

World debt

(Continued from Page C2)

Stallings says. The volume of world trade did rise 2 percent in 1983, but this improvement came after a 2.5-percent decline in 1982, following a meager 1-percent gain in 1981 and a 1.5-percent rise in 1980. "Much of the burden fell on the developing world, where the total value of exports dropped each year from 1981 through 1983."

"Export earnings of the non-OPEC developing world showed the most astonishing change from the 1970's to 1981-83," Stallings says. "After increases averaging over 20 percent a year from 1977 to 1980, export revenues rose only 5.3 percent in 1981 and declined 4.7 percent in 1982. The recovery this year promises some increases, but not close to the export performance of the past decade."

Faced with falling exports and rising debt service requirements, developing countries confronted two tough choices — cut back on imports or obtain further loans.

"The rise in credit between 1981 and 1982 was roughly comparable to that in previous years, but proved insufficient to meet the crisis," he says. "The subsequent rise in reschedulings of debt payments, as well as the size of debt under negotiation, made many potential creditors wary of increased exposure. As a result, new loan offerings were relatively scarce in 1982, a circumstance that continued through 1983 and into the current year."

Imports trimmed

For debtor countries, then, balancing the books has meant trimming imports. In dollar terms, total imports of all less-developed nations fell 7.5 percent from 1981 to 1982 and another 6.3 percent in 1983.

"Worldwide, exports of U.S.

farm products suffered sharp setbacks from 1981 to 1983, with the value off more than 10 percent," Stallings says.

Based on projections from a simulation study conducted by Shane and Stallings, U.S. agricultural exports might have been as much as \$5 billion higher this year had developing countries faced no financial constraints. By 1987, the difference may exceed \$7 billion under their worst-case scenario. "That represents a loss of about 20 percent of our potential export market, unless actions are taken to counteract the effect of debt on trade," Stallings notes.

Latin trade

He points to Latin America as one major reason for the trade slowdown.

"In addition to accounting for most of the world's external debt problems, Latin America also provided the largest share of the decline in U.S. agricultural exports. The dollar value of U.S. farm products shipped to the region fell 31 percent in 1982 and almost 53 percent to Mexico alone. Last year's recovery in U.S. agricultural exports to Latin America was entirely due to increased sales to Mexico, even though that country's total commercial purchases were well below 1980 and 1981."

Elsewhere in the developing world, says Stallings, "the only area of optimism for U.S. exports lies in Asia, notably in South Korea. Despite the country's \$40 billion foreign debt, its strong exports will allow sustained growth in imports, including food and feedstuffs."

In fact, says fellow economist Shane, this Asian country sets an example that, in at least some respects, other developing nations might envy.

Korean example

"South Korea is one of the world's major debtors, but

nobody's worried about it having huge foreign debts because its exports are so large," he says. The export-oriented economy of South Korea has continued to stay robust into the 1980's, following on even more spectacular surges in the 1970's.

Shane says the Korean example provides a useful model for other developing countries, but one nation's experience cannot necessarily be translated to others. Each country will likely have to rely on its own "unique policy instruments for turning things around. How these economies adjust now and begin to service their debt and grow again is a question that has to be answered differently in each case."

In the meantime, however, the debt problem looms as a major obstacle to progress. Shane suggests it will continue to devastate individual countries unless their "loans and interest rate structure are revamped in line with their ability to pay. Terms could be set on a country-by-country basis."

Elimination of variable-rate loans in some extreme cases and "capping current debt at lower, long-term interest rates, perhaps around 10 percent, would better allow debt-impacted nations to service their debt."

Certainly, this would entail some sacrifice by lenders, Shane concludes, but "the losses later could be even greater if Western nations don't take the lead now in coming up with solutions that will permit the debtor countries the opportunity to initiate sustained economic growth once again."

Killer bees and arthritis treatment on Md. program

ANNAPOLIS, Md. — Maryann Tomasko, Entomologist and Assistant State Apiary Inspector for the Maryland Department of Agriculture, says that reported results of studies relating to the use of bee venom for the treatment of arthritis are truly amazing.

To learn more about this technique the Maryland State Beekeepers Association has invited Charles Mraz of the North American Apitherapy Society to discuss his 50 years of research at the Association's fall meeting today at Lexington Market in Baltimore. The meeting will begin at 9:30 a.m.

Also, on the Association's program, Dr. Dewey Caron of the University of Delaware will discuss the effects of the Africanized Honeybees' move North. The Africanized bee is, perhaps, better known to most people as the "killer bee".

Mraz's interest in beekeeping began with his first hive in the backyard at the age of fourteen.

As a beekeeper, Mraz often heard that bee stings were good for arthritis. This he considered nonsense until 1934, when he suffered an attack of rheumatic fever. The illness left him with extreme arthritic pains in all his joints, especially his knees. So with nothing to lose, he tried a bee sting on the inside of each knee, and "overnight," he said, "The arthritis vanished!" It was this event

that marked the beginning of his campaign for Bee Venom Therapy.

Over the years Mraz has worked with a number of doctors who share his interest. In the late 1960's Mraz made the acquaintance of Glenn B. Warren, who in 1960 had founded the Glenn B. & Gertrude P. Warren Foundation to support arthritis research. Their collaboration, together with the efforts of William Ship and James Vick perpetuated the research being done on bee venom and its effects on arthritides, with encouraging results.

Caron, a professor of Entomology at the University of Delaware, is considered to be an authority on the Africanized bee and has made several trips to Panama to study its behavior. The bee was introduced into South America in 1956 when queen bees imported from Africa for breeding experiments escaped and began breeding with local bees. The hybrid "Africanized" bee has been slowly moving northward ever since. The bee is not noted because of any significant difference in the power of its venom but for the aggressive manner of its attack when disturbed.

Although the bee has not yet reached the United States, scientists expect that it will do so within the next several years. Dr. Caron will be discussing the effects of such an invasion on the U.S. beekeeping and honey industry.



Keep Zimmerman in the fight against crime and corruption

- * Brought criminal charges against the Scheps Cheese Co. for bilking Pennsylvania dairy farmers out of \$3.6 million
- * Helped bring serious crime down 13 percent in the last three years
- * Exposed corruption in the Liquor Control Board and stopped a massive job-selling scheme in the Auditor General's Office
- * More than 4,000 dope pushers arrested and more than 40 illegal drug manufacturing centers closed
- * A crackdown on illegal toxic waste dumps which has made our rivers, land and air cleaner and safer

RE-ELECT ATTORNEY GENERAL ROY ZIMMERMAN

An attorney general who has protected the interests of farmers and all law-abiding citizens

FARMERS FOR ATTORNEY GENERAL ZIMMERMAN CO-CHAIRPERSONS

John Cope

Gail McPherson

Joseph Johns, Jr.

Ronald Kerr

Ron Kopp

Robert Leonard

O. Leto, Sr.

Clifford Levan

John Marchezak

Ernest Miller

Kenneth Mummert

Ed Nehrig

Ivo V. Otto

John Pitzer

Sterling H. Raber

Clyde S. Robison

Carolyn Rutter

Annette Schucker

Richard Solly

John R. Stoner

Thomas Styer

George Tallman

Clifford Tinkelpaugh

Donald Unangst

Everett Weiser

Leon Wilkinson

Charles Benner

John Bittinger

Kenneth Boyer

Bruce Bresee

Charles Brosius

Richard Chamberlain

Bruce Corsnitz

Nellie Crawford

Malcolm Drake

George R. Gregg

Dennis Grumbine

Walter Heine

Scott Hummel

Helen Jackson