

# Business Briefs

## Trade

### New Soviet commercial ties with Peru

The Soviet commercial attaché in Lima, Andrei Drimitiev, met with Peruvian President Alan García on Aug. 7 to discuss various trade deals, including the possibility that the U.S.S.R. would sell or rent airliners to Peru's national airline, Aeroperu.

Soviet Civil Aviation Minister Alexander Volkov announced that the Peruvians could pay for such airplanes simply by providing services for Soviet Aeroflot planes at the Lima airport.

The Soviet fishing minister will lead a delegation which is to arrive in Peru on Aug. 19 to straighten out the controversy which broke out over Soviet fishing contracts with Peru. A scandal erupted when it was revealed that the Russians have not paid any taxes on their catch in Peruvian waters.

## Agriculture

### French group warns of locust apocalypse

"We have never been so close to the worst." That is the assessment of PRIFAS, the French organization that specializes in fighting against locusts, in its July newsletter on the current locust plague in Africa.

"Several millions of hectares in some 15 nations of Africa" are still infested, PRIFAS reports, and things are getting worse: "The hatching of desert locusts' eggs in Mauritania, Mali, Niger, and Chad" will spread from the West to the East of Africa in July and August.

PRIFAS explains that the efforts deployed up to now delayed the process of locust infestation, but did not stop it. On the contrary, the use of low-residue pesticides on 5 million hectares has destroyed only about half of the locusts, and the more recent "slowing down" of their spread is due only to seasonal factors.

"The worst scenario is presently the most probable," says the newsletter. All capabilities available to fight the locusts could be overwhelmed very soon in the Sahel and Eastern Africa by the locust swarms pres-

ently appearing in northern Ethiopia. These swarms will be bigger, stronger, and more mobile, because they are more gregarious. Moving toward the West, these swarms will aggregate with local swarms and invade the Maghreb in several months, without leaving the Sahel area.

"Any demobilization would have the most severe consequences" in the near future, "far darker than the recent period. . . . The word 'apocalypse' could very well be used in a few months if nothing extraordinary is done in the fight" against this plague, it concludes.

## Disease

### Official AIDS cases rise 8% in a month

The world has experienced an 8% increase in the number of people sick with AIDS in a single month, according to the figures released by World Health Organization officials in Geneva Aug. 5—and this only includes the cases being reported to, and being acknowledged by, the WHO, whose definition of AIDS is notoriously restrictive in order to minimize the appearance of the disease's spread.

Meanwhile, the WHO is collaborating with the World Bank in studies of the economic impact of AIDS in the developing sector, and on the demographic impact of AIDS. WHO's "Progress Report No. 3" reads, "WHO and World Bank are collaborating in studies of the economic impact of AIDS and in measures to improve planning for the expected caseload. The initial phase of the development of a model for estimating the direct treatment-related costs and the indirect costs from the years of social and economic productivity lost due to HIV infections and AIDS has been completed in three Central African countries during the first quarter of 1988. Issues addressed include: the projected effect of AIDS on the supplies of essential drugs, the possibility that AIDS patients will displace other patients, whose problems could be cured using available therapies, and the threat posed to a country's development prospects by the years of productivity lost owing to AIDS and other clinical conditions due to HIV.

"The initiative of the Director-General of WHO, launched at the Fourth Meeting of Participating Parties for the Prevention and Control of AIDS in November 1987 and aimed at a closer association of the World Bank with the global strategy on AIDS, has been welcomed by the President of the World Bank, and discussions are continuing."

## Corporate Strategy

### Italian raider targets Spanish health company

Carlo De Benedetti, the Olivetti magnate who made big news at the beginning of the year with his attempt to take over the Belgian raw materials giant, Société Générale de Belgique, is now seeking to take over the large Spanish health care firm Sanitas.

De Benedetti's financial group, COFIR, has moved to buy up 40% of Spain's Sanitas firm. The move came so unexpectedly that Sanitas's director, Marcial Gómez Sequeira, was forced to interrupt his vacation, and rush back to Madrid to try to head off the raid.

Sanitas has 1 million clients; its hospitals, located in every province of Spain, are known for their modern facilities for treatment of cardiology and respiratory illnesses. It also runs one of the most sophisticated clinics in Spain, La Zarzuela.

## Health Care

### Hospitals shutting down across the U.S.

Nearly half of the United States's 6,000 hospitals lost money treating Medicare patients, and many of the beleaguered smaller hospitals in rural areas are shutting down or in danger of shutting down, according to federal officials.

"Some of these hospitals cannot provide much better care than a first-aid station," noted one bureaucrat. From this, he deduced that they should be closed. Any financial assistance for these institutions would provide an "inordinate windfall" to hospitals already enjoying profits, he argued.