

.... October 29 Octobre 1990

.... LE TEMPS - région parisienne: Toujours
très couvert et pluvieux. Vents d'ouest
assez forts. Il fera 15'.

.... SG/PRB/D(90)178

REUTER - WORLD NEWS SUMMARY

NICOSIA - Soviet peace efforts, seen by some as a last chance to avert war in the Gulf, were reported to have failed in Baghdad.

BUDAPEST - Taxi and truck drivers won a test of wills with Hungary's first post-communist government over drastic petrol price increases after crippling national life with a blockade of roads and borders.

OSLO - Norway's 3-party coalition, split over how far to link the economy to the European Community (EC), will announce its resignation, the NTB news agency said.

EUROPEAN COMMUNITY

THE INDEPENDENT: Summit ends in isolation for Thatcher

ROME - "Margaret Thatcher was outmanoeuvred and isolated at the end of the EC summit in Rome yesterday as the other 11 members set a clear timetable for the adoption of a single currency, disregarding British reservations. The summit declaration, pushed through with almost savage determination by the summit host, the Italian Prime Minister, Giulio Andreotti, has opened the deepest gulf yet between Britain and her European partners. In a decision which Mrs Thatcher characterised as 'cloud cuckoo land', the leaders set January 1994 as the starting date of Stage Two of economic and monetary union, and cleared the way towards Stage Three and the single currency."

LES ECHOS: Subventions agricoles: la France bloque un accord

LUXEMBOURG - "Pour la 5ème fois consécutive, les ministres européens de l'Agriculture ne sont pas parvenus à dégager un accord sur l'offre agricole de la CEE pour les négociations du GATT... Soutenu par son homologue allemand Ignaz Kiechle, le ministre français de l'Agriculture, Louis Mermaz, a continué à exiger vendredi dernier des garanties supplémentaires pour les agriculteurs européens en cas de réduction des subventions communautaires dans le cadre des négociations du GATT."

EAST-WEST RELATIONS

THE INDEPENDENT: Twelve plan more aid to E Europe

ROME - "The question of how the European Community could assist the Soviet Union - the original reason for the weekend's 'emergency summit' in Rome - remained unresolved as the meeting ended, beyond a renewed declaration of willingness to support Soviet reforms. The Twelve did agree, however, to bring forward a loan to Hungary to help it through its immediate difficulties, and to increase their efforts to support Eastern Europe... They promised to help Hungary to solve its energy problems and took up a British suggestion that the second half of a \$1bn (£510m) European Community loan to Hungary due to be dispersed in November, be brought forward."

LA TRIBUNE: Madrid accorde 1,5 mrd de dollars à Moscou

MADRID - "Acclamé par la rue madrilène comme un véritable torero, le prix Nobel de la paix - et premier chef d'Etat soviétique à avoir posé le pied dans la péninsule - s'est envolé, hier après-midi, vers Paris avec 2 contrats non négligeables en poche: un prêt de 1,5 mrd de dollars accordé par les Espagnols ainsi qu'un accord de coopération industrielle prévoyant d'importantes livraisons de gaz soviétique à l'Espagne... Madrid va ouvrir une lère ligne de crédit de 750 millions de dollars courant sur 2 ou 3 ans et permettant aux Soviétiques d'acheter des produits de consommation aux entreprises espagnoles. Parallèlement, 750 autres millions de dollars,

amortissables sur un délai de 5 à 8 ans et demi, seront concédés pour l'acquisition d'équipement lourd."

AFP: La France accorde 5 mrds de francs à l'URSS

PARIS - "Cinq accords de coopération franco-soviétique, dont un accord financier d'un montant de 5 mrds de francs, ont été signés dimanche soir au Quai d'Orsay à l'occasion de la visite en France du Président soviétique Mikhaïl Gorbatchev. Le ministre français des Affaires étrangères Roland Dumas a précisé que serait également signé lundi matin un traité d'entente et de coopération. M. Dumas a rappelé que c'était la lère fois depuis 27 ans que la France signait un traité bilatéral."

OECD IN THE NEWS

HERALD TRIBUNE: Survey shows gains in taxation over 10 years

"The burden of taxation has increased over the past 10 years, according to the OECD. Tax thresholds have generally been falling, so that more and more households in countries monitored by the OECD now pay taxes. And the authorities are better at collecting it, thanks to computer technology that allows the matching and storing of data. Most depressing of all, the OECD says that some tax authorities have so many sources of information, that they are able to assess the tax liability of a large proportion of the population based on information provided by third parties."

AFP: Transports maritimes en 1989: la meilleure année de la décennie

PARIS - "Porté par une croissance continue des échanges mondiaux de marchandise, évaluée l'an dernier à + 7,6%, le trafic mondial par voie maritime a cru de 5,4% en 1989, atteignant 3.877 millions de tonnes, selon le rapport annuel de l'OCDE. Les armateurs, estime l'OCDE, ont vécu 'l'année la plus rentable depuis le début des années 80'."

IADB REPORT ON LATIN AMERICA

FINANCIAL TIMES: Latin American growth 'due to resume'

"Latin America can look forward to 'improved prospects' and resumption of growth in the 1990s, providing the pace of policy reform is maintained and resources are harnessed more efficiently. This cautious assessment of improving growth prospects for the region comes in the Inter-American Development Bank's annual report on Economic and Social Progress in Latin America, out yesterday... The report believes a new broad-based consensus has emerged, emphasising the need for 'a more outward orientation of the region's economies, with greater importance on being competitive in world markets and on reliance on market forces to determine prices'."

OECD ECONOMIES

Sweden

FINANCIAL TIMES: Sweden unveils crisis package

STOCKHOLM - "Sweden has unveiled a crisis economic package in which it abandoned 6 decades of commitment to full employment and cut support for the welfare state. At the same time the Social Democratic government signalled its intention to join the European Community. The package proposed cuts in the level of sickness benefits, reductions in the size of the state bureaucracy and the partial privatisation of telecommunications and electricity supply."

Nouvelle-Zélande

LE MONDE: Les travaillistes perdent le pouvoir

WELLINGTON - "Les Néo-Zélandais se sont rendus aux urnes, samedi 27 octobre, afin de renouveler les 97 sièges de leur Parlement. Le recul du Parti travailliste - au pouvoir depuis 1984 - serait net et les conservateurs du Parti national conduits par un fermier de 55 ans, M. Jim Bolger, auraient obtenu, selon les lères estimations, entre 64 et 69 sièges."

United States

HERALD TRIBUNE: At last, a budget: how it hits home

WASHINGTON - "The deficit-reduction bill approved by Congress would touch almost everyone in the US, from young children to frail elderly people, as well as farmers, bankers, college students and war veterans. The House gave its final approval to the budget bill with a vote of 228 to 200; 74 Democrats and 126 Republicans voted no. The Senate adopted the measure hours later by a vote of 54 to 45. Twenty Democrats and 25 Republicans voted against it. President George Bush was expected to sign the measure... The measure includes higher taxes and spending cuts. It is notable for its relative generosity to poor children, who will benefit from \$18bn in new tax credits for low-income families over the next 5 years... Cutbacks in Medicare, the government health insurance program for the elderly and disabled, would save a total of \$42.5bn over 5 years under the final compromise."

END-OF-TEXT