

# Business Briefs

## Nuclear Energy

### Russia, U.S. to work on plutonium conversion

Scientists from Russia and the United States will cooperate on research for accelerator-based technologies to transmute plutonium from nuclear weapons and nuclear waste, according to Los Alamos National Laboratory on July 25. Los Alamos will work with Russian physics institutes on the design and engineering of particle accelerators as an option for waste disposal. This work will be funded by a \$3 million two-year grant from the Moscow-based International Science and Technology Center (ISTC).

Accelerator transmutation involves bombarding plutonium and nuclear waste with neutrons generated by a particle accelerator, transforming the material into stable elements or ones with shorter half-lives. This process could have an impact on the storage of high-level waste and could be used to generate electricity. (See the Spring 1994 issue of *21st Century Science & Technology* magazine for more on this technology.)

The ISTC was established in 1992 by the United States, Japan, and the European Community. The three sponsoring governments provide \$75 million a year to ISTC, which supports former Russian nuclear weapons scientists working on civilian projects that reduce the danger of proliferation. This program will involve more than 200 Russian scientists.

## Serbia

### Gold dinar instituted, production said to be up

On July 22, the Serbian government withdrew its "old dinar" currency from circulation, and issued a first run of 20,000 gold dinars, each weighing 7.78 grams and worth about \$100. By August, 80,000 gold pieces should be minted, and by January, 400,000. The Central Bank claims the move is to "reduce the use of cash for the purchase of crops" in agriculture.

Serbia may be the only country in the world where gold coins are legal tender for nor-

mal business transactions. The Serbian banking system is run from Cyprus, under the discreet oversight of the Bank of England; whether Serbia has the gold reserves to mount such an operation without direct British involvement is an open question. It is most likely a prelude to the next phase of the war.

Meanwhile, Serbian Central Bank Governor Dragoslav Avramovic said on July 24 that his economic recovery program, instituted in January, has led to a stabilization of prices (the government admits that inflation was running at 312 million percent annually in 1993) and to the doubling of production. He added that foreign countries have recently shown an interest in overhauling power plants, modernizing the rail system, and buying agricultural machinery from Serbia.

## Health

### TB outbreaks related to new infections

One-third of the new cases of tuberculosis in the United States are caused by a fresh infection, according to two research groups in San Francisco and New York whose findings have been published in the *New England Journal of Medicine*. Until now it was thought that 90% of all new TB cases occurred only among patients who already had longstanding, dormant infection, but became actively ill when their general health situation deteriorated.

Most fresh infections are detected in patients with a weak immune system or who are living in bad hygienic and socio-economic conditions, such as AIDS patients, young homeless people, and those who live in crowded conditions. But many persons seem to have become infected without having long or close contact with other TB patients. This means that the risk of infection is higher than it was thought. In addition, the studies found that half of these TB agents did not respond to at least one anti-TB drug. One-fourth of the mycobacteria were resistant to more than one drug.

To halt the spread of TB in the United States, the teams believe that it is urgent to closely control the therapy of patients, and to ensure that they take the full course of medications.

## Credit

### Detroit seeks foreign aid from Japan

Detroit's Big Three automakers have asked for low-interest loans from the Export-Import Bank of Japan, a Ministry of International Trade and Industry (MITI) official said on July 27.

Japan's *Nihon Keizai Shimbun* financial daily said that Ford Motor Co. was negotiating for a capital investment loan of more than \$300 million, to be used to produce right-hand-drive vehicles for Japan. "Wedon't really need more debt per se, but if it's low cost, we certainly have to think about it," Ford Vice President and Treasurer David McCammon told reporters.

Officials at General Motors Corp. and Chrysler Corp. said they have held discussions about low-interest loans, too, and that a rate of 4-4.5% was being discussed.

Lending funds to U.S. automakers, who have complained about the high cost of business in Japan, is seen as a way of easing U.S.-Japan trade friction. On July 26, Commerce Undersecretary Jeffrey Garten complained to Congress about slow progress in the trade talks.

## Finance

### IMF policies 'criminal,' says Oxfam official

Pierre Galand, the secretary general of the international charity Oxfam in Belgium, attacked the International Monetary Fund and World Bank for promoting "socially criminal policies of structural adjustment," in an open letter in the Summer 1994 issue of the *South Letter*, published by former Tanzanian President Julius Nyerere's South Center. Galand resigned from a World Bank non-governmental organization (NGO) working group earlier this year.

Galand's letter, reads in part: "The practice of the Bank is to condition its interventions to the socially criminal policies of structural adjustment. The bank is very well informed on

## Briefly

the state of poverty, of impoverishment and of the abandonment of significant populations on our planet. That being the case, are we dealing with pure cynicism and deceitful policies?

"... In my soul and my conscience I must say to you 'Enough!'. . . Your structural adjustment policies and your activities hasten the 'social dumping' of the South by forcing them to emerge without protection onto the global market. Thanks to you and your colleagues in the IMF, multinational enterprises are able to relocate because you are creating conditions of production at a reduced social cost. . . .

"This means that the only governments who are good students in your eyes are those who are prepared to prostitute their economies to the people holding the reins of multinationals and big international finance groups. . . .

"Now, what I see is that Africa is dying—but that the Bank is growing richer; Asia and eastern Europe see themselves plundered of their riches—and the Bank supports the IMF and GATT [General Agreement on Tariffs and Trade] initiatives which authorize this plunder, both material and intellectual. . . .

"As long as the Bank maintains its senseless selection of structural adjustment policies, I think we will all have to mobilize both ourselves and the greatest number of victims of this type of intervention so that we can do battle against it. . . .

"The revival of a development economy, one which promotes social justice through access by the greatest number to an income from work, imposes on us an urgent need to find another institution with which to replace you."

### Employment

## Construction companies back Delors initiative

The rapid implementation of the European Union (EU) Trans-European Nets (TEN) program for infrastructure development, which derives from the White Paper of outgoing European Commission President Jacques Delors, will be crucial for the creation of new and long-term construction jobs in all EU member states, the International Federation of Construction Enterprises (FIEC) said in Brussels on July 25.

The FIEC, an umbrella organization for EU construction firms, warned against the idea that major projects, such as the 11 infrastructure links okayed at the recent EU summit in Corfu, could be built exclusively on the basis of private initiative. A substantial state role to bridge at least the period from the initial investment and construction phase to the point at which the projects become profitable, is indispensable, the group said.

Each construction job will create two in related sectors of the economy, the FIEC said, which means that the 11 EU projects alone will create approximately 150-200,000 jobs. "Today, it is undisputed that these are indispensably required for the development of Europe, which means for the economic development, for the quality of life and for the fight against unemployment," the FIEC said. It called for "forms of private-public partnership and the development of the appropriate legal framework that fit the special requirements of each single project."

### Ukraine

## Parliament votes down privatization scheme

The Ukrainian Parliament voted down a government plan for the privatization of the state sector by a 180-62 vote in Kiev on July 29, just as President Leonid Kuchma was meeting with Michel Camdessus, head of the International Monetary Fund. The Parliament set a deadline of Aug. 15 for the government to publish a complete list of what state property still exists, especially in the "nationally relevant" infrastructure sectors such as railways, energy supply, heavy industry, and transportation.

The Parliament wants to see the list before another debate on the privatization policy, and will then decide what is to be privatized on a case-by-case basis.

Deputy Marchenko of the Socialist Party explained that the Parliament voted to "stop the sellout of national interests" and to "put an end to the anti-national, criminal privatization which is being carried out in the interests of a tiny number of people."

● **GERMAN** Transport Minister Matthias Wissmann underlined the importance of efficient infrastructure for Europe and rejected "low cost, low budget" transport, at the July 22-23 European Union transport ministers conference in Germany.

● **JAPAN'S** prototype fast breeder reactor, Monju, is a vital technology, the American Nuclear Society said after the reactor achieved criticality on April 5, the July issue of the ANS newsletter reported. "Otherwise, adequate energy to maintain modern civilization is simply an empty fantasy," the ANS said.

● **AIDS** will drastically reduce life expectancies in Africa, the Center for International Research of the U.S. Bureau of Census reports. In Malawi, by 2010, life expectancy will fall due to AIDS from 67 years to 33 years; in Tanzania, from 61 years to 35 years; in Zambia, from 66 years to 33 years; and in Zimbabwe, from 70 years to 40 years.

● **DEFENSE POLICY** must pay attention to financial speculation, Adm. D. Dieter Wellershof, president of the Federal Academy for Security Policy, said in the German economic daily *Handelsblatt* on July 27. "Global financial speculation with assets and currencies is much higher than the trade of commodities. Abrupt disturbances of these sensitive systems could damage whole national economies."

● **TURKEY'S** Supreme Court ruled in July that Prime Minister Tansu Ciller's grand privatization project, which would imply the loss of several hundred thousand jobs, is "unconstitutional." The court requested a single privatization project which the Parliament could vote on.

● **BANKING HOUSES** in Switzerland and Austria reported alarming losses over the first six months of this year. *Crédit Suisse* lost 27%. Austria's *Kreditanstalt* reported a loss of 17%.