meeting in Nassau that they need a "massive injection of funds" to buy basic medical equipment to curb the spread of the disease.

Money was needed for tests to screen blood donors, for syringes, for equipment to stop infections spreading in hospitals, vaccination programs against diseases like malaria which weaken people's defenses against AIDS, support for children orphaned by the epidemic, and research to develop epidemic control programs.

Debt

Bankers say war on African misery is lost

"Anglo-Saxon economic circles think the battle against misery in Africa has been lost," the French newsletter *Lettre d'Afrique* reported in mid-October. The explanation given by the bankers is the "galloping population growth" in Africa.

The newsletter points out that, this year, more than 100 million Africans are suffering from malnutrition, compared to 80 million in 1980.

It also reports a fact that undercuts the bankers' own self-serving explanation: While emergency food aid worth 26 billion francs were given to Africa in 1985, the very nations hit by famine reimbursed a total of 55 billion francs in debt payment.

● **SWITZERLAND** has instituted a regulation requiring registration of AIDS victims, the *Daily Mail* reported on Oct. 17.

● **BRAZIL** has stopped construction on its ANGRA 2 and 3 nuclear plants. A Nuclebras official said there is only 5% of the required funds in the 1987 budget. The long-completed Angra 1 is not permitted to function because of environmentalist objections.

● **TWENTY-TWO** percent of Mexico's population suffers chronic malnutrition, and 40% suffer from severe malnutrition, Ismaél Pacheco Monárrez, investigator for the University of Guadalajara, said on Oct. 18. In San Luis Potosí, Martha Miranda of the Autonomous University there said that more than 900,000 inhabitants of the San Luis Potosí countryside suffer malnutrition. She revealed that annually the region suffered a deficit of 21 million liters of milk and 40 million eggs to satisfy internal demand.

● **JAPANESE** investment in U.S. real estate almost tripled between 1984 and 1985, rising from \$630 million to \$1.5 billion. According to one expert, "It is now predicted that the Japanese will surpass the British as the largest overseas holder of U.S. real estate."

● **SCOTLAND YARD** discovered a \$30 million U.S. drug smuggling and money-laundering operation during the investigation of a 1983 gold robbery at Heathrow Airport. Eleven people are charged with importing more than 100,000 pounds of marijuana and running a money-laundering operation in the Virgin Islands and the Isle of Man.

● **BANK OF BOSTON** has bought 10 Bank of America branches in Argentina, and another 20 are going to Citibank. Bank of America will remain the "biggest American bank in Argentina," with 40 branches.