

Business Briefs

Medicine

Malpractice rates hit obstetricians hard

Skyrocketing malpractice insurance rates and the fear of being sued are forcing large numbers of doctors to give up delivering babies throughout the United States, according to an Institute of Medicine conference in Washington D.C. "Multiple counties or entire regions of some states report having just one or two doctors to deliver babies," said Health and Human Services Secretary Otis Bowen, during his keynote speech at the conference June 20.

According to Bowen, malpractice rates have risen more rapidly for obstetricians than for any other specialty. The average premium rose from \$11,000 in 1982 to more than \$37,000 in 1987. In Florida, the annual premium for an obstetrician was \$152,900 in 1987.

High insurance costs, and the fear of being sued, have resulted in 12% of obstetricians in the country stopping delivery of babies, while 27% now limit their practice to high-risk pregnancies most in need of a physician's care.

AIDS

Alarming increase in deaths of young women

"Alarming increases in deaths of young women from respiratory and other infections in the District of Columbia and other urban areas of high AIDS prevalence suggest many more women are dying of AIDS-related illnesses than data indicate," the *Washington Times* reported June 20, citing a report in the July issue of *Ms.* magazine.

The AIDS-related "deaths of women may be significantly undercounted because many do not survive long enough to develop or be diagnosed as having the 'full-blown' AIDS used for official case counts," wrote Ms. Chris Norwood, chairwoman of the AIDS Committee of the National Women's Health Network, who authored the *Ms.* report.

The percentage increase in flu and pneumonia deaths between 1981 and 1986 in New

York City was 154%, while in Connecticut, the increase was 133%, followed by the District of Columbia, with 125%, Maryland with 57%, and New Jersey with 38%.

"When you start to see deaths going up like that in women who are supposed to be in their healthiest years, you really have to ask what's going on," said Dr. Iris Davis, AIDS outpatient coordinator at Woodhull Hospital in Brooklyn, N.Y. "There's so much [AIDS] associated disease we're not monitoring."

Precious Metals

Gold price rises despite supply rise

Despite a remarkable increase of supplies on world markets, the price of gold has remained remarkably stable and steadily increased. This is the conclusion of a feature analysis in the June 20 *Neue Zürcher Zeitung*.

The newspaper stresses that the gold price has moved upward despite the fact that free world gold production has increased more than 43% since 1980, from 959 to 1,373 tons in 1987, including a North American increase from 129 to 275 tons.

The Swiss financial daily points out that despite this and unprecedented "gold loan" sales of bank gold onto markets, prices have increased steadily, aided by significant buying from Japan, South Korea, and Taiwan.

The obvious inference is that governments as well as private investors are willing to pay whatever the market is asking for the precious metal, as a hedge against volatile financial markets.

East Bloc

U.S.S.R. rife with poverty, drug-addiction

More than half of the Soviet Union's population lives below the poverty line, the Soviet newspaper *Sotsialisticheskaya Industriya* reported June 1. The paper cited retired people, young couples with children, families in which fathers earn little money, and

single mothers as the most common victims of poverty.

At the same time, "drug addiction has skyrocketed," reports *Komsomolskaya Pravda*. According to figures given by Soviet Health Minister Chazov in an interview with the Communist youth daily, 22% of all students in professional schools and 15% of all university students have used drugs.

Dope, Inc.

Marijuana crop up, arrests way down

Marijuana grown in the United States in 1987 was worth \$33.1 billion, according to the newsletter of the National Organization for the Reform of Marijuana Laws (NORML). This represents a 50% increase over the government estimate for 1986.

NORML released the figures at its 18th annual conference, whose featured speaker was Ron Paul, a former congressman now running for President on the Libertarian ticket.

The states harvesting the greatest quantity of marijuana are Arkansas, California, Georgia, Hawaii, Kentucky, Missouri, North Carolina, Oregon, Tennessee, and Washington, with over \$1 billion each.

By comparison, the total receipts of the farm sector, encompassing every other crop produced, were \$142 billion in 1983, and have not changed much since.

In short, marijuana is by far the single largest cash crop in the country, and is the most important cash crop in quite a number of states.

At the same time, marijuana arrests in the United States are at their lowest level since the drug was declared illegal 50 years ago, falling by 20% from 1986 to 1987.

Foreign Aid

Industrial nations cut Third World programs

Every industrialized nation except Japan has cut their aid programs to Third World coun-

tries during the course of 1987. Japan, on the other hand, actually increased its Third World aid significantly over the 1986 level.

The aid cuts are documented in a new report published by the Organization for Economic Cooperation and Development (OECD). Some of the cuts documented by the report are:

- The U.S. government cut its Third World aid programs by a whopping 10%.

Trade

Houston port posts record grain exports

Port of Houston grain exports—mainly to Russia—are way up, according to figures just released.

Exports of grain from the port were up 225% for the first five months of 1988 compared to the same period in 1987. Shipments through the one public and four private grain elevators on the Houston ship channel totaled 3.9 million tons from January to May 1988. During the same period in 1987, total shipments came to 1.2 million tons.

"Most of the elevators have surpassed the business they did in all of 1987," said a port spokesman.

The increase was attributed to a major grain sale to the Soviet Union, and U.S. government programs making U.S. grain competitive overseas.

Markets

Rohatyn ponders next big crash

Felix Rohatyn of Lazard Frères, architect of the looting of New York City under his 'Big MAC' (Municipal Assistance Corporation) scheme, seems unnerved by the idea that another, bigger crash is just around the corner. He rethinks some of the policies he has advocated in the past in a commentary appearing in the *Wall Street Journal* June 24.

Nine months after the crash, he writes, the question remains what to do, and unfortunately, the answer has been nothing. "Since it is obvious that no meaningful action will

be taken before the next market crisis," he suggests certain remedies when the time comes.

"This [crash] . . . is the result of excessive speculation, excessive use of credit, and inadequate regulation." Changing such behavior requires: 1) imposing a 50% tax on the profit of securities held for less than a year. 2) sharply limiting the type and proportion of speculative investments held by federally insured institutions.

"After all," he concludes, "at the very least, we should be ready to take action after the next shock to the system. Such a shock could well be more far-reaching than the last one."

European Community

10% of German auto workforce to lose jobs

About 10% of West German auto workers will have lost their jobs by 1992, a series of studies done for the auto industry in Germany predicts.

On June 21, Volkswagen director Werner Schmidt stated that Europe's market for cars will shrink by 10-15% in the early 1990s, implying that the workforce will be reduced by roughly the same percentage. The management of Opel was the first to present concrete figures, announcing June 22 that, of the company's 53,000 current employees, 6,500 will be gone by 1992.

Most of the studies have been done by McKinsey Corp., a consulting firm which is known for its "streamlining" recommendations to industry management.

However, an independent study compiled by the German Metal Workers Federation anticipates the loss of 30,000 jobs in the auto industry in the Stuttgart area alone during the early 1990s.

- The West German government cut its aid program by close to 7%.

- Assistance programs for Third World countries by private institutions (banks, etc.) dropped by 14% in 1987. This is about the amount by which West German banks, for example, reduced their "financial risk" in Third World countries (one-sixth) in the past year.

By contrast, Japan's government increased its aid to Third World countries by 13.5%.

Briefly

- **AUSTRALIAN** physicians in significant number are engaged in "mercy killing," according to the *China Daily* June 21. Two thousand of Australia's 35,000 physicians were polled by mail by Prof. Peter Singer of Monash University. Of the 869 who replied, 62% favored "active euthanasia." Over 350 doctors said they had been asked to "bring about" patient's deaths, and 107 said they did so, 80 more than once.

- **PERU** has devalued its national currency, the inti, by about 50%. The new exchange system, announced June 17, follows a similar increase in interest rates charged to and by banks.

- **THE U.S. STATE** Department is using "gangster tactics" to prevent Japan from increasing trade ties to South Africa as the U.S. "disinvests." According to well-placed South African sources, the Japanese filmmaker Fuji was angered at a State Department threat of a 100% import tariff on U.S. film sales, if it attempts to replace Kodak, which disinvested from South Africa recently. Japan is South Africa's largest trade partner.

- **LIBYA** is now China's fourth-largest source of foreign investment, *China Daily* reported June 19. Far and away the most foreign investment comes from Hong Kong, which invested \$599.26 million, followed by the United States, \$41.93 million; Japan, \$41.66 million; Libya, \$14.3 million; and West Germany, \$11.01 million.

- **LEGISLATION** against some blatant forms of euthanasia has been introduced by seven New Jersey state legislators. Assemblymen Felice, Villane, Littell, Deverin, Otlowski, Kavanaugh, and Foy's Assembly Bill No. 3084 provides, "Food, water, nourishment, and hydration administered either orally or artificially shall be provided to all patients and shall not be withheld or withdrawn if the withholding or withdrawal would cause death by starvation or dehydration."