

Business Briefs

Depression

Eurobanker warns of U.S. 'inflationary recession'

Bank for International Settlements general manager Alexandre Lamfalussy told the Finnish Economic Association on Oct. 15 that the deregulated global financial system now faces the "possibility of an inflationary recession." This, he said, implies that interest rates in especially the U.S. and U.K. will be forced to remain high rather than falling as has happened in previous postwar recessions.

In short, the European central banks—German, Swiss, Austrian, and French—which dominate BIS policy today, are resolved not to destroy their economies in order to bail-out the U.S.

Biophysics

Yale doctor announces major breakthrough

Dr. Richard Edelson, chairman of Yale University's Department of Dermatology, announced the discovery of a new treatment for autoimmune disease, some cancers, and possibly AIDS and other diseases, at a press conference Oct. 22 in New York. The treatment uses portions of the light spectrum that have demonstrated extraordinary success in the treatment of autoimmune diseases.

The new treatment, which has been extensively tested in three autoimmune diseases—cutaneous T-cell lymphoma, scleroderma, and severe rheumatoid arthritis—has had remarkable results. Called photophoresis, the treatment is now being tested for other diseases, including AIDS.

Photophoresis is based on injecting patients with a drug derived from reeds used by ancient Egyptians to treat all kinds of diseases, and then irradiating their blood with ultraviolet light. The drug, 8-methoxypsoralen, becomes activated, and seems to tag deranged cells, at which point the immune system mounts a full-fledged attack on them, eradicating the disease.

The breakthrough has emerged as the best treatment for a family of ailments known as autoimmune diseases, in which the immune system starts attacking the body. Although the original breakthrough was made eight years ago, Dr. Edelson was so astonished at the results, that he decided to keep it secret and test it further.

Dr. Edelson described patients with "incurable" cancers who experienced full recovery with his treatment.

Photophoresis is now being tested on AIDS patients, and although it is still early to tell, results have been encouraging. In laboratory experiments, the drug 8-methoxypsoralen inactivates the AIDS virus when irradiated with ultraviolet light.

Medicine

Lack of sunlight called 'carcinogen'

Lack of sunlight is the leading cause of colon and breast cancer, according to Cedric F. Garland, head of the Epidemiology Department of the University of California at San Diego. For the past ten years, Garland has been studying the causes of colon cancer, and believes he has discovered a direct geographical correlation between latitude, which determines the amount of sunlight received throughout the year, and colon and breast cancer rates.

He found that people in Minnesota are three to four times more likely to develop colon cancer than Americans living in the Southwest. Mortality rates double for breast cancer from 17-19 per 100,000 in the South and Southwest, to 33 per 100,000 in the Northeast. As one approaches the Equator, cases of breast and colon cancer go down to almost zero.

In several scientific papers, Garland has documented the active role of so-called vitamin D in fighting and killing cancer cells, directly and by increasing the ability of the colon to absorb calcium, which breaks down precancerous cells present.

Cedric Garland and his brother Frank Garland also believe that sunscreens may be the leading cause of skin cancer in the United States today. In a recent interview with *EIR*,

Frank Garland pointed out that dermatologists have real problems trying to explain the epidemiology of the enormous increase in skin cancer rates over the past two decades, especially malignant melanoma skin cancer, which accounts for less than 4% of all skin cancers, yet 75% of all fatalities.

Sunscreens are designed to screen out ultraviolet radiation in the middle range, yet are transparent to other radiation. Present theory is that it is sunburn which causes the damage which leads to cancer. So people dab themselves with sunscreens and stay in the sun 10 to 50 times longer than they should, Garland said.

Europe

France, Spain sign pacts with Gorbachov

French President François Mitterrand and Spanish Prime Minister Felipe González signed separate economic cooperation treaties with Mikhail Gorbachov during the Soviet leader's recent European tour. The French-Soviet pact provides for an immediate \$1 billion credit to Moscow, and bilateral cooperation in five areas: nuclear technology, energy, transport, telecommunications, and R&D.

France and the Soviet Union commit themselves to work together in "a network of solidarity" towards a "Common European Home," and toward a "European Confederation," said a joint statement.

The treaty with Spain is broadly modeled on the 20-year Soviet-German economic cooperation treaty due to be signed in Bonn in early November. Spain will extend a \$1.5 billion export credit to the Soviet Union, to finance the purchase of Spanish consumer goods, mostly durables, by the Soviet government and republics.

King Juan Carlos, at a dinner for the Soviet leader, declared that Spain is "ready for economic cooperation with the Soviet Union." Soviet radio went out of its way to stress that "the visit raises Soviet-Spanish relations to a new level."

The U.S.S.R. has already presented Italy

Briefly

with a draft for a long-term economic cooperation treaty, emphasizing "industrial cooperation."

Malthusianism

Population control plan announced by Peru

Peruvian President Alberto Fujimori announced Oct. 23 that his government would shortly implement the long-desired goal of the international malthusian lobby and make use of "effective instruments" to curb population growth and promote family planning. He claimed that current methods of birth control had not succeeded in slowing population growth, and warned that by the year 2000, Peru's population would reach 30 million.

"Traditional methods have not worked, and increasing numbers of women are filling their bellies with unwanted children, for whom they often can't provide care," he said.

Peruvian Bishop Luis Bambaren of Chimbote responded to Fujimori's announcement with the charge that the plan was the direct result of pressures on the government by the International Monetary Fund and other lending agencies. Such entities often demand population control programs in exchange for granting credits, the bishop said. Policies of this kind are based on a "culture of death," he continued, which had already led to the sterilization of over 200,000 impoverished women in Peru.

Labor

Canadian workers protest low wages in Mexico

Canadian workers are already being hurt by a North American Common Market between the United States, Canada, and Mexico which is years away from coming into existence.

Canadian Labor Congress (CLC) officials report that bosses are already threatening Canadian workers, "I'll go to Mexico, if you don't accept my conditions." CLC vice-presi-

dent Nancy Riche told the Mexican daily *Excelsior* Oct. 21, "We do not agree with the free trade treaty." Trilateral negotiations on it will start in the spring, if the U.S. Congress goes along with President Bush's request.

Canadian workers earn slightly more than U.S. workers, and seven times more per hour than the miserably paid Mexicans. The CLC calculates that the bilateral free trade agreement with the United States has already lost 150,000 Canadian workers their jobs.

"It would make more sense to try to pull Mexico upward than to pull Canada down, but it seems like that's not what will happen. What the multinationals are looking for is to cheapen their labor force," said Riche. She said Canadian workers would rather see better wages and safer working conditions for the Mexicans. "But all that is a dream."

Development

Cheysson slams Brits' Gulf oil greed

The Anglo-Saxons" are opposed to a strategy of defusing tensions in the Middle East through economic development, former French Foreign Minister Claude Cheysson told *Le Monde* Oct. 26. After elaborating on his proposal for the creation of a "European-Mediterranean Bank" to fund Middle East development projects, Cheysson asserted, "To this manner of solving problems, the Anglo-Saxons counterpose another construction."

He recalled what was done in the early-1950s days when Mossadegh nationalized the oil industry of Iran. That was seen as a "scandal" by powerful forces, who said then that it necessary to "physically re-take control of the oil zones." That led to discussion of creating a "Baghdad Pact" in the region, linked to Britain and the U.S. Now, said Cheysson, "it is disturbing that U.S. Secretary of State James Baker has revived the idea," in testimony before the U.S. Senate. The former French foreign minister added that the U.S. has always wanted military bases in the Gulf.

Mossadegh was overthrown in a joint British Intelligence-CIA coup.

● **JOHN GALBRAITH**, a top economic adviser in the Kennedy administration, argues in a new book that financial collapses are caused by "free markets." Titled *A Short History of Financial Euphoria: Financial Genius Is Before the Fall*, he argues that far from being a neutral concept, the free-enterprise economic structure is inherently riddled by the "mass insanity" of speculation and speculators.

● **A NEW HEART-LUNG** machine developed at the University of Pittsburgh could save an additional 10-15% of cardiac arrest victims, say its inventors. After a victim is taken off the machine, a device is implanted in the chest to help prevent future episodes. Soon, every hospital emergency room will have one, and it will even be made small enough to be carried in ambulances.

● **BOND DEFAULTS** will soon be at a 20-year high, according to Moody's Investors Service. In the first three quarters of this year, 48 speculative-grade bond issuers defaulted, compared to 33 for the same period last year. Defaults are now running at 7.2% of all speculative-grade issues. In addition, 10 unrated firms defaulted through the first nine months of the year.

● **AIDS CARRIERS** will be segregated by the Indian state of Maharashtra. Public Health Secretary P.P. Mahana said that the measure became necessary when prostitutes known to be carriers had not responded to incentives to leave their profession. The government plans projects at the isolation centers to allow carriers to earn adequate incomes.

● **39.5% MORE WORKERS**, or 1,127,000, have been laid off in the U.S. this year than in a comparable period last year, the U.S. Labor Department announced. In addition, the number of workers who have not been laid off, but have had their hours curtailed, has jumped 8.2% in September to 2.65 million.