

Business Briefs

Environment

'Ozone hole' a hoax says French expert

The environmentalist scare story about pollution causing an ozone hole "is a hoax," according to vulcanologist and former French Minister for Natural Risks Haroun Tazieff, in an Agence France-Presse interview Oct. 9.

Tazieff denounced "the orchestrated panic" organized by "environmentalists who are manipulated by major chemical companies" who "target chlorofluorocarbons." Their charges that CFCs destroy the ozone layer are "without evidence of any kind."

"The hole in the ozone layer may only be observed in the South Pole in the course of the month of October, when summer comes in this part of the globe, after six months of night. Then, gradually, it reconstitutes itself and, at the end of the polar summer, it does not exist any longer," he said. "They omit to mention that the action of ultra-violet rays rebuilds the ozone, and the hole is not there any more as the South Polar summer comes to a close. This hole has existed since the beginning of time," he added.

Black Economy

World Bank admits drug money impact

A new report by the World Bank and an editorial in the Oct. 9 pro-drug Colombian daily *La República*, argue that drug trafficking has a decisive impact on the economy and that the war on drugs will carry a high economic cost.

La República reports that the crackdown has already reduced the flow of dollars into the special window where drug monies are legally exchanged, that tourism is off, and that flight capital out of the country has begun. The paper says the traffickers' business activities are affected, such as retail trade, construction, and the agrarian sector, where it reports that 7 million properties—20% of the national territory—are owned by the traffickers. It says the

country is therefore condemned to suffer a very sharp recession, compounded by low coffee prices. The newspaper's pessimistic assessment is part of a campaign to paint the war on drugs as unwinnable.

A new report by the World Bank tends to the same conclusion, saying that the traffickers control over 1 million hectares of fertile land, and argues that the presence of the traffickers in Colombia, engaged in business enterprises, has been a major factor of stability for the economy. The report says that the traffickers have achieved a leadership position among agricultural and cattle producers, and have brought peace to many parts of the countryside.

Development

García: Stop drugs with economic progress

An economic mobilization is necessary to win the war on drugs Peruvian President Alan García said, in an article in the Milan, Italy daily *La Repubblica* on Oct. 7.

While praising President Bush's actions against drugs, García argues that "more effective than repression is development. Therefore to limit oneself to give some weapons to the governments has little efficacy. It would be better if the U.S.A. could establish economic relations with the farmers and producers of Peru and Bolivia . . . an authentic alliance with the producers, an alliance to be brought about through the economic market and that would transform each single farmer of Peru, Colombia, and Bolivia into a resolute fighter in the war against drug trafficking."

García proposed to "create a fund for credits and guarantee of prices to favor" the cultivation of coffee, cocoa, and other products. "Thus the peasants would not depend any longer on the traders and would receive a larger share of the price of their products on the international markets."

By selling coca leaves to traffickers, rather than transporting products through terrorist-dominated territories toward the sea, peasants net \$3,000 per hectare for coca leaves but only \$800 for coffee and \$510 for achiote. But if people were told that in the next 10 years those

products will "appreciate at a rate of 30% and will have priority to enter the U.S. markets," combined with technical help to increase productivity, this will lead more people to abandon the cultivation of coca leaves, García said.

AIDS

Infection rates soar among homeless

More than 30% of the homeless who live in New York City's subway system have AIDS, the *New York Daily News* reported Oct. 4. Prison health officials estimate that up to 25% of city prisoners are infected with HIV, and AIDS is now the number-one killer in city jails, the *Daily News* reported Oct. 9.

A City Council Committee on the Homeless asserted in a brief that 30% of the homeless living in the Lower East Side subway stations "have full-blown AIDS." "That does not even take into account those homeless with ARC [AIDS-related complex] or with simply HIV positive readings." The Transit Authority estimates that between 1,000 and 2,000 homeless sleep in the subway system each night, but the committee chairman, City Councilman Abe Gerges, said some estimate the figure to be as high as 5,000.

Douglas Warn, planning director of the Bowery Residents Committee Human Services Corp., who conducted the survey, said, "We're only beginning to see the tip of the iceberg in terms of people who are homeless and have AIDS."

In 1982, one jail death was attributed to AIDS, but the number reached 46 deaths by 1988, and there had been 29 deaths due to AIDS up to June 4 of this year. Corrections Commissioner Richard Koehler told the *Daily News* that the epidemic will be "the major corrections problem of the nineties."

Dr. Wallace Rooney, medical director of the City's Prison Health Services, told the *Daily News* that these figures are undercounted and the records are incomplete. "We have the greatest number of HIV-infected people in the world in captivity," he said.

Briefly

Based upon the confidential HIV testing his department has conducted since December 1986, in which 56% of 749 inmates who volunteered for the tests came up positive, Rooney estimates that 25% of the inmates carry the virus.

Agriculture

Soviets see world grain 'catastrophe'

On Oct. 1, the Soviet government newspaper *Izvestia* ran an article on the world grain shortage, called "On the Brink of Ecological Catastrophe—A Grain Crisis Has Struck World Production of Agricultural Products."

Reporting the impact of the drought in U.S. and Canadian grain states, author E. Guseinov warned of the effect this would have in the Soviet Union. "At hand is a reduction of grain production in the world, continuing for a second year," he said, "which, if it continued, could take on the character of a catastrophe. In 1988 as a whole, the harvest of grain in the non socialist world fell by 67 million tons, or 4%, from the level of 1987. . . . By the beginning of 1989, world grain reserves had fallen to a low level not seen before; they would suffice to meet minimal requirements for food for only 54 days."

The price of grain has already risen 1.5 times because of the shortage. *Izvestia* described this as "a substantial blow against our state interests; after all, the Soviet Union this year, as in many preceding years, will have to purchase tens of millions of tons of wheat and corn abroad (and there still may not be enough of that grain for us)."

Health

Hospitals suing states for payment

U.S. hospitals are suing state governments that don't have enough money to pay their Medic-

aid obligations, the *New York Times* revealed on Oct. 10.

Massachusetts alone owes \$350 million in Medicaid payments to hospitals, which have incurred interest payments of \$1 million a month on money they had to borrow to meet costs. New York City owes \$578 million to private hospitals.

A vice-president of American Collectors' Association, which represents 3,500 collection agencies, said that hospitals were bill collectors' number-one clients, with \$12 billion in unpaid bills. Unpaid hospital bills far exceeded the second highest form of collectibles, unpaid utility bills. Bad checks were third, followed by overdue doctor bills, and credit cards.

An official at the Greater New York Hospital Association told the *Times*, "A whole new industry is growing up in buying hospital receivables." The GNYHA is studying the possibility of obtaining loans secured against money owed.

Consumer Credit

System out of control, judge warns

The U.S. credit card system is "a system run amok," according to U.S. Bankruptcy Judge George C. Paine II of Nashville, Tennessee, chairman of the National Conference of Bankruptcy Judges. "They send cards to everybody who will use them," he told UPI Oct. 7.

Credit card companies are being hit hard by record levels of personal bankruptcy. In the year ending in June, 580,000 people—1 in every 157 households—filed for bankruptcy in the United States, more than double the number five years ago and up 10% from 1988.

VISA, the nation's largest credit card system, recently announced a program to flush out "bankruptcy bandits," claiming that one in three filings was fraudulent.

However, bankruptcy attorney John MacConaghy of Emeryville, California, told UPI that only about 1 in 100 filings is fraudulent or abusive. "I think that number is outrageous—and irresponsible," he said of the VISA claim. "I'm in court all the time. I see these people and it's a very troubling decision for them."

● **HOMEOWNERSHIP** in the U.S. reached the lowest point since World War II, hitting young families especially hard, according to a study prepared for the Congressional Joint Economic Committee. In 1980, some 65.6% of the population owned their own homes, falling steadily to 63.9% for 1988.

● **AIDS CARRIERS** have increased in Southeast Asia, the 42nd session of the Regional Committee of the World Health Organization for Southeast Asia concluded Sept. 30. Hardest hit are India, where the seropositive rates are the highest among prostitutes, and Thailand, where nearly 40% of IV drug-users in Bangkok are found to be sero-positive.

● **RAIL PASSENGER** service will be halved as the Canadian government, which has a budget deficit of \$25 billion—nearly 50% higher per capita than the U.S.—plans to eliminate the rail subsidies.

● **MILK PRICES** to the consumer will rise 10¢ per gallon in October due to an extreme shortage of liquid milk in the New York-New Jersey area, the New York *Daily News* reported Oct. 6.

● **DDT USE** has been banned by the Indian government, which has asked all manufacturers to hand in their licenses, following the recommendation of a committee constituted by the Ministry of Agriculture.

● **SUNMAID** has a recipe for "Great Depression Cake" on the back of its California sun-dried raisins box. "Take away the milk, the eggs and the butter and what do you have left? A great tasting, moist and spicy cake that became popular after the stock market crash of 1929."

● **BOLIVIA'S** infant mortality rate, officially a staggering 10%, may actually be close to 25%, according to an NPR radio report of Oct. 11.