

Business Briefs

Biological Holocaust

Heimlich warns of multiple epidemics

Speaking at a May 25 commencement address at Eastern Virginia Medical School, Dr. Henry J. Heimlich warned that the U.S. is moving toward a biological holocaust based on multiple epidemics of infectious disease.

The renowned developer of the lifesaving technique to save choking victims, the "Heimlich Maneuver," said that the United States is moving toward "a major catastrophe." "The forerunner, AIDS, is spreading rapidly," he said. "But that's just the beginning."

Syphilis, tuberculosis, measles, malaria, Lyme disease, and even rabies are spreading, he said. The agencies charged with halting these diseases are routinely and quietly dismissing them, he said. "We watched AIDS develop in the gay community and the answer was, 'That's them.' We've allowed poverty to continue in the richest country, and that is morally wrong, and it's destructive," he said.

"If we continue to ignore the problems of our streets and inner-cities because a disease strikes minority groups or needle users, these diseases will reach into our homes, offices, and hospitals, as has happened with narcotics, crime, and AIDS. As long as this wealthy country turns it back on the poverty in our midst, epidemics will spread."

'Free Market'

Vienna Institute attacks shock therapy

"The so-called shock therapy to create a radical transition to a market economy, as applied first in Poland, can actually lead to a South American-type of situation in which not only is inflation not permanently solved, but in which recession becomes a chronic phenomenon," charges the Vienna Institute for Comparative Economic Studies. The institute has issued a study which attacks the economics of Harvard's Jeffrey Sachs, the International Mone-

tary Fund (IMF), and the World Bank.

"The IMF and World Bank point out that they have all the right answers. [But] the mandate of these institutions [is] totally monetaristic, claiming that deficiency of money is the most important variable in economic policy. The chief task of the IMF is to correct temporary balance-of-payments discrepancies."

Rather than Western economists claiming they are the great experts, the study calls for a little more humility. "Most Western economists have absolutely no direct knowledge of the economies they are advising in Eastern Europe."

Agriculture

Bovine AIDS virus widespread in U.S. herds

A bovine AIDS virus is widespread in U.S. herds, and may be spread by biting flies, according to the May 31 *Wall Street Journal*. Infection rates vary from 4% in Midwestern and border states to 8% in the Louisiana-Mississippi region. Utah herds show no infection.

"Researchers say there is 'no firm evidence' so far that BIV suppresses the immune defenses of beef and dairy cattle so that they are more susceptible to disease and infection," according to the paper. Martin VanDerMaaten, leader of the BIV research team at the Agriculture Department's National Animal Disease Center in Ames, Iowa, says, "We don't have clinical evidence of these animals coming down with bacterial diseases." However, virulence increases as BIV passes from one cow to another.

The *Wall Street Journal* continues, "The researchers don't yet know how the virus is transmitted from cow to cow, but they suspect that biting flies may pass it."

It does seem clear that BIV is not infectious to human beings—research workers have accidentally inoculated themselves with the virus without subsequently developing antibodies. The virus is also easily killed by the cooking of meat and the pasteurization of milk.

Infrastructure

German: Soviets need big projects quickly

Infrastructure projects in the Soviet Union aided by Western nations are a top international priority, according to a German Social Democratic parliamentarian. Germany and other Western nations must make a hard and fast commitment to build infrastructure to help the Soviet economy out of its crisis, Markus Meckel told a conference on the U.S.S.R. Meckel is a member of the so-called "East" faction of his party. He served as the foreign minister in the interim East German regime in the period leading up to German reunification.

Meckel said that it was a mistake for West Germany not to have agreed to a DM 15 billion infrastructure fund (about \$ 8.3 billion) when transitional communist leader Hans Modrow came to Bonn in February 1990. "Whatever people thought of Modrow and communism, the fact is that a definite commitment to infrastructure then would have bought valuable time, and set in motion a process that might have avoided the crisis situation in eastern Germany now."

The same now applies to Gorbachov and the U.S.S.R., he said. "Whatever happens to him, it were better now to agree to build transport and railway systems. There should be a railway between Warsaw and Moscow, also between Riga and Leningrad. That is the way we should be thinking."

Development

OAU chief calls for 'German model' for Africa

Africa needs something like the very productive German *Mittelstand* or medium-sized industries, declared Uganda President Yoweri Museveni, who is the outgoing chairman of the Organization of African Unity, in an interview with the June 4 *Tageszeitung* daily.

Attacking tribalism as a big obstacle to economic recovery in Africa, Museveni, who

recently visited Bonn and met with Chancellor Helmut Kohl, said: "There was tribalism once also in Europe, even in Germany. And what created German unity in the past century? The German *Mittelstand* promoted the movement for unification. It felt strangled and was fed up with the system of small states. Thus, the social development led to the political development.

"The basic problem of Africa is not tribalist thought, but the lack of an industrial, productive *Mittelstand* that has an interest in the market.

"What has prevented the emerging of an African *Mittelstand*," he concluded, "was not the Africans. The international system is the reason. . . . Unpredictable prices are preventing the creation of a *Mittelstand*. Everywhere in the world, the *Mittelstand* is the basis of society—only in Africa is it missing."

Soviet Union

Official calls for sci-tech revolution

The Soviet Union needs a new "scientific-technological" revolution, reported *Rabochaya Tribuna* in an interview with Academician and Deputy Prime Minister N.P. Laverov. The interview begins with the comment, "In the 1970s, the world grasped [that] it would be difficult to survive and we would be tormented by ecological and food problems unless the scientific-technical strategy changed abruptly. In the West, the understanding of this entailed an entire revolution," and goes on to criticize Soviet attempts at building up its energy-intensity and the lack of energy resources in the Soviet Union.

The revolution he calls for is in part an environmentalist program, but would continue the basic research programs in "high-energy physics, high-temperature superconductivity, Mars, human genome, controlled thermonuclear fusion and plasma processes," and global changes in the natural environment and climate. Listed under "high-speed, ecologically clean transportation," is "a high-speed center-south railway main line," and Laverov com-

ments that "magnetic levitation trains are expected to be built."

The "ecology" programs include the manufacture of very high-speed computers, energy-efficient technologies, "advanced materials," the latest methods of biological engineering, ecologically pure power generation, resource efficient and ecologically clean metallurgical and chemical processes, highly efficient food processing, fighting most common diseases, providing safety to the population in light of possible technological disasters, and advanced telecommunications facilities and integrated communications systems based on fiber optics.

International Credit

Japanese finance minister warns of capital shortage

Addressing an international bankers conference in Osaka, Japan, Finance Minister Ryutaro Hashimoto told the group that world interest rates will not come down until a current worldwide capital shortage eases. He called the global shortfall of funds "one of the most pressing issues facing the world economy," and urged it be taken up at the July meeting of the Group of Seven industrialized nations in London.

Hashimoto reiterated a proposal made to the April meeting of the International Monetary Fund in Washington that it be granted vastly expanded lending power in order to extend large sums of capital to developing countries as well as Eastern Europe, for countries pursuing IMF economic adjustment programs.

Hashimoto's Finance Ministry has just released figures for Japanese direct foreign investment for the fiscal year which ended March 30, showing the first decline in Japanese overseas direct investment (real estate, factories, etc.) since 1983. Investment in the United States and Canada fell 20% to \$27.2 billion, in Asia by 14.4% to \$7 billion, and in Western Europe by 3.5%, with a 30% increase in investment in Britain, where Japanese companies are rushing to establish a market presence before 1992, when the European Community market becomes integrated.

● **CARGILL, INC.**, part of the international food cartel, is the largest privately held firm in the United States, with 1990 sales of \$43 billion, according to *Ward's Business Directory*.

● **POLAND** will soon begin importing coal. Three power generating plants on Poland's Baltic coast are seeking to import 600,000 tons of coal because of a sudden skyrocketing of delivery charges for rail transport. Since the end of World War II, Poland has been a net coal exporter, but the recent devaluation of the zloty and a new 20% levy on coal exports have cut exports by nearly half.

● **CHANCELLOR** Helmut Kohl personally reopened the Czech-German rail link at Bayerisch-Eisenstein in a ceremony June 5. In his short speech, the German leader addressed the importance of cross-border transport relations for the integration of Eastern Europe into the West.

● **FEWER THAN 7%** of U.S. 17 year olds can solve multi-step mathematic or algebra problems, to say nothing of calculus or trigonometry; and only 6% of all U.S. high school students have writing abilities rated better than "adequate" or "minimal," reported the June 2 *Philadelphia Inquirer*.

● **THE PRICES** paid by the average Third World consumer more than doubled last year. In the industrial countries the prices held to a steady 5% rise, according to an International Monetary Fund report cited by the *Bangkok Post*. Throughout the Third World, the average price inflation was 107.1% for the year.

● **SIR CHARLES POWEL**, a private secretary and confidant of Margaret Thatcher while she was prime minister, will become a senior director of the Hong Kong-based Jardine Matheson group, named in the book *Dope, Inc.* and standard business directory histories as an integral part of the China opium trade.