

.... September 10 Septembre 1990

.... LE TEMPS - Région parisienne: Très  
belle journée ensoleillée. Vent de  
nord-est modéré. Il fera 23°.

.... SG/PRB/D(90)142

REUTER - WORLD NEWS SUMMARY

NICOSIA - The President of the United States and the Soviet Union ended a summit meeting with a condemnation of Iraqi Leader Saddam Hussein but no new ideas on how to force him to pull his forces out of occupied Kuwait.

LONDON - The commander of the mansion guard of Liberian President Samuel Doe has been chosen to head an interim government, the British Broadcasting Corporation said after reporting Doe's wounding and capture by rebel forces.

ATHENS - Millions of Greek workers, enraged by the conservative government's tough austerity programme, begin a week of industrial strikes.

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CRISIS IN THE GULF

HERALD TRIBUNE: Bush and Gorbachev united

HELSINKI - "In their joint statement issued on Sunday, Presidents Bush and Gorbachev said that Iraq's aggression must not be tolerated... They again called upon the government of Iraq to withdraw unconditionally from Kuwait, to allow the restoration of Kuwait's legitimate government and to free all hostages now held in Iraq and Kuwait... Nothing short of a return to the pre-Aug. 2 status of Kuwait can end Iraq's isolation."

REUTER: NATO Sec-Gen advocates sanctions

PRAGUE - "NATO Secretary-General Manfred Woerner said on Friday that only waterproof sanctions against Iraq could avoid war in the Gulf... 'I think there is a chance to get to the objectives and goal without war but only on one condition: that the community of nations, in the United Nations, remain as solid, as committed and as determined as they have proven to be up to now', Woerner said."

HERALD TRIBUNE: Kuwait will pay \$2.5bn for war

CAIRO - "Kuwait's exiled emir told the United States on Friday that his country would give Washington \$2.5bn this year, which, combined with aid from Saudi Arabia and other Gulf states, should enable the Bush administration to cover most if not all of the cost of its military deployment in the Gulf."

WALL STREET JOURNAL: OECD, IMF economists warn for inflation

PARIS - "Economists at the world's 2 main economic and financial think tanks are urging governments to take a decisive anti-inflationary stance that would send a reassuring signal to financial markets... Confidential studies prepared by the 2 organizations to examine the economic impact of the latest oil shock are to serve as sounding boards for a series of meetings of senior monetary officials in Paris this week and in Washington at month end. OECD economists estimate that the group's gross national product could expand at an inflation-adjusted rate of between 2% and 2.5% over the next year, compared with the 2.9% rate it projected in June. And inflation, which had been expected to rise by 4.4% in the OECD in 1991, could now be pushed into the 5% to 6% range."

AGRICULTURE

THE GUARDIAN: Agricultural policies' lunacy again a hot issue

LONDON - "French farmers who slaughtered English lambs last week have drawn attention to the newly resurgent lunacies of the Common Agricultural

Policy and its parallel policies in America and Japan... The OECD reckons that protection costs consumers and taxpayers well over \$120bn a year. Over-supply has forced agricultural commodity prices down by an average of 33%, while import restrictions have kept prices to the consumer much higher. Everyone loses from this lunacy including inefficient farmers who are only delaying the start of inevitable reforms."

USSR

FINANCIAL TIMES: Economic reform plan delayed

MOSCOW - "The arguments in the Soviet Union over how to transform the economy into a market system have forced President Mikhail Gorbachev to postpone presenting an economic reform plan to parliament. Originally, he was expected to announce the plan at today's opening session of the Supreme Soviet, the all-union parliament. But he is not now expected to make his statement until mid-week."

OECD ECONOMIES

Exchange rates

REUTER: Dollar keeps falling in Tokyo

TOKYO - "The dollar traded below 140 yen in Tokyo on Monday morning for the first time in nearly a year with the belief that the US economy is moving into recession exerting downward pressure. The dollar opened at 139.50 yen, its lowest in Tokyo since an intraday 138.65 yen on October 2, 1989... Share prices at midday in Tokyo were sharply higher in very thin trade on the strength of the yen and on bargain-hunting. Wall Street's gains on Friday and easier crude oil prices also pushed up prices... Sterling continued its drop against most major currencies after Chancellor of the Exchequer John Major said over the weekend that Britain has no specific time in mind for sterling's entry into the exchange rate mechanism (ERM) of the European Monetary System."

EC Monetary Union

THE TIMES: Convergence a prerequisite for EMU

LONDON - "John Major, the UK chancellor, has won the support of a majority of European Community Finance ministers who agree with him that economic convergence is a prerequisite for economic and monetary union. At a key meeting in Rome on Saturday to sketch out the agenda for the December inter-governmental conference on EMU, the ministers unexpectedly rejected the Delors report's proposal for a fixed date for the start of stage two, and agreed with Mr. Major that an evolutionary approach was better... Mr. Major was strongly supported by the Germans... A commission official said a slowdown in the previous rapid momentum towards full EMU by the mid-nineties was to be expected."

United States

REUTER: US unemployment rate rises to 5.6%

WASHINGTON - "The US unemployment rate rose to 5.6% in August from 5.5% in July, the government said on Friday, and the number of new jobs created slid further in the latest sign of sluggishness in the economy... A key indicator of the economy's underlying strength, new jobs created outside the agricultural sector fell 75,000 last month after falling a revised 89,000 in July."

HERALD TRIBUNE: Congress returns to daunting task

WASHINGTON - "As members of Congress get back to business in earnest Monday, they face major legislation dealing with the environment, civil rights, child care and campaign financing. They must also deal with their most basic task, determining the nation's budget for the coming fiscal year... The cost of the huge US military presence in the region, estimated at \$11.3bn for the coming fiscal year, has made some members of Congress reluctant to make deep cuts in military spending. The house is scheduled to begin consideration of the Pentagon budget bill this week... Also awaiting final action is a 5-year farm bill."

Germany

HERALD TRIBUNE: Sovereignty delayed by Soviet financial demands

BERLIN - "West Germany acknowledged for the first time this weekend that Germany would not immediately gain sovereignty when reunification takes place oct. 3. And in unusually blunt remarks, Foreign Minister Hans-Dietrich Genscher also said negotiations with Moscow on financing the withdrawal of Soviet troops from East Germany were in fact about 'the price of German unity'... Mr. Genscher said the Kremlin was seeking more than 10bn Deutsch marks (\$6.4bn) for the repatriation of its 350,000 or so troops from East Germany by the end of 1994."

France

LE MONDE: Nouvelles mesures fiscales pour 1991

PARIS - "Le projet de budget 1991 doit être présenté au gouvernement mercredi 12 septembre. L'impôt sur les sociétés passerait de 37% à 34%... Pour freiner la hausse des prix, M. Bérégovoy a confirmé la baisse de 3 points du taux majoré de la TVA dès la mi-septembre, taux qui passera de 25% à 22%... Pour compenser ces abandons de recettes, le gouvernement va économiser 7 mrds de francs sur les dépenses publiques prévues."

New Zealand

FINANCIAL TIMES: NZ government bails out privatized bank

LONDON - "The New Zealand government is to back a settlement between DFC New Zealand, the merchant bank which collapsed last year, and international creditors owed NZ\$2.2bn (US\$1.4bn). The government's involvement is a move to patch up a rift with the international financial community over the collapse of DFC, which was privatised in 1988."

ENVIRONNEMENT

France

LIBERATION: Brice Lalonde contre les autos allemandes

"Dans une interview publiée aujourd'hui dans LE POINT, le secrétaire d'Etat à l'Environnement, Brice Lalonde, part en guerre contre les automobiles allemandes et suggère d'en suspendre l'importation en France... Avant même la parution de l'interview, Didier Métret, PDG de la filiale française de BMW, a pris, dès dimanche, la défense des constructeurs allemands sur Europe 1, répliquant qu'ils 'n'ont pas de leçon à recevoir du secrétaire d'Etat à l'Environnement, car ils ont été les premiers à mettre des catalyseurs' sur les systèmes d'échappement des voitures."

EC

THE OBSERVER: Tough EC noise laws in the pipe-line

LONDON - "Tough new measures to cut noise in cities - including restrictions on the use of cars and the banning of noisy vehicles - are being drawn up by the European Commission. Strict noise levels are to be set for urban areas, and motor manufacturers will be obliged to produce quieter cars and lorries. Motorcycles are to be a special target of new regulations. Train and aircraft noise will also be tackled."

THE SUNDAY TIMES: Bank pulls out of British gas in rainforest row

LONDON - "One of Britain's biggest banks has secretly sold shares in British Gas after receiving a report accusing the company of polluting and destroying part of the Amazon rainforest. The TSB, the sixth biggest high street bank, has withdrawn gas shares from its environmental unit trust fund to protect its green credentials, after complaints from Amazonian Indians living in Ecuador... South American Indians, supported by a British biologist working in the Amazon, have accused British Gas and various subsidiaries of ruining their part of the forest in a 500,000-acre concession in the remote Pastaza region, near the Peruvian border."

END-OF-TEXT

