

Business Briefs

Insurance

AIDS costs seen soaring

Insurance companies around the United States have already been engaged in heavy legal battles over the issue of life and medical insurance for AIDS victims, and a new report is not likely to do much to calm the storm.

According to a detailed study by the Society of Actuaries released Aug. 4, AIDS deaths will cost U.S. insurance companies \$50 billion by the year 2000.

According to the study, \$30 billion will be paid out to AIDS victims with insurance policies currently in force. Another estimated \$20 billion will be paid out to those who do not now have insurance or the disease, but will eventually come down with AIDS, and take out an insurance policy in the meantime. Some firms could be paying out far more than 20% of their claims for AIDS-related deaths.

Harold Ingraham, president of the Society of Actuaries, said researchers have underestimated the damage that AIDS will do. "They have been underestimating, I think, the proportion of people that carry the virus and . . . the speed at which [those people] are going to get AIDS," Ingraham said.

Agriculture

India facing worst drought

The Indian Subcontinent is facing the worst drought in nearly a century. Crash programs to tap subsoil water, to plant alternative crops, and to distribute seeds are now being developed by a committee headed by Prime Minister Rajiv Gandhi.

The monsoons this year have reached only parts of northeast India, leaving northwest, central, and southern India dry.

The government has a buffer stock of 22 million tons of grain for use in such emergencies. The greatest problem, however, is transporting food and seeds to the stricken

regions, and the only "textbook" for such emergencies is the century-old "famine code" prepared under British rule.

In 1942-43, thousands of civilians starved in British India due to a shortage of transportation for food supplies. The British rulers blamed the shortage on the war.

Famine

Locusts swarming in Ethiopia

Swarms of locusts in Tigray, northern Ethiopia, are ready to fly, according to news reports. The swarms could threaten Mali to the west or the Indian Subcontinent to the east, the Relief Society of Tigray said in London Aug. 5.

The society has called on the Ethiopian government to allow spraying planes to operate in the area, most of which is controlled by the Tigray People's Liberation Front. The guerrilla organization has agreed to give the planes free passage. The government has yet to allow the planes to fly.

Seven large locust swarms have already been seen in Tigray, and a famine as bad as 1984-85 is feared unless spraying is undertaken. The Desert Locust Control Organization said the swarms would move south within two weeks, and conditions are good for a second breeding season along the Red Sea coast.

AIDS

New York 'research study' in October

The first of 100,000 New Yorkers to be tested for AIDS in "a blind, scientific research study" will be tested in October, reported the Aug. 5 *New York Times*.

City Health Department spokesman Peter Slocum said the study would take from six months to a year and would cost \$3.4 million. He said the blood would be taken anonymously from the specimens of hospital patients who would not be told that they were being tested or whether they tested

positive for the virus.

"It's a blind, scientific research study," he said, "not a screening program under which persons are told if their blood tested positive."

Governor Cuomo announced the program at a news conference from his office at the World Trade Center: "Present evidence indicates the disorder is not jumping dramatically to the general population," he claimed. "But we need more solid information, and this study will give public health officials a better understanding of how extensively the AIDS virus has spread through different population groups and different regions of the state and how it's communicated."

Finance

Kemp introduces loan control legislation

Republican presidential hopeful Jack Kemp of New York will introduce a bill requiring that bank loans to a "controlled country" be reported, and that the President be given broad powers to regulate these loans. A "controlled country," for example, the Soviet Union, could then be prohibited from buying a U.S. bank or similar maneuvers.

Kemp pointed out: "The Soviet bloc now receives low-interest-rate loans for nonspecific projects or trade transactions at a rate lower than a small businessman in America would pay. . . . These loans can be used for any purpose, including financing military aggression abroad and oppression at home."

President Reagan and the State Department oppose the bill.

Defense

SDIO plans space tests

The Strategic Defense Initiative Organization plans 13 major space tests over the next five years, according to documents released Aug. 4. At least seven involve missile inter-