Business Briefs

Trade

Japanese suggest improvements to U.S.

Japanese trade negotiators have submitted over 80 suggestions to the United States, including suggestions to outlaw junk bonds and build infrastructure, to solve the chronic trade deficit the U.S. runs with Japan. The proposals were leaked to the press after over 200 U.S. suggestions—along the lines that Japan increase its consumer spending—were leaked to the press.

The Japanese suggested that the U.S. should limit the amount of credit cards any single individual is issued, eliminate the tax credit for home ownership, and impose a steep tax on gasoline, in order to rein in rampant consumerism and boost savings. They suggested that high-speed trains be built to replace travel by individual automobiles, that the U.S. educational system be rehabilitated, and that business colleges stress production management, not finances.

A senior Japanese official responded to U.S. criticism of the Japanese suggestions by telling the *New York Times*, "Is this a recipe for political suicide? Maybe it is. But you should see America's ideas for Japan."

War On Drugs

Scientist demands more R&D funds for drug war

Los Alamos National Laboratory scientist Dr. John Immele, director of the Conventional Defense Technology division, told a hearing of the Senate Judiciary Committee on March 20 that the national weapons laboratories' technology base is underutilized in developing war on drugs technology and that more R&D funding is needed.

Of \$6.7 billion anti-drug funds, only about .66% will be devoted to research and development, while in areas such as national defense, economic competitiveness, and environment, 5-10% of the overall resource is customarily

spent on R&D. "The drug war should be no exception, because science and technology can make an important difference," Immele stressed.

Immele said an unmanned, inexpensive radar to fill the gaps in coverage by other systems, such as the aerostats, or blimps used by the Customs Service, could be completed by Los Alamos within a year; a laser radar (LI-DAR) to detect drug laboratories from aircraft, and biochemical methods to detect trace quantities of cocaine, heroin, and other illegal drugs in cargo containers, could be developed within one to three years; and detection techniques for use at longer ranges and adapted to the next generation of drugs, antibodies specific to coca and opiates to detect and neutralize psychoactive products, and increased productivity of legitimate Third World crops through higher legume production and nitrogen efficiency, could be developed in the long-term.

Immele said that long-term R&D "carries the dual burden of less immediate utility, and greater total project cost than that for near- and mid-term efforts," but that proposed long-term efforts create new infrastructure and are necessary to "create and maintain the capability to respond to tough technological challenges in the future."

Health

Gap between blacks and whites in U.S. widens

The health gap between blacks and whites in the United States is widening, according to the 14th annual report of health conditions in the U.S. entitled "Health United States 1989," issued by the Department of Health and Human Services.

The life expectancy of whites is 75.5 years and rising, that of blacks is 69.5 and declining. While infant mortality is still declining, the rate of decline has dropped off in recent years. In 1987, there were 8.6 deaths per 1,000 live births of white children, while the black infant mortality rate was over twice as high, at 17.9 per 1,000.

Health and Human Services Secretary Dr.

Louis Sullivan, who presented the figures on March 22, emphasized the role of changing "patterns of life" like smoking, seat belt use, curbing violence, and good nutrition.

The importance of socio-economic conditions such as the cost or availability of medical care and diet was suggested by the report: Regardless of age, education, or marital status of the mother and whether or not she had prenatal care in early pregnancy, black mothers were twice as likely to have babies of low birthweight.

Space Technology

Scientists: Use space technology for economy

Dr. Valery Barsakov, of the Vernadsky Institute of Geochemistry and Analytical Chemistry in the Soviet Union who has worked on planetary exploration, recommended that the entire Soviet economy be upgraded to a par with the Soviet space program, on Radio Moscow March 21.

Dr. Barsakov stressed that it should be kept in mind that space is "one of the few areas in which Soviet technological standards are among the highest in the world." By comparison, the "general standards" of the Soviet economy are quite low, Barsakov noted. "We should not bring the space program down to the general standards of the overall economy, but should bring the general standards up to those of our aerospace."

A scientist from the Space Research Institute backed this assessment, and stressed the "future dividends of space activity." Boris Rauschenbach of the Moscow Physical-Technical Institute said that critics of the space program ignore the fact that the Soviets lead in many areas of space work, particularly induration of space flights. It would be harder to regain leadership than to simply maintaining it, he said. He noted the irony that weakening the Soviet space program could undermine disarmament talks and jeopardize peace, since space satellites are needed to verify the INF accord.

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Political Economy

French President scores free-market economics

French President François Mitterrand attacked the liberal free market policies which dominate Margaret Thatcher's Britain and the United States

In an interview with French television March 25, Mitterrand pointed to the disastrous consequences of these policies in both countries. "Laissez-faire liberalism has exhausted itself," he said. "I don't want to upset the British government, but it is clear how the ultrafree market experiment of Great Britain is falling apart. In addition, look at the United States. There are 50 million poor people. It is obvious that the difference has become too great within these societies between rich and poor, such that you have a rich society and a poor society within the same country. This all justifies my conviction that while communism is collapsing, economic liberalism is fully exhausted. It is therefore urgent to correct the effects of free market economics. We are talking about mixed economies."

Research and Development

U.S. may have to import key future technologies

The United States may have to import crucial future technology such as superconducting technology, according to the Council on Superconductivity for American Competitiveness, *Washington Technology* reported based on a council media briefing held on March 19.

Former White House Science Adviser George Keyworth warned that by the year 2000 the U.S. is likely to have superconducting magnetically levitated trains, but "The problem is, are we going to buy it all from abroad?"

On March 21, the council testified before the Senate Commerce Committee in support of a bill by Sen. Ernest Hollings (D-S.C.) which would provide \$50 million in 1991 and 1992 for matching government-private research funds, and set up a federal high-speed ground transportation office. The West German technology under consideration for a "maglev" system and manufacturing facility in Pittsburgh is a first-generation system using conventional copper magnets. The technology under development in Japan, pioneered in the 1970s in the U.S., uses more efficient superconducting magnets, and should be commercial in about ten years.

Environment

Biomass burning worse than industrial pollution

Industry is the answer to pollution in Africa where over 5 million square kilometers of grassland is burnt every year, releasing more than 6.9 billion tons of CO₂ into the atmosphere, 2 billion tons more than all industrial sources of CO₂, according to Robert Delmas, professor at the University Paul Sabatier in France, and leader of the French expedition that has been studying biomass burning in Africa for the past three years.

Delmas's conclusions were presented at the American Geophysical Union conference on biomass burning in Williamsburg, Virginia on March 20.

Delmas said that when his team arrived in Africa three years ago, they were expecting to find a "pristine" environment, and instead found a continent covered with dense smoke clouds. The major source of the smoke, the expedition documented, was from the burning of grasslands due to primitive slash and burn agriculture and the burning of biomass as fuel.

Delmas explained that with the exception of Nigeria, an oil producer, most countries in Africa consume 90% of their energy from biomass burning. The average African consumes about 800 kilograms of wood a year, the equivalent of 83 kilograms of charcoal, a completely insignificant amount compared to advanced sector standards. Delmas said that the financial condition of African countries has made it impossible for them to import oil or tractors, the obvious solution to the problem.

Briefly

- SOVIET oil and coal production fell dramatically in 1989, the U.S. Department of Energy reported. Petroleum production dropped 300,000 barrels per day, and coal production fell 32 million metric tons below 1988 levels, despite investment in fossil fuels more than 2.25 times higher than investments in science, art and culture, and education combined.
- LARGE BRITISH holdings in the United States are being dumped, including almost \$6 billion in 1989, reported the March 22 London *Times*. "Part of this pull-out from the expensive American market [is] to concentrate in Europe," and the trend is expected to accelerate in 1990.
- A SOVIET delegation will visit Japan from April 15-28 to study the role of the Japanese government in spurring scientific research and finetuning the economy, a Soviet embassy official in Tokyo announced March 22. "We are very interested in Japan's postwar economic experience," he said. "That we are sending a high-level mission should speak for itself."
- NEW MACHINE tool orders for February in the U.S. were down 31.0% from 1989, the Association for Manufacturing Technology reported. The order backlog now stands at \$1.705 billion, compared to \$2.323 billion a year ago.
- THE PHILIPPINE government of Cory Aquino is stalling on price increases on oil, gasoline, and other commodities as demanded by the International Monetary Fund because of coup rumors, according to Philippine sources.
- THE SOVIET UNION wants to cut energy exports to Hungary by one-third, while also reducing imports of mechanical engineering products, the London *Times* reported March 21. The squeeze would force a 60% decline in that sector, leaving 200,000 unemployed.

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