

Business Briefs

Health

WHO warns of escalating tuberculosis epidemic

The World Health Organization (WHO) predicted on Jan. 25 that at least 30 million people will die of tuberculosis between 1990 and 1999, and said the death rate will increase dramatically in countries where the disease has proven resistant to drugs.

"This tragedy is totally unnecessary," WHO Director General Hiroshi Nakajima said in presenting the findings at the headquarters of the U.N. agency in Geneva. "We have the tools and cost-effective strategy to control this disease," he said. "There is no rational reason why tuberculosis deaths should be allowed to continue to increase."

WHO said at least 3.5 million will perish annually from TB by the year 2000. It estimated 7 million people will die in East Asia and the Pacific, 6 million in sub-Saharan Africa, and 3 million in North Africa. WHO officials said that unless governments provide adequate funding, the epidemic will worsen.

WHO officials identified HIV (human immunodeficiency virus, which causes AIDS) as one of the main factors contributing to the dramatic rise in TB. The agency predicted that the spread of HIV will account for at least 25% of tuberculosis deaths in the future; in 1990, HIV-positive victims accounted for only 4% of TB cases.

Finance

Liquidity bubble can blow, says Swiss daily

The liquidity bubble in international financial markets could easily blow, the Swiss daily *Neue Zürcher Zeitung* warned in its weekly column on the Eurobond markets on Jan. 25.

The paper remarks that U.S. mutual funds have poured \$200 billion per year into foreign countries, especially into the so-called "emerging markets" in Ibero-America, east-

ern Europe, and Asia. Yet, this is only a small portion of the overall liquidity of mutual funds. Now pension funds and insurance companies are beginning to achieve more international diversity. According to Warburg Securities in London, this could lead to a capital flow of another \$300 billion.

But stability of this capital flow is not guaranteed, according to *Neue Zürcher Zeitung*. The "pressure of liquidity" causes "distortions" in international financial markets, which could let the "liquidity bubble" blow.

Other potential threats to the stability of financial markets are the "social and political tensions" connected to the process of global restructuring, i.e., the drive for the cheapest labor markets. These tensions are now causing doubts about the "established" idea that the process of global restructuring will advance continuously. Even in western Europe, the paper notes, the combined effect of austerity measures and globalization has created a "potential for political instability."

Demographics

European death, birth rates called 'alarming'

Surging death rates, plunging birth rates, and an unstoppable crime wave have reached "truly alarming proportions" in eastern and south-eastern Europe as the result of economic and social reforms, according to a report released in January in Geneva by Unicef. The report does not mention that these "reforms" have been undertaken under pressure from the International Monetary Fund and advocates of so-called shock therapy.

The report documents the impact of the economic slump on living conditions since 1989 in nine countries. The crisis has hit children more than any other social group. The report states, "These costs are not only the cause of unnecessary suffering and waste of human lives, but also represent a source of considerable instability and social conflict that could threaten the entire reform process." In Russia, Ukraine, Romania, Albania, and Bulgaria the crisis is worsening, author Giovanni

Cornia warns. The rise in child deaths and the fall in nutrition and school attendance are already worse than in Ibero-America during the "lost decade" of the 1980s. Marriage rates have fallen by 35% in eastern Europe, and the birth rate has fallen so low that population levels are bound to fall.

Unicef Executive Director James Grant said that immediate action was needed to compensate for the human costs of the reforms, and that bilateral aid programs were all too often driven by short-term commercial interests rather than the needs of the receiving country.

Death rates were up 9% in Romania, 12% in Bulgaria, and 32% in Russia. The yearly number of deaths rose by 500,000 in Russia over 1989-93. This was partly due to the spread of diphtheria and tuberculosis, and also to rises in deaths due to murder, accidents, poisonings, and suicide. In Poland, suicides rose by one-third over 1989-92.

Debt

Third World total reaches new highs

According to the World Bank's World Debt Tables for 1993-94 released in January, the total debt of all developing countries rose 3.5% in 1992 and is expected to have risen by 6.5% in 1993, or a total of \$164 billion over the last two years.

The report summary attributes this increase to five factors, including: substantial positive net flows, including long-term debt, net use of International Monetary Fund (IMF) credits, and short-term debt, projected to be \$90 billion; a positive cross-currency valuation change of \$23 billion; capitalization of interest through debt rescheduling, projected to increase debt stock by \$15 billion; and a projected reduction of \$10 billion in the stock of interest arrears.

The summary reports that for two dozen severely indebted low-income countries, mostly in sub-Saharan Africa, the total debt stock has tripled since the beginning of the 1980s. "This increase [to \$204 billion] has taken place despite substantial debt forgiveness

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by bilateral creditors of both official development assistance—some \$15 billion—and non-concessional debt,” the report says.

The role of IMF anti-development and usury policies is not mentioned.

Medicine

Vaccine for liver cancer may be close

American and Chinese researchers have developed a vaccine for liver cancer that triggers the immune system to recognize and kill the disease in rats, the journal *Science* reported in January. The vaccine was developed after 10 years of research at Case Western Reserve University School of Medicine in Cleveland, Ohio and at the Tumor Immunology and Bi-therapy Center at the Eastern Institute of Hepatobiliary Surgery in Shanghai.

“I want people to know that cancer can be overcome in the future,” Dr. Ya-Jun Guo, the group’s principal researcher, told UPI. He was the center’s director before joining Case Western a year ago. Man-Sun Sy, a pathology professor at the medical school working with Guo, told the *Cleveland Plain Dealer* that more animal studies will be needed to determine whether the vaccine can combat other forms of cancer.

Guo and researchers in China developed the vaccine by fusing tumor cells from rat livers with B-cells, a type of white blood cell in the immune system. One set of rats injected with only tumor cells died within 60 days. But when researchers injected tumor cells fused with the B-cells into rats, their immune system attacked the tumor cells. Researchers said T-cells, which play a significant role in protecting the body against disease, also were especially active.

In another group, the rats were injected with the hybrid cell combination and then cancer cells that were not fused. The hybrid acted as a vaccine and the rats did not develop cancer. Guo said he also found the hybrid was effective in fending off tumors already implanted in rats. Testing is to start later this year on humans in China.

Dr. Stanton Gerson, of the Ireland Cancer Center at University Hospitals of Cleveland, said it can take only 18 months in the United States for laboratory treatment to jump from animals to humans once work is published in *Science*. “There’s a lot of examples of animal vaccines, but this is unique in that it uses immune cells,” he said.

Mali

Trade unions attack IMF ‘adjustment’ programs

The national executive bureau of the National Union of Mali Workers (UNTM), which groups the country’s 12 trade unions, on Jan. 24 denounced the negative effects of successive structural adjustment programs of the International Monetary Fund (IMF), Mali Radio reported.

In a statement read by Mamadou Doumbouya, the board “observed that Mali has been engaged in structural adjustment programs for more than 12 years” and has “fully implemented all the social and economic measures jointly adopted by the IMF, World Bank, and the government.” But, “the structural adjustment programs created great chaos by sanctioning the liquidation of state companies and enterprises, causing the reduction of the salaried work force through a wave of unprecedented retrenchments, and fostering voluntary retirement.”

The attack came as the economic crisis is worsening following France’s decision to allow the currency of the CFA franc zone in Africa to be devalued. The UNTM demanded “a return to a Malian currency in a period compatible with the desire for dignity of the Malian people, and failing that, a Malian commitment to work for an independent common African currency.” Mali left the franc zone in 1962 and operated its own currency, the Malian franc, until it rejoined in 1984.

To compensate for devaluation, the unions demanded a 50% salary rise, payment of wage arrears owed since 1987, tax cuts, pension increases, and a 50% rise in the guaranteed minimum wage.

● **RUSSIA** has a real jobless rate of 19 million, thanks to Yegor Gaidar and his free market advisers, Deputy Finance Minister Boris Furmanov declared on Jan. 25. The official figure is 1 million jobless. Yuri Yarov, head of the national unemployment administration, recently said the real jobless rate is 9 million.

● **MILK PRODUCTION** worldwide fell another 1% to 518 million tons in 1993, *Agra-Europe* reports. Production is expected to drop even more because of the lack of feed and continuing slaughtering of whole herds in the industrial nations. In the former Soviet Union, production dropped 9%, and in eastern Europe 8% last year compared to 1992. Only India reported a rise, of 4%.

● **THE BRITISH** Labour Party has presented data demonstrating that taxpayers bear a higher tax burden today than in 1979 when Labour lost to Margaret Thatcher, opening 14 years of conservative rule. According to the study, the “Thatcher revolution” lowered direct taxes but dramatically increased indirect and “social security taxes,” called National Insurance Contribution.

● **10,000 ITALIAN** winegrowers from the Emilia Romagna wine region demonstrated in January against the European Union plan to take one-third of Italian wine production (528.4 million gallons) off the market and transform it into low-grade liquors. Farmers’ losses are estimated at about \$320 million, which would throw many into bankruptcy.

● **JAPANESE** scientists from Kirin Brewery, together with Twiford International, Inc., its California-based subsidiary, have perfected a biotechnology to produce microtubers which reduce the cost of potato production fivefold, UPI reported Jan. 27.

● **ACID RAIN** control measures have had little effect, *Nature* magazine reported in January. Anti-pollution measures have also cut down emission of bases, chemicals that help neutralize acids.