

.... October 11 Octobre 1990

.... LE TEMPS - Région parisienne: Il fera  
  en général beau malgré quelques  
  passages nuageux. Vent de sud-est. 21°

.... SG/PRB/D(90)166

AFP: LE MONDE EN BREF

NEW YORK (Nations Unies) - Les 5 membres permanents du Conseil de sécurité de l'ONU se sont réunis mercredi vers midi (heure locale) pour discuter un nouveau projet de résolution faisant suite aux incidents sanglants de lundi dans la vieille ville de Jérusalem. Le projet de résolution américain condamne "la violence et la réponse excessive israélienne" aux incidents de Jérusalem, qui ont fait au moins 21 morts.

REUTER - WORLD NEWS SUMMARY

BAGHDAD - A US-chartered plane with more than 320 Westerners from Kuwait and Iraq left Baghdad early on Thursday for London.

BONN - The arrest of 2 alleged top East German spies and 8 possible accomplices in the last 10 days indicates that the former Communist state may have penetrated to the core of West German intelligence.

WIESBADEN - Sufficient cocaine to supply 10,000 addicts for a year has been seized in a raid in Germany's financial capital Frankfurt.

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OIL PRICES

THE TIMES:Gulf rumours send oil price soaring to \$40

"Oil markets were given a taste of what to expect if war breaks out in the Gulf when various rumours, later denied, sent Brent spot prices up to \$42 a barrel. Prices fluctuated wildly in London and New York as nervous traders attempted to differentiate between fact and fiction, with speculation and denial flowing fast from the Middle East throughout the day."

REUTER: Oil prices plummet

NEW YORK - "Oil prices set all-time highs... on Wednesday but reversed direction with a vengeance on news that Saudi Arabia was squeezing every possible barrel out of its production system to bring down prices. The 5-day rise in oil was also put in reverse by a rumour, subsequently described by the US State Department as 'just another financial market panic', that Iraqi President Saddam Hussein had either been assassinated or overthrown."

ABOUT THE ECONOMIC AND MONETARY UNION

THE INDEPENDENT: Pöhl cool towards British ERM entry

"Karl Otto Pöhl, president of the Bundesbank, yesterday appeared to criticise Britain's unilateral announcement of sterling's entry into the European exchange rate system, which he said had complicated life for the German central bank. Speaking to bankers in Frankfurt, Mr. Pöhl said British entry 'must be underpinned by a consistent policy of stability and reduction of inflation'. He added: 'Our life as a central bank has not been made easier by sterling's entry'."

WALL STREET JOURNAL: Germans list prerequisites

FRANKFURT - "Point for point, the German Finance Ministry has endorsed the stiff conditions set by its central bank for progress toward one currency and a common central bank for the EC. Horst Koehler, the No. 2 official in the Finance Ministry, (at an international conference of banking supervisors) yesterday echoed recent remarks by Bundesbank President Pöhl that the date for the next stage of European monetary union is less important than compliance with German conditions... 'We want to make clear to our European partners - although not in a schoolmasterly manner - what our vision, our essentials are for the right concept for

economic and monetary union'... He listed Bonn's 6 conditions for the second stage of EMU."

THE INDEPENDENT: Hint at change in UK stance on union

STRASBOURG - "The European Commission suggested openly for the first time yesterday that by joining the European exchange rate mechanism Britain has implicitly accepted the logic of a rapid transition to full economic and monetary union. Henning Christophersen, the Commission vice president, said that the UK's decision represented a 'tacit acceptance of the need to move towards greater economic convergence' in the EC. That, in turn, strengthened the case for a short second stage in the 3-stage Delors plan for monetary and economic union."

LES ECHOS: La drachme sera dans le SME avant 1992

"... La drachme grecque reste, à côté de l'escudo portugais, la seule monnaie non encore membre du 'club' monétaire européen. Dans une interview aux ECHOS, M. Dimitrios Germidis (ancien directeur des études économiques à l'OCDE), gouverneur de la Banque nationale de Grèce, inquiet de l'importance du secteur nationalisé - 60% de l'industrie et des services -, estime que la devise grecque doit retrouver des 'niveaux compétitifs' avant de rentrer dans le mécanisme de change 'en 1991 ou au début 1992'."

GATT/AGRICULTURE

FINANCIAL TIMES: Decision on farm reform delayed

LUXEMBOURG - "The Trade ministers of the EC yesterday postponed until next week a final decision on their negotiating position over farm reform. At the end of a 3-hour meeting in Luxembourg originally intended to endorse the EC's negotiating position for the Uruguay Round of the GATT, the Trade ministers of the 12 effectively ducked the issue. They thus reflected the paralysis which has gripped the EC over this issue."

EC JOBLESS RATE

REUTER: Rise in August for first time in six years

LUXEMBOURG - "Unemployment in the EC rose in August for the first time in 6 years because more young people than usual entered the labour market, the EC Eurostat said. The seasonally-adjusted unemployment rate was 8.4% in August after standing at 8.3% for 5 successive months, Eurostat said in a report published on Wednesday."

ASIA

YOMIURI SHIMBUN: ADB head: growth to continue

MANILA - "The president of the Asian Development Bank on Tuesday predicted continued economic growth in the region in spite of the Persian Gulf crisis, slower growth in the member countries of the OECD and global stagflation. Kimimasa Tarumizu said prospects for developing member countries of the bank during the 1990s remain good. The region 'is most likely to remain the most dynamic in the world' despite global challenges."

OECD ECONOMIES

United States

REUTER: US House upholds Bush's veto of textile bill

WASHINGTON - "The US House of Representatives on Wednesday upheld President George Bush's veto of a bill limiting textile imports which Bush called highly protectionist. The 275-152 vote was 10 votes short of the two-thirds majority required in both the Senate and the house to override a presidential veto. It was Bush's 15th veto victory since he came into office."

REUTER: Congressional committee approves tax package

WASHINGTON - "A key congressional committee on Wednesday approved \$144bn in new taxes over the next 5 years, a major plank in a compromise with president George Bush on reducing the enormous US budget deficit. The next package approved by the US House of Representatives Ways and Means Committee, one of 2 bodies charged with turning many of the vague

provisions of the budget-cutting plan into specific legislation, was stripped of controversial items that helped sink an earlier budget package last week."

Suisse

JOURNAL DE GENEVE: L'inflation toujours au sommet

BERNE - "L'indice suisse des prix à la consommation a augmenté de 0,5% en septembre par rapport au mois précédent, se fixant à 122,8 points (décembre 1982 = 100). Selon l'Office fédéral de la statistique, qui a publié ce résultat mardi, le renchérissement annuel a atteint 6,1%, comme en août. En septembre 1989, il s'était chiffré à 3,4%."

END-OF-TEXT