small grains crops.

Farmers from France, Denmark, and West Germany spoke on the food crisis in Western Europe. Fritz Hermann, National Board member of the Danish Agriculture Association, reported that in Denmark, one-tenth of all farmers will be forced off the land this year, and another 10% next year. From West Germany, Frido Peper, vice president of the Charolais Breeders Association, reported that a full two-thirds of the German farm population has been dispossessed or soon will be, because of EC food reduction policies. Christian Procquez, chairman of the French Federation of Agriculture for the Marne region, stressed that the fundamental "right of the nation to feed itself" is at stake.

From Ibero-America, two speakers gave stark reports on Colombia and Mexico. Carlos Macías, from the board of the La Laguna Regional Cattlemen's Association in Mexico, reported on the devastation to livestock and feed, especially because of the lack of infrastructure. Dr. Adriano Quintana Silva, president of the Colombian Cereal Producers Federation, reported on how Colombia's agriculture potential has been impeded by cartel food dumping, while the drug trade has been a source of "violence and ruin" in the countryside.

Many other reports were given, and the cap on the global summary was provided by John Neill, a farmer and businessman from New Zealand, who stated that 20,000 of his nation's 60,000 farmers would be out of operation in the next year. Traditionally self-sufficient in grain and a large exporter of sheepmeat and dairy products, New Zealand will soon be dependent on grain imports for over 75% of its needs. All of this is the result of deliberate government, and International Monetary Fund, policies.

An in-depth report on the role of GATT and the policy influence of the Trilateral Commission and food cartel was presented by West German Uwe Friesecke of the Schiller Institute Agriculture Commission. His fellow panelist, Dr. Fred Wills, former Minister of Foreign Affairs of Guyana, ridiculed the euphemisms of the IMF circles, who say, for example, there are problems today of "condensed demand," when they are referring to "starvation."

The editor of the pro-nuclear science magazine, *21st Century Science and Technology,* Carol White, led a panel of presentations on what can be done to reverse the collapse and provide abundant food. Dr. Martin Welt, a pioneer in food irradiation, spoke of the huge gains possible in food storage and preservation through food irradiation technologies. Dr. Frank Salisbury, plant physiologist from Utah State University, showed the huge potential of plant production in controlled environments, which he researches in order to determine how to produce crops on the Moon.

A press conference in Washington, D.C. was held Sept. 9 at the U.S. Department of Agriculture to announce the formation of "Food for Peace." The group will actively campaign for agriculture policy change in all OECD member states, and in most Third World nations.

Peru plunges into drug-dollar 'shock'

by Mark Sonnenblick

On Sept. 6, Economics Minister Abel Salinas proclaimed President Alan García's long-expected repudiation of his attempt to hasten Peru's development in a world going crazy with monetarism. Peru's new "orthodox shock" program should warm the hearts of the International Monetary Fund and other ideologues of neo-liberalism. But, the productive economy will be eradicated, leaving nothing standing except a thriving cocaine export sector. Brutal gutting of living standards will bring social upheaval which will undermine republican government and virtually hand the country over to the barbaric Shining Path narco-terrorists.

Salinas expounded a drastic package of monetarist and Schachtian measures. The pretext is to fight inflation and save dollars. "This is the hour of austerity and discipline," Salinas said.

The Peru package dismantles existing dirigist measures which promoted productive activities and tried to limit speculation. From now on, the entire economy will be keyed to the "free market" rate at which dollars brought in from booming cocaine exports are exchanged for the Peruvian inti. The inti was devalued to 250 to the dollar, which means it will cost eight times as much to pay for vital imports of food and medicine. The burden will be borne by consumers. The government quadrupled the price of gasoline to $1 a gallon. Pasta increased 250%, bread 171%, powdered milk 100%, rice 140%. Other prices will double or quadruple during the next 10 days, and then will be frozen for 120 days.

To fool labor, the minimum wage will rise by 150% and wages for other workers will go up $36 a month. These increases barely compensate for the 50% reduction in real wages since the last pay boost in July. That means living standards of wage earners will be frozen for the next four months at approximately one-quarter of what they were during the first two years of the García government.

As the implementation of the package approached, store shelves went bare as consumers and merchants hoarded goods before prices soared. On Sept. 6, police used tear gas and riot clubs to repulse hundreds of people who began looting stores near Lima's main market. The government reminded the people that a state of emergency, permitting deployment of army troops against civilians, was in effect. After the announcement, Lima was paralyzed—stores closed and buses stopped running. The unions are expected to go on general strike.

The hope generated by the upswing in production and living standards García generated after taking office in 1985, when he limited payments on the foreign debt permitted Peru to contain and roll back the Shining Path terrorists. As García lost courage in his fight to smash his nation's enemies, Shining Path has gained much ground. His Sept. 6 declaration of war against the Peruvian people is a surrender of the minds and hearts of his people to the narco-terrorists.

'Bolivian shock' for Peru

Senate President Romualdo Biaggi revealed that the shock policy had been inspired by Harvard economics professor Jeffrey Sachs. Sachs is touted for prescribing the 1985 Bolivian economic shock, which succeeded in reducing its hyperinflation to only 66% a year. That's nice. But Sachs threw Bolivia into the worst depression since the 17th century. He left it with an economy in which cocaine trafficking is at least four times the size of the legal economy.

In Bolivia, "free market rationalization" resulted in the firing of two-thirds of the miners at state-run tin mines. That may sound attractive to advocates of private enterprise. But the country's private manufacturing industry was also wiped out, by the decimation of working class buying power, usurious interest rates, the end of subsidies, and much heavier tax burdens.

Bolivia's gross national product has declined every year since the "Bolivian miracle" began. Yet, the area planted in coca bushes has doubled, going from 198,000 hectares in 1985 to 372,000 in 1987. In the theoretical piece Sachs wrote in the *American Economic Review* last year, he says not a word about cocaine. His only mention of the "parallel economy" is to boast that he helped the government tax criminal profits and use the resulting revenues to pay debts.

Peru has gone broke. The central bank reported that foreign exchange reserves were negative $260 million. Peru had to ship $160 million in gold bars to Gerald Metals in Lausanne, Switzerland in early September, to keep open its last trade credit lines with the Latin American Integration Association.

García's chief political adviser, Hugo Otero, gave this explanation for the economic crisis: "The lesson of the past three years is that the international community is not prepared to brook our independent nationalist stance."

Salinas declared, "We must increase our foreign reserves to increase stability and regain credibility in the world of international finance." He implied that Peru would be rewarded by "friendly governments" like the United States, Canada, and Belgium with $300 million in bridge loans to pay arrears to the World Bank and thus re-enter the lost paradise of well-behaved debtors.

If García believes that, he is not only a coward, but a fool. No amount of groveling and genocidal austerity will bring him a pardon from the bankers for the challenge he once posed to international usury.

AIDS in Africa: the want 'cost-effective'

by Jutta Dinkermann

The "Global Program on AIDS Progress Report Number 3" from the World Health Organization, dated May 1988, is a prescription for doing nothing about the spread of AIDS because it generally costs too much for a world with "fixed resources." It may, says the WHO, be more "cost-effective" in many countries for the "the Finance Ministry" to make the decision to let people die, especially if they're poor.

The report reads on page 23:

"Global Program on AIDS [of the World Health Organization] and the World Bank are collaborating in studies of the economic impact of AIDS and in measures to improve planning for the expected caseload. The initial phase of the development of a model for estimating the direct treatment-related costs and the indirect costs from the years of social and economic productivity lost owing to HIV infections and AIDS has been completed in three Central African countries during the first quarter of 1988. Issues addressed include: the projected effect of AIDS on the supplies of essential drugs, *the possibility, that AIDS patients will displace other patients, whose problems could be cured using available therapies*, and the threat posed to a country's development prospects by the years of productivity lost owing to AIDS and other clinical conditions due to HIV." (Emphasis added.)

One of the joint WHO-World Bank studies that is being referred to is entitled, "The Direct and Indirect Costs of HIV Infection in Developing Countries: The Case of Zaire and Tanzania," published on April 8, 1988. This is a cynical piece of paper. Its goal, in its own words, is to be "useful to decision-makers who must choose how much of a limited supply of financial resources to allocate to AIDS prevention and control relative to the prevention and control of other diseases or investment programs in other sectors."

In other words: *It is not the World Bank's or WHO's aim to investigate how to expand the "limited resources," so that everybody who needs help, actually will get it.*

The authors of "The Direct and Indirect Costs" define the direct costs of a disease as the cost of treating those who suffer from it. The indirect cost is the value of the healthy years of life it steals from society. They calculate the direct costs of health care per symptomatic HIV-infected persons in Zaire from a low of $132 to $1,585, the higher figure 12