

## Bernanke coaxes market rebound

By Patrice Hill  
THE WASHINGTON TIMES

Stocks rallied moderately yesterday, helped by assurances from Federal Reserve Chairman Ben S. Bernanke that the economy remains solid and could strengthen later this year despite a warning from his predecessor about the possibility of recession.

Mr. Bernanke, calmly and deliberately confronting his first major market test since taking

### Dow rallies; foreign losses persist

office a year ago, appeared to pass as Wall Street regained composure from the drubbing Tuesday that sent the Dow Jones Industrial Average plummeting 416 points.

The Dow, in posting a 52-point gain yesterday, also shrugged off fresh evidence of weak economic growth and the biggest plunge in new-home

sales in 13 years. Major markets in Europe and Asia did not fare so well and posted further losses.

"We are looking for moderate growth in the U.S. economy going forward," Mr. Bernanke told the House Budget Committee. "There has been no material change in our expectations for the U.S. economy since I last

reported to Congress" in an optimistic assessment two weeks ago.

Mr. Bernanke added that the markets continue to function well. Although he is "concerned" about a meltdown in the subprime mortgage market, and the Fed is monitoring the situation "very carefully," he said he doesn't see any impact

on the broader credit markets or the economy. He said he thinks interest rates overall remain low and credit conditions remain liquid for both consumers and investors.

"It's a concern, but at this point we don't see it as being a broad financial concern or a major factor in assessing the course of the economy."

Assuming the subprime credit crunch stays contained

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## GE machines used to break law



Mary F. Calvert/The Washington Times

**PICTURE IMPERFECT:** A woman in New Delhi showed an ultrasound image of a fetus. In India, doctors using ultrasound machines are required to fill out forms stating the reason for the procedure, which is allowed in the case of an abnormal pregnancy.

### Misuse of many ultrasound devices goes unchecked

By Julia Duin  
THE WASHINGTON TIMES

*Last of four parts*  
"A single death is a tragedy; a million deaths is a statistic." — Josef Stalin

**BANGALORE, India** — The streets are cleaner here in the country's tech capital of Bangalore than elsewhere in India; still, squalor surrounds the modern glass-walled offices of dozens of American and European corporations.

Security guards pursue anyone wishing to linger by the gates of General Electric's

walled-off compound in the exclusive Whitefields suburb east of town. In 1990, the giant American multinational teamed up with Wipro Ltd., a Bangalore software provider, to manufacture and distribute a low-cost ultrasound machine.

Why ultrasound machines? GE spokesmen have repeatedly refused to comment on the matter, but by 2000, according to www.gehealthcare.com, Wipro-GE had shipped out 6,500 of the machines in India. Wipro's Web site, www.wiprocorporate.com, claims it pioneered the manufacture of ultrasound equipment

for India.

GE's latest portable machine is the Logiq 100 model. Its American equivalent, the Logiq Book XP, sells for \$16,900 new or \$11,000 refurbished, according to the sales department at National Ultrasound, an American distributor based in Duluth, Ga.

Indian activists who oppose the widespread abortion of female fetuses say GE is among a handful of companies that manufacture the machines for the Indian market.

Under Indian law, doctors operating ultrasound machines



must fill out forms showing the reason for each procedure, which is permitted only in the case of an abnormal pregnancy. But the government can only monitor the 25,770 machines that have been officially registered.

The actual number of ma-

## McCain rejects CPAC invite

### '08 candidate 'dissed' right

By Ralph Z. Hallow  
THE WASHINGTON TIMES

Sen. John McCain is the only major Republican presidential candidate who will not address the nation's premier gathering of conservatives this year.

Sponsors of the Conservative Political Action Conference, which begins today in Washington and brings together thousands of conservative leaders and grass-roots activists, say the Arizona Republican has "dissed" organizers by attempting to schedule a private reception for attendees after rejecting invitations to speak at the event.

"It was a classical McCain move, dissing us by going behind our backs," said William J. Lauderback, executive vice president of the American Conservative Union.

Convening through Saturday at a sold-out Omni Shoreham Hotel, the 34th annual CPAC will feature personal appearances and nationally televised speeches by every Republican presidential hopeful except Mr. McCain, said David A. Keene, chairman of the ACU, which, along with Young America's Foundation and Human Events, is a principal sponsor of CPAC.

Conservative activists have speculated that Mr. McCain did not want to be seen on television "pandering" to Republican "right-wingers" but wanted to

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Associated Press

**NO NUKES:** South Koreans protested in Seoul yesterday against North Korea's nuclear program.

## N. Korea, U.S. talks 'just a first step'

### 'Immediate results' ruled out

By Nicholas Kralev  
THE WASHINGTON TIMES

The State Department yesterday ruled out "immediate results" from U.S.-North Korea talks on establishing full diplomatic relations, which officials said will take place on Monday and Tuesday in New York.

U.S. intelligence officials, meanwhile, said the North has taken preliminary steps to shut down its main nuclear reactor, as required by a Feb. 13 agreement under which it would scrap its atomic programs in exchange for about \$300 million in aid.

The deal, signed in Beijing by the United States, North and South Korea, China, Japan and Russia, also calls for a "working group" to begin work on several bilateral issues — including diplomatic relations — within the next two weeks.

State Department spokesman Sean McCormack yesterday confirmed a report in The Washington Times that the normalization of relations would figure prominently in the New York talks.

"I would caution you that this meeting is just a first step; it's an initial conversation," he said. "Don't look at it as a meeting that is going to produce immediate results. Nobody is going to come out the front door and wave a piece of paper with some agreement on it."

The talks will be conducted

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