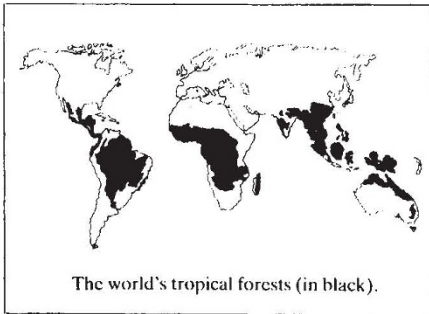


Deforestation

Lending agencies plan action

Washington

THE major international development assistance agencies have for the first time reached a consensus on how to tackle the problem of deforestation. Not only that, but an impressive collection of environmental lobbying groups support the plan, among them some of the severest critics of the agencies' lending programmes.



The world's tropical forests (in black).

One reason for the harmonious outcome is the need to persuade hard-nosed politicians, and not just the environmentalists, that the problem is severe enough to demand enormous investment programmes. Gus Speth, president of the World Resources Institute (WRI), likens the global deforestation crisis to the oil crisis faced by industrial countries in the 1970s.

Another reason for the general acceptance is the explicit acknowledgement that the individual countries concerned accept responsibility for helping to solve the problems by encouraging small, rather than grandiose, projects.

The plan itself, whose main sponsors are WDI, the World Bank and the United Nations Development Programme, calls for a five-year investment of \$8,000 million to reverse global tropical deforestation and its environmental effects. To prevent the loss of 27 million acres of forest each year from the developing countries, the plan "allocates" \$530 million to 56 Asian, Latin American and African countries, half of which would be supplied by international lending organizations and half by private investors and the governments of the countries concerned. Large as these figures are, the report stresses that they are small compared with the costs of crisis management. For example, a largely ignored United Nations programme in 1977 recommended that \$50 million a year be spent to avoid desertification in Ethiopia; the report estimates that the Ethiopian famine has since cost \$400 million in relief programmes, to which at least \$100 million will be added before the next harvest.

The international task force is confident that it can influence global tropical deforestation, although Speth admits that "we have a distance to go in getting firm pledges of exact dollars" from lending

agencies. According to John Spears of the World Bank, the "will exists" to lend but support depends on the participation of individual governments, an opinion echoed by other sponsors of the report.

The report will be presented to the United Nations Commission on Environment and Development in Brazil this week; next month international development assistance agencies meet in the Hague to discuss it. Negotiations are well advanced for a summit meeting "at the highest level" early in 1986.

Maxine Clarke

Tropical Forests: A Call for Action WRI Publications, PO Box 620, Holmes, PA 19043, \$12.50 (1985).

Big fish love little fish

Washington

Two recent acquisitions of start-up biotechnology companies by established pharmaceutical houses may signal the start of a new trend. In September, Eli Lilly and Co. announced its plan to buy Hybritech Inc. of San Diego for over \$300 million, and last week the Bristol-Myers Company announced an agreement in principle to buy Genetic Systems Corporation of Seattle for \$294 million.

The two deals have a number of similarities. Neither Hybritech nor Genetic Systems was facing a cash crisis, but neither has yet recorded profits. More important, both are hoping to move from reliance on diagnostic products to therapeutics, which are said to cost on average \$100 million to develop and steer through trials before they receive market approval.

Hybritech already has several diagnostics based on monoclonal antibodies on the market, including pregnancy and cancer tests. It stands to gain much from Lilly's financial and technical resources, as well as marketing knowhow — Lilly is already selling the first human recombinant DNA-derived pharmaceutical, a synthetic insulin.

Much the same can be said for Genetic Systems and Bristol-Myers. Genetic Systems has one diagnostic product on the market, a monoclonal-based test for Legionnaires' disease. Also in the pipeline are HLA cell-typing and tissue-typing reagents, and diagnostics for hepatitis B and acquired immune deficiency syndrome.

It is as yet unclear how the acquisition by Bristol-Myers will affect a previous unconfirmed investment plan by Syntex Corporation, which is a part owner of Genetic Systems. But the deal is not expected to affect Oncogen, an offshoot of Genetic Systems devoted to cancer research and owned jointly by Syntex, Genetic Systems and Bristol-Myers.

Tim Beardsley

Contraceptive pill

Japan heads for legalization

Tokyo

JAPAN is just coming around to considering the legalization of the contraceptive pill, some twenty years after other major nations. Indeed, with the pill now in use in 150 countries, Japan must be almost the last non-Catholic country and certainly the last industrialized country, in which the pill has been prohibited.

What has brought about this strange state of affairs? Earlier this year Singapore's Prime Minister, Lee Kuan Yew, praised Japan for keeping the ban on the pill as it had helped to retain "Asian values", including "chastity and a high level of fidelity, and the integrity of the family . . .". But officials of the Ministry of Health and Welfare were quick to point out that the pill has been banned only for fear of possible side effects.

That is something of an overstatement. Moral considerations certainly counted when the pill was originally prohibited nearly twenty years ago. But paramount consideration went to the pill's possible side effects, Japan having just experienced thalidomide poisoning and other cases where drug companies found themselves faced with demands for huge compensation payments. Curiously, it now turns out that Japan's attempt to avoid the pill's side effects have rebounded.

Two organizations, the Japan Obstetrics and Gynaecology Society and the Japan Motherhood Protection Medical Association, have now asked the Ministry of Health and Welfare to give permission for clinical tests to be made of the pill. One of the key reasons for their demand is that the pill has actually come into fairly common use. Although doctors are not permitted to prescribe the pill for contraceptive use, they may prescribe it as a medicine, for treatment of irregularities in menstruation, for example.

Using this regulation as a loophole, many doctors now openly provide the pill as a contraceptive. The trouble is that they can prescribe only the high-oestrogen formulations designed for medical rather than contraceptive use. The low-dose pill in use in the United States and Europe is still unknown. The many women who take the pill in Japan thus run a far greater risk of side effects such as thrombosis, than if it had been legalized in the first place.

The Ministry of Health and Welfare has taken the new request positively, but it is not yet clear what action will result. Fresh clinical trials would have to be performed in Japan, even for products in widespread use elsewhere and these are expensive, perhaps costing 3,000 million yen. Any pharmaceutical maker wanting to put a product on the market would thus find itself faced with a very large bill that might