

Business Briefs

Biological Holocaust

Brazil is running out of TB medicine

By the end of August, Brazil will have exhausted its reserves of tuberculosis medication, as a result of its economic crisis, according to a report in the newspaper *O Globo* July 23. The country still has 32 million pills or injections, for 120,000 patients. Officials estimate that 6,000 patients who began treatment this year will be left without medicine.

TB causes 5,800 deaths per year in Brazil. Without treatment, 50% of the patients are expected to die in two years, 25% will remain in a chronic state of illness, and 25% will recover on their own.

Imports have been blocked since last year because of exchange controls, and medicines have already run out in many localities. People are refusing to go to the main TB hospital in Rio de Janeiro, Santa Maria Hospital, because conditions are so bad that 11% of patients die.

In 1979, Brazil spent \$100 million to cure 55% of the TB cases which were treated. Today, it spends \$67 million, of which \$10 million is for medicine, to cure 97% of those who complete the six-month treatment.

Health

OSHA demands worker protection against AIDS

The U.S. Labor Department's Occupational Health and Safety Administration (OSHA) will soon begin penalizing health care employers who fail to protect workers from exposure to AIDS and other blood-borne diseases, the *Washington Post* reported on July 23.

The decision means that the federal government will begin subjecting hospitals and other medical facilities to legal sanctions, such as fines, for failing to enact safeguards protecting workers against transmission of AIDS. OSHA, however, has decided not to issue new safety standards for AIDS and hepatitis B, but to use existing federal rules.

"We believe we need to begin enforcing our existing guidelines," said an unnamed Labor Department source. "We don't think that [adherence to] the guidelines by employers is consistent enough."

Real Estate

Tax reform bill worsens S&L crisis

Collapsing U.S. real-estate values because of the Reagan administration's 1986 tax reform are worsening the disastrous losses of savings and loan institutions, according to analysts at the Federal Home Loan Board Bank.

"The tax reform act is having its consequences in the real-estate market. There are a lot of foreclosures of commercial property, and a lot of developers are walking away from deals after the tax advantages that motivated the deals ceased to exist. So the S&Ls are taking a lot of property back," said one analyst. Losses have increased from 4.2% to 6.2% of S&L mortgage portfolios over the year to May 1987.

The tax reform bill eliminated the tax benefits which had prompted the building boom of 1981-87, which led to a 25% oversupply of urban office space in the United States.

International Trade

'Pasta war' looms between U.S., Europe

The European Community on July 20 rejected as "completely unacceptable" a U.S. demand for large cuts in pasta export subsidies, raising the prospect of a transatlantic "pasta war" beginning in August, UPI reports.

If the United States imposes sanctions on European pasta imports on Aug. 1, then the EC would retaliate with "mirror measures." The EC position was stated by officials after the July 17-18 ministerial meeting in Copenhagen, which U.S. Agriculture Secretary Richard Lyng attended, along with the outgoing Undersecretary Daniel Am-

stutz (formerly of the Cargill grain cartel), who talked tough about protectionist measures.

On July 22, the U.S. Senate approved a protectionist trade bill, which would force the President to retaliate against other countries' "unfair practices."

Industry

Europe will slash its steel production

The European Commission on July 21 approved a \$7 billion, three-year plan to cut Western European steel capacity by 30 million tons. The program proposes that member-countries maintain production quotas on the most common steel products, shut down a number of large mills, and cut 80,000 jobs. The plan will be submitted to the member governments for consideration in September.

Several thousand West German steel workers demonstrated the following day against the measure. In the Saarland cities of Dillingen and Voelklingen, which have an official unemployment rate of 18-19%, several thousand steel workers called on the Bonn government to secure jobs for the Saar Steel Corporation, and to resist the European Community's quota for closures of steel plants.

Also 4,000 workers of Maxhuette Steel in eastern Bavaria took to the streets, demanding job security through joint emergency action by the Bavarian state government in Munich and the federal government. Maxhuette Steel has filed the equivalent of Chapter 11 bankruptcy, and there are plans to lay off 3,000 of the 4,500 workers employed at the plant.

AIDS

Colorado meatpacking firm will test workers

The Montford Meatpacking company of Colorado, owned by Conagra, Inc., has announced that it will test all prospective employees for AIDS. President Ken Montford