

Business Briefs

Public Health

Bavaria to take measures against AIDS

Bavaria will be the first West German state to introduce measures against the disease of AIDS, the Bavarian cabinet announced at a press conference on Feb. 25.

The planned measures call for testing for AIDS of all public servants and prison inmates and a ban on blood and human organ donors infected with AIDS. Police will conduct mandatory AIDS tests for all prostitutes, homosexuals, and drug addicts. All "clients" of male and female prostitutes caught by police must be tested, and strict police control of bordellos, gay bars, and sex clubs will be enforced.

There will be an obligation for AIDS-infected persons to inform their doctor or sex partner, and fines and punishments for all those who infect others with AIDS.

The Bavarian state government will present an initiative for a national AIDS law, and, if that fails, will introduce mass-testing of all 12 million Bavarians.

There were immediately hysterical reactions to Bavaria's action. Karsten Vilmar, the head of the Federal Board of Physicians of West Germany joined the unholy alliance with Federal Health Minister Rita Suessmuth, the Green Party, the Social Democrats, and the AIDS Help groups, attacking Bavaria. The Federal AIDS Help group in Berlin demanded to boycott the Bavarian places for testing and AIDS information centers.

The 'Recovery'

Voters' greatest concern is economy

The Iran-Contra scandal is not the foremost thing on American voters' minds. The economy is. So report congressmen from both parties who recently held meetings with their home constituencies.

A UPI wire Feb. 23 quoted several congressmen: "Frankly, trade and health care came up more than Iran-Contras" in meetings with his constituency, said Kansas Democratic Rep. Dan Glickman. "You understand that people out there have to survive, which means they have to contend with the day-to-day difficulties of life."

Sen. Jake Garn of Utah concurred: "It's simply a matter that in the scale of things, they are far more interested in these pocketbook things and the domestic economy. On a scale of 10, the economy and their jobs, their pocketbooks, our own economic problems in Utah, would be a 10 where Iran would be down at 1 or 2."

Said Sen. Joe Biden of Delaware, "I think [people] have already resolved they are not being told the whole truth."

East-West Trade

German Trilateraloid hails Gorbachov's 'NEP'

A top German member of the Trilateral Commission says he sees parallels to Lenin's New Economic Policy of the 1920s in Gorbachov's present economic policy.

In an exclusive interview with *Deutsche Volkszeitung*, a newspaper controlled by the German Communist Party, Otto Wolff von Amerongen, a leading figure in Germany's industrialists' association, stated that if German trade with the Warsaw Pact is to remain stable, it would have to be "put on a higher technology level."

Amerongen especially welcomes Gorbachov's decree on joint ventures with Western firms as showing certain parallels to "the 1920s, when there was something similar. I welcome the fact that certain forms of economic cooperation are being revived now that were already introduced under Lenin."

However, to achieve a new level of German-Soviet cooperation, Amerongen said, the two countries cannot simply repeat the forms of cooperation that followed the 1922 Rapallo Treaty. "We have to find forms dif-

ferent from those which were introduced after Rapallo then. . . ." He was not more specific.

The Debt

Launch counterattack on Vatican policy

Catholic and Protestant groups of various stripes are leaping to the defense of the International Monetary Fund, organizing opposition to the recent *Justitia et Pax* Vatican commission report on Third World debt. An "Ethics and Economy" group has been established in Göttingen, West Germany, composed of leading economists and professors, who are planning a conference in September 1987 to oppose the Vatican report, and the general philosophy of Joseph Cardinal Ratzinger that economics must above all be a "moral" science.

One influential in these circles told *EIR*: "Ratzinger's attacks on Adam Smith and the free economy were a mistake. We've been engaging him since in a learning process. . . . I doubt the Vatican really understands the IMF problem. To us, the most moral idea is to change the economic order of the debtor countries."

The Catholic side is typified by West German-based Dominican Father Streithofen. "I've been reviewing the Jan. 27 Vatican document on debt, and I think it's a little crazy," he told *EIR*.

German, Austrian, and Swiss Dominicans are involved, as are the Institute for the German Economy in Cologne; the Konrad Adenauer Foundation near Bonn; and various economists, social scientists, and theologians. "We also work with the group of William Simon and Michael Novak at the American Enterprise Institute" in Washington, said one source.

Among Protestant (Lutheran) circles, the key inspiration is Prelate Binder of Bonn, who has set up a "working group on ethics and economics" in the Ministry of Economic Affairs, and who is working very closely with the number-two man at the Ministry, Dr. Schlect. Binder wants to counter "at-

tacks on our economic system by members of the Church, who don't understand our system."

Industry

Japanese steel giant in major cutbacks

The world's largest steelmaker, Nippon Steel Corp. of Japan, revealed Feb. 13 a severe "rationalization" plan, which will shut down five blast furnaces and cut back 19,000 employees over four years, the *Japan Times* reported Feb. 14.

Nippon Steel executives, who adopted the plan at an emergency board meeting Feb. 12, said the plan will enable the company to ensure a high level of competitiveness on the world market by 1990, if the yen remains at 150 to the dollar. The plan will cut operating costs by 25%. However, the plan will devastate the company's workforce of 65,000 and the economies of several parts of Japan.

Nippon now operates only 12 blast furnaces. Output will be lowered to 24 million tons by 1990, as compared to 27.98 million tons in 1985. Shutting down the five furnaces will reduce the company's crude steel production capacity by 10 million tons from its current 34 million ton capacity.

Nippon executives estimated that Japan's annual steel output in 1990 will be 89-90 million tons, compared with 96 million tons this fiscal year.

Some 6,000 workers will be transferred to non-steelmaking divisions of Nippon Steel, and some 9,000 are expected to leave the company due to retirement or "personal" reasons. The remaining workers will be retrained so they can find other work.

Leaders of Nippon's trade union in Kamashi, where the furnace is to be shut down, told the *Japan Times* that the company plan is "totally unacceptable." Some 2,300 subcontractors at the mill also face job loss. Some 14,000 of the city's 59,000 population are directly or indirectly dependent on the plant for a living.

The U.S. Budget

Plan to ease Gramm-Rudman

House Budget Committee chairman William Gray is leaning toward support of a plan to ease the Gramm-Rudman mandate that the deficit be reduced to \$108 billion in the next fiscal year, UPI quoted a source close to Gray Feb. 23.

The source said it was a "good possibility" that Gray would join Rep. Willis Gradison (R-Ohio) in asking legislators to discard the \$108 billion goal, working to lop between \$36 billion and \$40 billion from the budget for the year beginning Oct. 1.

Senate Budget Committee chairman Lawton Chiles told a news conference, "I have never felt that there was a magic in \$108 billion. It's a great target. I wish there was some way we could get there."

Space

Soviets scientists visit India

A team of top Soviet scientists, led by Soviet Academy of Sciences President G.A. Marchuk, was scheduled to arrive in New Delhi Feb. 23 for a 10-day visit, the *Hindustan Times* reported Feb. 19. The team will meet with the Indian Planning Commission and other groups. Two top space scientists, Valentin Koptuyug and Roald Sagdeev, are part of the 17-member delegation.

Discussions will focus on a proposal for an international center for space research in India. The research center was proposed by Soviet General Secretary Mikhail Gorbachov during his November visit to New Delhi.

Areas of cooperation to be discussed include biotechnology, lasers, cryogenic technology, power, computer technology, and micro-electronics. Joint commercial development and exploitation of new technologies are on the agenda. The long-term program will involve thousands of scientists. Details are to be finalized in May.

Briefly

● **JAPAN** bought half the total free world production of gold in 1986. Japanese imports for the year reached a record 608 tons, more than three times the previous record of 197 tons in 1985. The Japanese say it is for a commemorative Emperor Hirohito coin, but certain analysts speculate that Japan may be building its central bank reserves.

● **ED KOCH**, the mayor of New York, came out against a City Council resolution declaring AIDS a communicable disease. "AIDS is a terrible disease for those who suffer from it, but labeling AIDS as a communicable disease might only make their suffering worse," said Koch. "In the normal sense of the word, AIDS isn't communicable."

● **SALOMON BROTHERS** partner Thomas Enders, former assistant secretary of state for inter-American affairs, dined with one of Mexico's top drug-bankers during his visit to Mexico in mid-February. Arcadio Valenzuela, investment manager for jailed drug-runner Rafael Caro Quintero, was among the "honored" guests at a dinner in Enders' honor.

● **THE INTERNATIONAL** Coffee Council opened a week-long meeting in London Feb. 22 to discuss the introduction of export quotas. The price of coffee continues to fall steeply.

● **BIOTECHNOLOGY** is a "top priority" in the Comecon's "comprehensive program of scientific and technical progress through the year 2000," says the latest issue of the Soviet monthly *International Affairs* (No. 1, 1987).

● **HOUSTON** jail inmates are testing positive for AIDS at a rate near 40%, according to the results of testing conducted on nearly 400 prisoners. The prisoners were all volunteers, who may therefore have had reason to think they had the virus. Nothing is currently being done to isolate them from other inmates.