

Business Briefs

Health

Opioids Damage Immune System, Research Shows

Psychoactive drugs such as heroin, morphine, cocaine, and marijuana not only damage the immune system, but there is "strong experimental evidence" that they may actually be cofactors in the progression of infectious diseases, according to recent biomedical studies by several different research teams.

The April 17 issue of *Scientist* magazine reports that the new discoveries affect not only drug abusers, but also people who are hospitalized and have been given morphine or similar pain-killers. One researcher commented, "Our results were quite astounding. . . . We never expected to see results as powerful" as were found. Studies with mice showed that morphine sensitized them to *Salmonella* infection, sepsis, and other opportunistic microbes.

Some of the studies have focussed on marijuana's role in suppressing the immune system, in particular the suppression of the T-helper cells that are critical in regulating the ability to fight infection.

Great Britain

Social Gulf Has Grown under Tony Blair

A new report by Britain's National Bureau of Statistics documents that the social gulf between rich and poor has increased under Prime Minister Tony Blair. The report reveals that the uppermost income brackets of the population control 42% of the domestic income, whereas the lowermost brackets control barely 7%. The difference between the average highest-income and the average lowest-income strata is 13-fold: an annual income of £57,430, as compared to £4,520.

The figures are for the end of 1999, and they correspond to the highest social divide since the era of Prime Minister Margaret Thatcher, which ended ten years ago.

Mathew Taylor, financial policy spokesman for the Liberal Democrats, in comment-

ing on the report, said that Blair and his entourage of New Labourites like to pose as "Robin Hood, but in reality, they are acting like the Sheriff of Nottingham."

Russia

Gazprom Collections Bring Power Cuts

During the past month, blackouts have begun to occur across Russia, as the natural gas company, Gazprom, has been cutting off customers, among them the national electricity firm, UES, for non-payment. The stepped-up collections have intersected a decline of oil and gas production in Russia, due to the "lack of real investment in maintaining the necessary equipment," which is the longer-term problem threatening to cause blackouts, as reported by *EIR* from Russian sources on April 18.

One reason for Gazprom's stepped-up collections drive, is the continuing demand from the International Monetary Fund that large, tax-paying firms collect more revenues in cash. At the same time, Gazprom is experiencing "a very hard production crisis," as UES Chairman Anatoli Chubais said on April 7. (Chubais himself is one of the principal architects of Russia's financial catastrophe.)

On April 4, ORT TV reported that UES had switched off the electricity to whole towns and a number of factories, citing Gazprom's reduction of fuel deliveries to electric power plants by a factor of three. Because Gazprom is demanding immediate payment from UES, an official of the utility said, UES has been forced to "stimulate" its own debtors. Chubais said, the same day: "We shall still supply strategic facilities, but if the position of Gazprom remains the same, anything is possible. During the last year, we managed to increase the level of cash payments, including to Gazprom, from 15% to 56%."

On April 5, *Kommersant-daily* reported that Gazprom had threatened to reduce gas deliveries to the city of Moscow by one-third, due to the massive debt of the municipal public sector. Mayor Yuri Luzhkov proposed to pay 120 million rubles immediately, but Moscow's debt to Gazprom is 9.6

billion rubles, equivalent to a month's tax payments by Gazprom to the federal budget.

Tatarstan is experiencing a 14% reduction of gas supplied by Gazprom this year. In Vladivostok, the official heating season ended on April 10, two months early, because the local utility was out of fuel.

After public attacks by Chubais on Gazprom and on Fuel and Energy Minister Kaluzhny, Gazprom Chairman Rem Vyakhirev blasted Chubais, saying, "After these foolish statements, we have nothing to talk about. He has offended me. I have 40 years more experience in the fuel industry than this person. He is like a village fool on a pile of potatoes, unaware where it comes from."

President-elect Vladimir Putin rushed to Gazprom headquarters on April 7, to meet Vyakhirev and broker a compromise with UES, in the name of "state interests." What Chubais called a "partial compromise" was reached between him and Vyakhirev on April 11. Gazprom is to deliver 24.2 billion cubic meters of natural gas to UES during the second quarter, as against 26 billion requested by UES and 22 billion offered by Gazprom before. Chubais said the shortfall would mean cut-offs of electricity by UES to enterprises that don't pay their bills. A UES spokesman said that electricity would be reduced to Nizhny Novgorod (the third largest city in Russia), Samara, Yaroslavl, Kostroma, Tver, Tula, Volgograd, Rostov, Chuvashiya, Orenburg, and Sverdlovsk.

Meanwhile, Chubais has proceeded with preparations to dismember UES.

Asia

Experts Lay Out Plans for ASEAN Integration

A meeting of 55 "eminent persons" from the ten member-nations of the Association of Southeast Asian Nations, on April 1 in Manila, the capital of the Philippines, released a blueprint for the political, economic, and social integration of ASEAN, to be presented to the legislatures of the respective states, the Thai daily *The Nation* reported on April 1.

The proposal includes the following: A "United ASEAN" political center would be

ISRAEL'S ministerial committee for the economy has decided to build a \$150 million desalination plant with a 50 million cubic meter annual capacity, with an option of doubling that figure. The Finance Ministry, which has been blocking the project, claiming that the best way to deal with shortages is through less consumption, particularly by increasing the price of water for agriculture, now has to issue the guidelines for a tender.

RUSSIA'S Federal Justice Ministry announced on April 20 that a new prison facility housing only inmates infected with HIV will open in Irkutsk Oblast, Siberia, ITAR-TASS reported. The only other prison housing only HIV-infected inmates is in Kaliningrad Oblast, another area with high rates of HIV infection.

MALNUTRITION among Indonesia's 3.5 million newborns and infants born in the last two years, is 30%, State Minister of Women's Empowerment Khofifah Indah Parawansa reported on April 18. Serious malnutrition has become prevalent since the onset of the economic crisis in the summer of 1997.

JAPAN'S Sumitomo Bank and Sakura Bank said on April 21 that they will accelerate their plans by a year to merge, to form the world's third largest bank. The merger will now take place on April 1, 2001; the new entity will have combined assets of \$936.3 billion.

MOLDOVA, after Parliament refused to approve the privatization of the state-run wine and tobacco industries, as demanded by the International Monetary Fund, has been hit with an IMF suspension of lending to the country. These two sectors bring in \$200 million a year, and are considered therefore "strategic."

SUDAN hosted the African Workshop on Machines and Equipment of Railways, on April 18-20. Standardizing materials and systems throughout the continent, and increasing productivity, were discussed.

set up on the Indonesian island of Singtep; and a central bank in Jakarta, Indonesia, and a common currency would be created. Yangon, Myanmar would serve as the headquarters for the Army; Hanoi, Vietnam, the Air Force; Manila, the Navy; and Phnom Penh, Cambodia, the police. Malaysia would be the center for communications and information technologies; Bangkok, Thailand, the transportation hub; Jakarta, foreign affairs, partly due to its role in the Non-Aligned Movement; and other similar divisions of labor.

The UN Human Rights declaration is to be followed, meaning the end of capital punishment. English is to be the common language. The three top candidates for "head of state" are from Thailand, Indonesia, and the Philippines.

Economic Policy

'Washington Consensus' Panned by Stiglitz

"The successful developing countries do not follow the precepts of the 'Washington Consensus,'" said former World Bank chief economist Joseph Stiglitz, at a World Bank conference on development in Washington on April 18, the Malaysian daily *New Straits Times* reported on its website. He singled out China as a country which had not followed International Monetary Fund (IMF) or World Bank diktat, which is what the term "Washington Consensus" refers to.

Stiglitz, who resigned from the World Bank in January, said: "We know that many of the successful developing countries do not follow the precepts of the Washington Consensus. China is probably the most successful of the low-income countries, both in terms of growth and in terms of poverty reduction."

Stiglitz said that "recommendations" from the "international community" to developing nations need intense scrutiny, to find out why advisers were offering policies that they preferred, especially when they did not seem to work. "Reform cannot be imposed either from the outside or from the top down," he said. "The recent crisis in East Asia has reminded us that economic instabil-

ity may arise from a multitude of sources. Indeed, it is increasingly being recognized that some of the policies of the international financial agencies pushed in the name of promoting growth, increased economic volatility and insecurity."

Stiglitz said it had been wrong of the IMF, to tell Asian countries to rein in their spending, as the financial crisis hit in 1997. He also said that it was foolish of the IMF to impose free-market reforms on Russia, without first ensuring that the infrastructure was there to make sure that the reforms would work.

Eurasia

China, Turkey Seek To Revive the Silk Road

China's President Jiang Zemin said that China and Turkey "will work to revive the Silk Road," speaking in Ankara, on April 19. And, in a statement to *China Daily* as President Jiang arrived for a state visit, Turkey's President Suleyman Demirel called for reopening the ancient Silk Road between the Mediterranean and Xi'an, China.

A Turkish official said that several projects are planned, some have been agreed to, and others await further discussion. "There are major projects in transportation, such as the Kars-Tbilisi rail project. Its completion will be a crucial step for the revival of the Silk Road," he said. This railroad would link the Turkish city of Kars to the Georgian capital, Tbilisi, completing a section of an east-west rail link across Asia. Turkey also plans to restore an existing, but unused, rail tie to Iran.

Demirel said he had hopes for closer economic and commercial ties. "It is my sincere opinion that authorities of both countries should do their utmost to create suitable conditions and find ways and means for their respective businessmen with a view to expanding already existing relations," he said.

Jiang and Demirel signed three protocols aiming at improving political ties, and increasing trade and energy investments. Jiang said that China wants to increase annual imports from Turkey from \$40 million to \$300 million. Annual trade stands at \$900 million.