

.... September 18 Septembre 1990

.... LE TEMPS - Région parisienne: Ciel
voilé dès ce matin. Nuages nombreux
tout au long de la journée. 20°.

.... SG/PRB/D(90)148

REUTER - WORLD NEWS SUMMARY

NICOSIA - Saudi Arabia and the Soviet Union have ended half a century of hostility, restoring ties in a major diplomatic shift that has followed Iraq's August 2 invasion of Kuwait.

JOHANNESBURG - The African National Congress (ANC) meets to discuss a police crackdown on South African township violence, and Nelson Mandela said it may respond by arming its supporters and halting peace talks with the government.

WASHINGTON - President George Bush stressed again the need for lower interest rates to invigorate the US economy, but economists doubt the head of the central bank can engineer a major rate drop -- even with a budget deficit agreement.

THE GULF CRISIS

LES ECHOS: CEE: Nouvelles mesures contre l'Irak

BRUXELLES - "... Les ministres des Affaires étrangères des Douze ont décidé de 'communautariser' les mesures de rétorsion diplomatiques annoncées, dès samedi, par François Mitterrand... Les chefs de la diplomatie communautaire sont convenus d'expulser le personnel militaire affecté aux ambassades irakiennes dans toute la CEE, les autres diplomates voyant leur liberté de circuler strictement limitée. Ils ont ensuite 'réaffirmé leur volonté de mettre en place toutes les mesures nécessaires pour renforcer l'efficacité de l'embargo, sous toutes ses formes'."

THE TIMES: Britain expels 31 Iraq envoys and civilians

BRUSSELS/PRAGUE - "Britain yesterday ordered the expulsion of 2 Iraqi military attaches and 6 support staff from London, in solidarity with other EC countries whose embassies in Kuwait have been ransacked by Iraqi troops."

HERALD TRIBUNE: Cheney fires general over Iraq remarks

WASHINGTON - "Defense Secretary Dick Cheney dismissed the US Air Force chief of staff on Monday after the general said publicly that the United States would bomb Baghdad in case of a war and would target President Saddam Hussein in particular... Mr. Cheney said he intended to recommend General Merrill A. McPeak, the commander of the Pacific Air Forces, to replace General Michael Dugan."

AFP: Pétrole: très forte hausse du baril à New York (+1,87 dollar)

NEW YORK - "Les cours du pétrole brut ont très fortement augmenté lundi à New York, le baril de référence atteignant son plus haut niveau depuis 1983. Le baril de West Texas Intermediate pour livraison la plus rapprochée en octobre a fait un bond de 1,87 dollar par rapport à son cours de vendredi soir et a clôturé à 33,63 dollars. Cette nouvelle flambée du brut reflète le sentiment sur les marchés que l'option militaire paraît de plus en plus inévitable dans la crise du Golfe."

WORLD DEBT

FINANCIAL TIMES: Record debt cut agreements predicted

"Commercial banks are expected to agree to a record volume of debt reduction agreements with developing country debtors this year, according to forecasts released today by the Institute of International Finance. It forecasts that voluntary bank debt reduction will reach \$2.9bn this year - compared with \$12.4bn last year... In a related development, the IIF today

blames the Brady plan, which aims to lower the burdens of problem debtor countries, for encouraging arrears in interest payments to banks by developing countries. Its figures show arrears having trebled from \$7bn at the end of March 1989 to \$22bn now. It called on the IMF and the World Bank not to lend to countries unless they have stopped building up interest arrears to bank creditors."

ENVIRONMENT

REUTER: UN proposes new \$1bn environmental fund

UNITED NATIONS - "The heads of 3 UN agencies on Monday proposed a \$1bn environmental fund for developing nations in Latin America, Africa and Asia and promised to make sure their own programmes were environmentally sound. The 3 agreed to create a Global Environmental Facility to advance their agencies' efforts 'in ensuring that their development programmes are undertaken in a manner which protects the global environment'. Agencies involved are the World Bank, which has been criticised in the past for projects damaging to the environment, the UN Development Programme and the UN Environmental Programme."

EUROPEAN COMMUNITY

FINANCIAL TIMES: EC opens up public procurement market

BRUSSELS - "New rules that will force EC member states to open their markets in public purchasing to competitive practices, and which could result in large annual savings of up to Ecu20bn (£14bn), were yesterday finally adopted by industry ministers. Beginning in 1993, public buyers in the important sectors of energy, transport, telecommunications, and water, which until now were excluded from EC rules on procurement, will have to give a fair chance to suppliers in all member states."

AFP: La CEE dégèle un accord économique avec la Roumanie

BRUXELLES - "La CEE a décidé lundi soir de signer un accord de coopération économique et de commerce avec la Roumanie, gelé depuis juin, a annoncé le ministre italien des Affaires étrangères Gianni De Michelis. Les Douze avaient gelé la signature de cet accord pour protester contre la répression sanglante... Les ministres des Affaires étrangères des Douze ont estimé que la situation politique et le respect des droits de l'Homme en Roumanie s'étaient suffisamment améliorés pour signer l'accord."

USSR

HERALD TRIBUNE: Gorbachev seeks a vote on ownership

MOSCOW - "President Mikhail S. Gorbachev called Monday for a nationwide referendum on whether to allow private ownership of land... Addressing the Supreme Soviet, which is debating how to abandon the system of central planning in favor of a market economy, Mr. Gorbachev said a decision on decollectivization of land was too important to be left to a small group of politicians... 'The question of whether there should be private ownership of land is the sovereign right of the people to decide', Mr. Gorbachev said, 'and it can be decided only by a referendum'."

ECONOMIES OCDE

Finlande

AFP: 6,2% d'inflation annuelle en août

HELSINKI - "Les prix à la consommation en Finlande ont augmenté de 0,5% en août portant l'inflation sur 12 mois à 6,2% et depuis le début de l'année à 3%, a indiqué lundi l'office des statistiques finlandais... Sur les 12 derniers mois, les prix qui ont le plus augmenté sont ceux du tabac (+9,2%) et des soins hospitaliers (8,8%)/"

Germany

WALL STREET JOURNAL: Budget gaps widen by nearly \$2bn

FRANKFURT - "The deficit for West Germany's federal, state and local governments widened by 3bn marks (\$1.91bn) in the second quarter of 1990, the Bundesbank said in its monthly report. That brings the deficit for the first half to DM17.5bn, compared with DM11bn in the year-earlier half... The report was released yesterday as West German Finance Minister Theo

Waigel reiterated that the Bonn government is against imposing a tax increase to help finance German unification... 'Tax increases must be the last resort, not the starting point', he said. 'They should be undertaken only after every other measure has been exhausted'."

THE GUARDIAN: An upbeat Bundesbank eases interest rate fears

BONN - "Germany's central bank, the Bundesbank, today reassures world markets that it sees no immediate reason to tighten its monetary policy through higher interest rates because of the inflationary effects of the Gulf crisis."

END-OF-TEXT