

---

---

# News - Sans Opinions

Issue: 15 December 2007

---

---

## Follow Up 2

*India to Promote Homeopathy 2*

*Governing The Corporations 2*

## National News 2

*Indians have more faith in media? 2*

*Posco site again in controversy 2*

*India wants Rupee loan 3*

*Etc. 3*

*Media has 'vested interests' in attacking me: Ramadoss 3*

*Law to punish children who abandon elderly parents 3*

## International News 4

*Recession Likely in US? 4*

*Climate Change Talks 5*

*Bush Announces Mortgage Agreement 6*

*EU-Africa Summit: Human Rights and Trade on the agenda 6*

## Culture 7

*Madhubani Paintings 7*

## News Snippets 8

This is a newsletter by the community for the community. If you like it, become a contributor – to make it better. To contribute send a mail to [vaishviki@gmail.com](mailto:vaishviki@gmail.com) with 'Contribute' in the subject line. For a list of contributors, please visit <http://vaishviki.blogspot.com/>

Some of the articles in the newsletter may have content taken from freely available sources, and those contents are copyrights of their respective owners. The complete list of sources is available at <http://vaishviki.blogspot.com/>

You have received this newsletter because someone has recommended your name. If you do NOT want to get this letter, send a mail to [vaishviki@gmail.com](mailto:vaishviki@gmail.com) with 'Unsubscribe' in the subject line. To become a regular subscriber, send a mail to [vaishviki@gmail.com](mailto:vaishviki@gmail.com) with 'Subscribe' in the subject line.

## Follow Up

### India to Promote Homeopathy

In the previous issue, the growing preference for homeopathy and its less talked about scientific validity was reported. With industry projections rising, a wide ranging debated covering all aspects of homeopathy becomes necessary.

According to the study by the Associated Chambers of Commerce and Industry of India (ASSOCHAM), Indian homeopathy market is expected to top Rs.26 billion (\$650 million) by 2010 and outpace the growth of pharmaceutical industry in the country. The study articulates that in the year 2006-07, about 50 million people opted for homeopathy. This number would exceed 100 million by the end of 2010, according to the study.

### Governing The Corporations

The necessary prerequisite for markets to operate effectively is that the competition should be free and fair. Since the natural inclination of the market players is to go towards monopoly, the watchdogs play an important role in detecting the malpractices which distort the markets.

As per a report by BBC, supermarket firms Sainsbury's and Asda have admitted that they were part of a dairy price-fixing group that earned about £270m extra from shoppers. The supermarkets, along with a number of dairy firms, have agreed to pay fines totaling some £116m after an Office of Fair Trading (OFT) probe. Cases against Tesco and Morrisons will continue after no deal was struck. The OFT said that in-store prices went up after the collusion, but the amount received by farmers did not increase. It also said the collusion saw customers being charged 3 pence extra for a pint of milk, 15p extra per quarter-pound of butter and 15p per half-pound of cheese. However, the firms insist that the farm gate price paid for milk did rise and that they were not ripping off customers.

## National News

### Indians have more faith in media?

A poll conducted for the BBC World Service Service by the international polling firms GlobeScan and Synovate and their research partners in each country on the freedom of press found that as many as 44% respondents in 14 countries believed that press and media in their country is not free to report the news accurately without bias.

In some countries the poll shows concern over the ownership of private media. Strong majorities in Brazil (80%), Mexico (76%), USA (74%), and Great Britain (71%) believe that the concentration of media ownership in fewer hands is a concern because owners' political views emerge in reporting. Interestingly 44% persons did not think that freedom of the press was very important to ensure a free society.

As per the survey, Indians were more positive about the accuracy and honesty of government or publicly-funded news reporting than any other country surveyed. Fifty-seven percent of Indians give a "good" performance rating to public news organizations, compared with 39 percent globally. Private, for-profit news organizations are viewed more favorably, with 64 percent rating their performance "good" (versus 43% globally), although this is slightly less positive than the response in Africa.

Fifty-seven percent of Indians agree that growing consolidation of private media ownership is a major issue "because you often see owners' political views emerge in the news", while only 30 percent agree with the opposing

view that "media owners do not interfere with the news content" (14% did not answer).

Fifty-five percent think "it is important that people like me have a say in what gets reported in the news", while 33 percent think "decisions as to which stories get reported in the news are best left to news organizations", with a further 12 percent unable to answer.

### Posco site again in controversy

Reports indicated that the villagers around the proposed Posco plant site in Jagathsingpur district on Tuesday refused to meet social activist Medha Patkar.

Before this, the Chief Minister Naveen Patnaik said Posco would provide jobs to the poor. About Medha Patkar's involvement, he said: "Patkar often tours the state and opposes mega industries here. She should understand that mega industries are essential for the growth of the poor state like Orissa as they would generate huge revenue and employment for poor people here."

Patnaik's remark came ahead of Patkar's proposed visit to the proposed Posco plant site near Paradip on Tuesday evening. Rejecting Patnaik's claims, Patkar told PTI over the phone that she was convinced that mega industries could not generate employment as expected by him. "I know that only small and medium industries can provide jobs, not big ones. Therefore, we are opposed to the Posco project."

The Narmada Bachao Andolan leader also said that the state government might get revenue from the Posco project, but it has to sacrifice a lot in the form of land, water, forest, mines and coastline. "I am convinced that the Posco project will in no way help the people or the state."

### India wants Rupee loan

The Maharashtra state government is seeking a loan worth some \$3.5bn but is concerned about the fluctuations in the value of the dollar. If approved, it would be the first time the World Bank has agreed to such a loan in rupees.

This could signal an important change in the structure of international finance. Traditionally, the loans are denominated in US Dollar or some other 'stable' currency. This is done because the liquidity of less stable currencies is in doubt and the market of the same is not properly developed, making it difficult to assess the true value of the loan amount. Some economists claim that it gives undue advantage to the developed nations, like US, who could print as many dollars as they wish to meet a loan obligation. As one economist pointed out some time back, the US could rain dollars with helicopters if it needs to, because all it takes is a printing machine at home. All that could be changing with the weakening of USD and relative strengthening of other currencies like INR.

### Etc.

East or west,  
CMs hold our interest

"Quoted out of context"



"...Sohrabuddin..."



"...Rama was born in the poet's mind..."

### Media has 'vested interests' in attacking me: Ramadoss

By all indications, the relationship between Ramadoss and Venugopal appears to be one of personal feud. Unhappy over media's coverage of him, the minister leveled casteist allegations against media.

In Delhi, Union Health Minister Anbumani Ramadoss charged media with having "vested interests" in attacking him and said changes in the AIIMS were aimed at ridding it of casteism and politics.

Before this also he had charged the capital's media with being biased against him as he was from the backward castes. "Absolutely (I was hurt). This (AIIMS) is not an issue between me and Dr P Venugopal (AIIMS Director) but it's an issue between the government and the AIIMS," he said.

He also said there was discrimination against SC and ST students in AIIMS. "If this is the attitude, I think it is better to change," Ramadoss said. Asked about the political interference in the premium institute, he said, "this is why we want to restructure it, and it is not my personal agenda of getting rid of anybody, it is just a rubbish thing painted by the vested interest of the media." "I want AIIMS to be All India Institute of Medical Science and not institute of political science. The institute is not for politics, only doctors should be there," he added.

The Minister said, "Venugopal is now 66 years old. He can hardly walk and totally incapacitated both physically and mentally. He has absolutely no clue about what is happening in the institute."

### Law to punish children who abandon elderly parents

On December 6, the Parliament passed a bill that would ensure that elderly people are taken care of by their children failing which they would face penal action. The Maintenance and Welfare of Parents and Senior Citizens Act, 2007, provide a three-month jail term if children do not look after old parents.

The new law, which provides for the setting up of many tribunals to provide speedy help to the old in distress, contains no room for appeal. "This has been done deliberately as they (the children) have a lot of resources which the old people do not have," social welfare minister, Meera Kumar, said. The legislation also provides for the state to set up old age homes that the minister said should be the "last resort for the poor and the childless." The bill applies to adult children with parents over the age of 60.

There is skepticism about the efficacy of law. Moreover, even such a law is needed for taking care of such essential duties, also comments a lot about state of the society at present. It's ironic that a society which demands lesser government control; is inviting corrective action by government by being indifferent to its own responsibilities.

## International News

### Recession Likely in US?

#### What is a recession?

The American National Bureau of Economic Research defines a recession as "a significant decline in economic activity spread across the economy, lasting more than a few months." A recession may involve simultaneous declines in coincident measures of overall economic activity such as employment, investment, and corporate profits.

#### How does it impact India

The sectors which have direct relation to US economy are likely to get more impacted by a recession in US. These sectors include textiles, IT, ITES and other export intensive businesses. While the overall possible impact on Indian economy is hard to estimate, there is a good possibility that the sectors mentioned above will pass through a rough patch. For example, in the mild recession, the US witnessed in 2001, there was a marked decline in job growth and business in IT sector in India as well.

#### Is a recession likely?

Some economists believe that U.S. corporate profits are in a recession, and the entire economy may not be far behind. Slower sales and higher energy and labor costs may be forcing companies to reduce spending and hiring. Their efforts to keep earnings from eroding even further raise the risk that the economy, already weakened by the steepest housing slide since 1991, may shrink sometime next year.

Caterpillar Inc., the world's largest maker of bulldozers and excavators, in October said it expected the economy to be "near to, or even in recession" in 2008. There are others, including but not limited to the Fed chairman who have been dropping the 'R' word more often of late.

#### How bad could it be

Some of the recessions throw millions of people out of jobs, drive many more into debt and create an extremely negative psychological environment. While others do. Recession of 1929 got escalated into something that economists call a "Depression". It threw more than 25 percent of workforce out of jobs and lasted for many years. This was one of the extreme cases but not every recession causes as much hardship. In economics recession is considered to be an integral part of the economic cycle by most schools of thought.

Some important factors in managing recession are fiscal policy, monetary policy and evolution of new technology.

#### Alternate views

Some economists believe that the talk of the recession in US is a bugbear. The economy has shown surprising amount of resilience in the past and with the latest advances in fiscal, monetary and technological methods

of managing recession a soft landing is more likely than a recession.

Interestingly the Left views recession as an entirely avoidable phenomena and as something that exposes some of the fundamental flaws of Capitalism. This thought believes that crisis of overproduction is manifested in a recession. Further, this thought stresses that as concentration of wealth increases in a boom cycle, the purchasing power of people lags behind the production, creating a gap in the demand and supply. To some economists, the history of last few decades is a clear vindication of this theory as opening of new investment vistas in erstwhile closed economies has spurred the demand and thus helped manage the recession in the West, like never before since the days of colonialism. However there is some amount of controversy surrounding this view because alternate methods of discovering supply and demand have mostly eluded success.

#### Job Cuts

Bank of America, JPMorgan Chase, Bear Stearns, Citigroup, Lehman Brothers and Morgan Stanley have announced some 25,000 job cuts so far this year. Claims for unemployment benefits jumped to a nine-month high in the week ended Nov. 24. Orders for non-defense capital goods excluding aircraft, a proxy for future business investment, fell 2.3 percent in October, the most since February, according to Commerce Department figures.

#### Disappointed Investors

Weaker business spending held back sales at Cisco Systems, the world's biggest maker of networking equipment. That disappointed investors, who have pushed the company's shares down more than 17 percent in a month's time. Chief Executive Officer John Chambers said orders have slowed from Cisco's top 25 U.S. customers, which include eight financial-services companies.

The biggest hit to the economy from fading financial profits may come from tighter lending standards. The Federal Reserve reported last month that banks were making it harder for businesses and consumers to borrow. Some analysts expect terms to tighten further. Advanta, a Pennsylvania-based provider of corporate credit cards, cut its 2007 earnings forecast on Nov. 27 and withdrew its 2008 estimate as late payments rose. "Higher delinquency rates will continue for some time," Chief Executive Officer Dennis Alter told analysts. "What is not clear is where the economy and consumer behavior is headed."

## **Climate Change Talks**

Thousands of delegates from almost 200 nations attended the two-week UN Framework Convention on Climate Change on the Indonesian island of Bali. The summit took place on 3-14 Dec 2007.

There were more than 10,000 participants at the Bali conference. This included 5,037 representatives of 349 non-governmental organizations (NGOs). There were also 1,497 members of the press from 530 media organizations. Around 5,600 hotel rooms in the conference venue Nusa Dua resort were booked. The heart of the conference was the Bali International Convention Center (BICC) at The Westin Resort where all activities were centered. There are two conference halls with the capacities of 1,300 and 800 people respectively.

Big tents were erected around the venue compound for meetings and other side-events. To keep participants from sweating, the tents were also equipped with air conditioners. A media center was set up in the parking zone to accommodate over one thousand journalists flown in from all over the world. The media center was open 24/7, with the peak hours in the evening. An average of 270 reams of paper per day, with a peak of 300 reams per day in the second week of the meeting was consumed by the conference.

Some may surely call the Bali conference, the biggest "global warmer event" held so far.

### **The agenda of the Conference**

The president of the conference said, "Climate protection must form an integral part of sustainable economic development, and it is critical that we act and we act now," he said.

Earlier this year, the IPCC published its Fourth Assessment Report (A4R), in which it projected that the world would warm by 1.8-4.0C (3.2-7.2F) over the next century. The report has been able to create a consensus in the governments across the world that the climate change is a result of human activity. The agenda was to consider how to cut greenhouse gas emissions after current Kyoto Protocol targets expire in 2012. Talks also focused on how to help poor nations cope in a warming world.

### **Climate for consensus?**

At the top of the conference's agenda is the need to reach a consensus on how to curb emissions beyond 2012. This marks the end of the current phase of the Kyoto Protocol, which commits industrialized nations to cutting greenhouse gas emissions by an average of about 5% from 1990 levels.

Critics of the existing framework say binding targets do not work, and favour technological advances instead. Recent studies show that levels of carbon dioxide in the atmosphere are rising faster than they were a decade ago.

Meanwhile, US President George Bush - who favours voluntary rather than mandatory targets - issued a statement saying that the nation's emissions had fallen by 1.5% in 2006 from levels in 2005. Mr Bush used the reduction as an endorsement of his climate policy, saying: "Our guiding principle is clear: we must lead the world to produce fewer greenhouse gas emissions. We must do it in a way that does not undermine economic growth or prevent nations from delivering greater prosperity for their people.

However, the European Union backs the use of binding targets. The 27-nation bloc has already committed itself to cut emissions by 20% by 2020.

A number of observers believe the difference between the two economic powerhouses will result in the Bali conference failing to deliver a policy roadmap for "Kyoto II".

### **Softening the blow**

The conference is also scheduled to consider how to fund projects that will help developing nations deal with the impact of climate change. Ahead of the climate conference, another UN agency published a report criticising global efforts to date.

The UN Development Programme's annual Human Development Report said funding currently amounted to \$26m (£13m), roughly the same amount as the UK spent on its flood defences in a week.

"Nobody wants to understate the very real long-term ecological challenges that climate change will bring to rich countries," said lead author Kevin Watkins. "But the near-term vulnerabilities are not concentrated in lower Manhattan and London, but in flood-prone areas of Bangladesh and drought-prone parts of sub-Saharan Africa. "Allowing the window of opportunity to close would represent a moral and political failure without precedent in human history."

### **Mass demonstrations supporting tough standards**

To coincide with the summit, parallel eco-marches are planned in 50 cities globally, including London, Cardiff, Glasgow and Belfast. A march in London will deliver a letter to Prime Minister Gordon Brown calling for strong UK climate change law.

Friends of the Earth director Tony Juniper said: "It is essential our politicians show the leadership required and ensure that the climate talks in Bali speed the world towards a low-carbon future and ensure the long-term security of generations to come."

He called for a strong climate change law that cuts UK emissions by 3% a year and includes emissions from international aviation and shipping, as well as annual milestones.

### **U.S rejects stiff 2020 greenhouse goals**

Washington rejected stiff 2020 targets for greenhouse gas cuts by rich nations at U.N. talks in Bali on Monday

as part of a "roadmap" to work out a new global pact to fight climate change by 2009.

"It's prejudging what the outcome should be," chief negotiator Harlan Watson said of a draft suggesting that rich nations should aim to axe emissions of heat-trapping gases by between 25 and 40 percent below 1990 levels by 2020.

He said that Washington wanted the December 3-14 talks, of 190 nations with more than 10,000 delegates, to end on Friday with an accord to start two years of negotiations on a new global climate treaty to succeed the Kyoto Protocol beyond 2012.

A draft final text by Indonesia, South Africa and Australia says evidence by the U.N. climate panel demands cuts of 25-40 percent by rich nations to avoid the worst impacts of climate change such as more droughts, floods and rising seas.

"We don't want to start out with numbers," Watson told a news conference, adding that the 25-40 percent range was based on "many uncertainties" and a small number of scientific studies by the U.N. Climate Panel, a Nobel Peace Prize winner.

Other countries such as Japan are also opposed, fearing such stiff goals would choke economic growth.

### **Low faith in biofuels for climate**

During the summit, the World Conservation Union (IUCN) presented a study on which technologies inspired the most confidence for tackling climate change. The survey consisted of 1,000 professionals in 105 countries, including people from governments, NGOs and industry.

Of 18 technologies suggested by IUCN, the current generation of biofuels came bottom of the list, with only 21% believing in its potential to "lower overall carbon levels in the atmosphere without unacceptable side effects" over the next 25 years.

Nearly twice as many were confident in the potential of nuclear energy, while solar power for hot water and solar power for electricity emerged as the most favoured low-carbon technologies.

Overall, respondents said increasing energy efficiency and reducing demand could produce more benefits than "clean" energy sources.

Although the EU and the US are attempting to boost the expansion of biofuels, recent evidence is equivocal about their potential.

Studies show they may produce only marginal carbon savings compared to conventional petrol and diesel.

In Indonesia and elsewhere, forests are being cleared for palm oil plantations, partly to produce biofuels. There is evidence that leaving forests intact results in greater climate benefits while protecting biodiversity.

### **Bush Announces Mortgage Agreement**

It is not a secret anymore that the housing industry in US is in a serious slump. There are more sellers than the buyers and the overall sentiment is extremely negative. With many mortgage related business reporting heavy losses and the fear that US may enter a severe recession, at least, partly caused by the mortgage crisis, there has been some pressure of government to bail out the industry.

On Dec 6, President Bush announced an agreement with the mortgage industry today to freeze interest rates for up to five years for some of the two million homeowners who bought houses recently with subprime loans.

The president described the accord, hammered out after weeks of talks among Treasury Department officials, mortgage lenders and Wall Street firms, as a way to help deserving homeowners while keeping the housing slump from further affecting an economy that is basically sound. The critiques point out that, the agreement would help only some of the most strapped homeowners.

"We should not bail out lenders, real estate speculators or those who made the reckless decision to buy a home they knew they could not afford," Mr. Bush said.

The agreement would allow distressed borrowers who are current on their payments to keep their low introductory rates and escape an increase of 30 percent or more in their monthly payments when those rates expire.

Mr. Bush said, "In recent years, innovative mortgage products have helped millions of Americans afford their own homes, and that's good. Unfortunately, some of these products were used irresponsibly."

"Some lenders made loans that borrowers did not understand, especially in the subprime sector," Mr. Bush went on. "Some borrowers took out loans they knew they could not afford. And to compound the problem, many mortgages are packaged into securities and sold to investors around the world."

Democratic lawmakers and presidential contenders criticized it as too timid, and promoted more ambitious proposals of their own.

The agreement contains numerous limitations that would exclude many — if not most — subprime borrowers. It would apply to loans taken out between Jan. 1, 2005, and July 30, 2007, and scheduled to rise in 2008 and 2009. It would exclude those who are delinquent on their payments — about 22 percent of all subprime borrowers, according to First American LoanPerformance, an industry research firm.

Mortgage companies could also exclude borrowers who they conclude are making enough money to afford higher monthly payments. One estimate suggests that only about 12 percent of all subprime borrowers, or 240,000 homeowners, would get relief.

Mr. Bush said the Justice Department "will continue to pursue wrongdoing in the banking and housing industries, so we can help ensure that those who defraud American consumers face justice." He also prodded Congress to enact legislation to make more loan assistance available through the Federal Housing Administration.

### **EU-Africa Summit: Human Rights and Trade on the agenda**

African trade with China is forcing Europe to take Africa more seriously and not just as a collection of former colonial possessions. As if to herald the new role of the

Africa on the global stage, the EU-Africa conference was held in Portugal last week.

Ghanaian President John Kufuor, who is also president of the African Union, said. "For almost 500 years, the relationship between our two continents had not been a happy one. It is to correct this historic injustice and inhumanity that this new relationship between Africa and the European Union is now necessary."

Portuguese PM Jose Socrates said there would be no shying away from thorny issues like human rights. He acknowledged that Zimbabwe was a sticking point, but said dialogue would bring results. "This summit is a summit of equals," he said. "We are equal in our human dignity... but also equal in terms of political responsibility." Activists are urging more action to solve the Darfur crisis and confront Zimbabwe's President Robert Mugabe. Mr Mugabe is banned from the EU, but was invited to the summit after African leaders threatened to stay away. UK Prime Minister Gordon Brown, who is critical of Mr Mugabe's human rights record, is boycotting the summit in protest. Previous efforts to hold the meeting failed over the question of Mr Mugabe's attendance. Britain and other EU countries have accused the Zimbabwean president of economic mismanagement, failure to curb corruption, and contempt for democracy.

'Human rights' is one of five key topics that leaders are due to debate at the summit. The others are trade, immigration, the environment, and peace and security.

Also on the eve of the summit, Libyan leader Gaddafi - who has set up base in a tent outside Lisbon - called on Europe to compensate its former African colonies.

"The riches that were taken away must be given back," Mr Gaddafi said in a speech at Lisbon University.

"If we don't face up to that truth, we'll have to pay the price one way or another - through terrorism, emigration or revenge."

The EU is hoping to draw up a number of new Economic Partnership Agreements with former African colonies and regional blocs. The World Trade Organization wants the current preferential trade deals to expire at the end of the year. African representatives are concerned that the new agreements are unbalanced and that their countries will not be able to compete with subsidized European goods.

## Culture

### Madhubani Paintings

Popular art is the expression of masses' rich culture. For centuries, Madhubani paintings have been made by the women of villages in Mithila. The painting was traditionally done on freshly plastered mud wall of huts, but now it is also done on cloth, hand-made paper and canvas.

As the style remained confined in a compact geographical area, the content and the style have largely remained the same. The style uses one and two dimensional imageries, and the colors used are derived from plants.

Here are some sample paintings of Madhubani style.



## News Snippets

### IIT-B Plans Virtual Classroom

Starting January 2008, IIT-B (Indian Institute of Technology-Bombay) is planning to launch a virtual classroom, where live lectures will be broadcast online through Edusat, the satellite service catering exclusively to the field of education. The service will also enable engineering students from other colleges to access IIT-B lectures, plus interact with resident teachers at IIT-B.

IIT-B and the Indian Space Research Organization (ISRO) have signed a memorandum of understanding (MoU) to transmit lectures to any of the 1,500 engineering colleges in the country, who are keen to access the service. In addition, these lectures will be made available to institutions in south-east Asian countries like Bangladesh, Pakistan, Nepal, Sri Lanka, or Bhutan by tuning in to the same frequency.

### SC stays Sabarmati demolition

The supreme court on Tuesday restrained Gujarat government from demolishing some parts of Sabarmati Harijan Ashram Trust, where Mahatma Gandhi spent 13 years of his life during the freedom struggle, to pave way for roads.

### Dyer's portrait removed from Golden Temple

The Shiromani Gurdwara Parbandhak Committee (SGPC) removed the portrait of Sir Michael O' Dwyer, who was Lieutenant Governor of Punjab during the Jallianwala bagh massacre of 1919, from the Sikh museum of the Golden Temple. The portrait of Sir Michael O' Dwyer was installed in the Sikh museum and following an objection from NGO Shaheed-e-Azam Sardar Bhagat Singh Youth Front, the SGPC decided to remove it. Sir Michael Dyer was Punjab Lieutenant Governor and had supported Brigadier-General Dyer after the Jallianwala massacre on April 19, 1919 when the latter had opened fire at people during a prayer meeting there. Dyer was shot dead in London on March 13, 1940, by freedom fighter, Sardar Udham Singh, to take revenge for the Amritsar massacre.

### Guatemala tightens adoption rules

The new law tries to eliminate mediators, create a federal adoption agency and prohibit birth parents from receiving financial compensation. The government has been under pressure to curb a controversial trade where intermediaries are paid up to \$40,000 (£19,600) to arrange an adoption. Almost 5,000 Guatemalan babies were adopted by foreigners in 2006. The UN says most of the children went to the United States, making Guatemala the second largest source of children adopted in the US, after China.

### Mitchell Report on drug use in baseball

A report released by former Sen. George Mitchell, cited the use of steroids and Human Growth Hormone among

all 30 major league teams in USA. The report also named more than 80 players as using performance-enhancing drugs in baseball. But some noted the evidence hinged mainly on two sources whose testimony was given in return for plea bargains in federal investigations.

### Bush vetoes children's health bill a second time

President George W. Bush vetoed a bill expanding a popular children's health-care program for a second time. Pushed by the Democratic-led Congress but also supported by many Republicans, the bill was aimed at providing health insurance to about 10 million children in low- and moderate-income families.

Bush has said the funding level sought by the Democrats for the health program would have expanded it beyond its original intent of covering poor children and marked a step toward government-run health care. Democrats say the additional money is needed to help families who cannot afford to buy private health insurance but who earn too much to qualify for the Medicaid health care program for the poor.

### Opportunity in Denmark?

In Europe, many view Denmark as an example of how to keep an economy thriving and a society equal. Denmark pays ample unemployment and welfare benefits but, unusually in Europe, imposes almost no restrictions on hiring and firing by employers. The mixture might have served Denmark well, as its economy barreled ahead in 2006 by 3.5 percent, one of the best performances in Western Europe. The country is effectively at full employment. But success has given rise to an anxious search for talent among Danish companies. The Organization for Economic Cooperation and Development (OECD), which is based in Paris, projects that Denmark's growth rate will fall to an annual rate of slightly more than 1 percent for the five years beginning in 2009, reflecting a dwindling supply of a vital input for any economy: labor.

The problem, some employers and economists believe, has a lot to do with the 63 percent marginal tax rate paid by top earners in Denmark - a level that hits anyone making more than about \$70,000. That same tax rate underpins such effective income redistribution that Denmark is the most nearly equal society in the world, in that wealth is more evenly spread than anywhere else. But today young Danes can easily choose not to pay for the system's upkeep, once they have siphoned off what they need. For starters, as citizens of the European Union they are entitled to work in any of the 27 EU countries. Acknowledging the need to reduce the tax burden, the previous government approved slight reductions in taxes for lower earners, but has avoided promises of quick fixes.