

.... October 16 Octobre 1992

.... LE TEMPS - Région parisienne: Ciel très
changeant tout au long de la journée.
Températures en baisse. Il fera 10 .

.... SG/PRB/D(92)174

REUTER - WORLD NEWS SUMMARY

BELGRADE - A senior United Nations official said the world lacked the resolve to prevent mass deaths in Bosnia this coming winter, despite preparations for a new bout of diplomacy to resolve the conflict.

CAPE TOWN - President F.W. de Klerk was expected to present a controversial amnesty bill to South Africa's white-dominated parliament to pardon state agents of crimes committed under apartheid.

EC SUMMIT IN BIRMINGHAM

HERALD TRIBUNE: An exercise in futility is likely at EC summit

LONDON - "... Contradictions - and more - will be clearly evident Friday as the heads of the 12-nation EC gather for a special meeting in the appropriately bleak English city of Birmingham. As a result, there is little chance that the emergency summit meeting will do much to overcome the EC's current crisis of confidence."

GATT

WALL STREET JOURNAL: Hopes for early GATT deal damped by Bush, Delors

BRUSSELS - "US President George Bush and Jacques Delors, president of the European Community Commission, damped hopes for an early settlement of the Uruguay Round of world trade negotiations. In an apparent attempt to put pressure on the Europeans, President Bush sent a letter to the 12 EC leaders saying that the US has done all it can to reach an agreement in the talks under the GATT. 'We have stretched as far as possible to meet the EC's concerns', Mr. Bush's letter said. 'The negotiators have done all they can. Now we need the political will', the US president added. Meanwhile, Mr. Delors strongly defended the interests of European farmers and urged the EC to stand up to its 'big brother', the US."

THE TIMES: GATT delay could deepen world recession

HONG KONG - "The global economic recession will worsen without a successful conclusion to talks aimed at liberalising world trade, Arthur Dunkel, director-general of the GATT, said yesterday. The negotiations are currently stalled. 'The situation of the world economy is such that if the signal for a successful conclusion to the Uruguay Round of GATT is not given very soon, we will add to the difficulties', Mr Dunkel said. He is attending the first session of the Europe-East Asia Economic Forum, which aims to boost trade and investment ties between the 2 regions. The main obstacle to an accord in the Uruguay Round, which could pump an extra \$200bn annually into the world economy, is disagreement between the EC and America on how far European farm subsidies should be cut. Mr Dunkel said time was ebbing away before a February deadline for the US administration to present results of the negotiations to Congress. 'If we miss the deadline, we are in great trouble'."

RACE FOR THE WHITE HOUSE

FINANCIAL TIME: Bush fails to gain boost from US presidential debate

WASHINGTON - "The second US presidential debate last night may not have been the very last chance for President George Bush to reverse his dwindling chances of winning re-election, but it came close. Opinion polls published yesterday showed that Mr Bush's performance in Sunday's first debate had done nothing to cut the lead of Governor Bill Clinton, his Democratic challenger. A NEW YORK TIMES/CBS poll conducted on Monday and Tuesday showed that Mr Clinton's lead was virtually unchanged at 47% to Mr Bush's 34%. Mr Ross Perot improved his standing slightly to 10%. Polling

by CNN/USA Today/Gallup after Sunday's debate also showed little movement, with Mr Clinton at 46%, Mr Bush at 34% and Mr Perot at 13%."

ECONOMIES OCDE

Etats-Unis

LA TRIBUNE: La désinflation file vers un record historique

"Les Etats-Unis continuent à battre des records de désinflation. En septembre, les prix à la consommation ont augmenté d'à peine 0,2%, après 0,3% en août. Sur les 9 premiers mois de 1992, l'inflation se situe à 2,9% en rythme annuel, le taux le plus bas depuis 1986. Quant à l'inflation sous-jacente (à l'exclusion des prix alimentaires et de l'énergie), elle a augmenté à un rythme annuel de 3,3%. Si ce taux se maintient, cette composante de l'indice des prix connaîtra sa plus faible progression depuis 1972."

HERALD TRIBUNE: \$2.8bn loss hits IBM

NEW YORK - "IBM reported Thursday that it lost \$2.8bn last quarter, with operating earnings half what had been expected, piling its reorganizaion costs into a virtually profitless period of slow growth as it continued struggling to catch up with the constantly mutating computer industry. Because its worldwide operations expose it to currency storms, IBM said it was particularly vulnerable to the short-term currency gyrations that tore through the EMS last month. European orders froze during that crisis. Revenues in the third quarter for the world's largest computer company totaled \$14.7bn, an increase of only 1.8% from the \$14.4bn for the third quarter of 1991, meaning that it did not even keep pace with inflation."

United Kingdom

THE INDEPENDENT: Male unemployment at post-war high of 13.4%

"Savage job cutting in manufacturing industry left more than one in ten of the British workforce without a job and claiming benefit last month. Some 32,000 people joined the dole queue in September, taking the total to a 5-year high of 2,843,300, adjusted for seasonal changes. The Department of Employment said the rise in unemployment had been accelerating since the summer as manufacturing jobs dropped sharply. The male unemployment rate hit a post-war high of 13.4% in September, for the first time exceeding its peak in March 1986."

Espagne

LES ECHOS: Révision à la baisse des prévisions économiques

MADRID - "La Banque d'Espagne est plus pessimiste que le ministère de l'Economie et des Finances sur l'état de l'économie espagnole, dont le bilan de santé pour l'année en cours (déficit budgétaire et inflation) est loin d'être encourageant. Devant la commission des Finances du Parlement, le gouverneur de la Banque d'Espagne, Luis Angel Rojo, a estimé que le gouvernement pêche par excès d'optimisme en prévoyant une croissance de 1,5% cette année et de 1% pour 1993. Ses estimations sont malheureusement plus modestes: 1,3% et 0,8% respectivement."

New Zealand

REUTER: Recovery gathers pace, government stagnates

WELLINGTON - "A flurry of indicators this week showed New Zealand's economic recovery was well under way, but according to an opinion poll published on Friday Prime Minister Jim Bolger remains deeply unpopular. The National Business Review poll showed that 75% of New Zealanders disapproved of Bolger, whose conservative National Party government is lagging behind a year-old centrist alliance in the polls. A week of good economic news culminated on Friday when Moody's credit rating agency affirmed New Zealand's sovereign rating at AA3, saying the economy had undergone a more profound reorientation than any other member of the OECD in the past decade. This followed statistics published on Thursday showing New Zealand recorded its fourth consecutive quarter of gross domestic product (GDP) growth and had even seen the first annual GDP growth -- albeit modest -- since 1990. On Wednesday New Zealand maintained its record of having the lowest OECD inflation rate, when an annual growth rate of just 1% was announced."

BUSINESS

THE INDEPENDENT: Pentland calls off £215m deal to buy Adidas

"Harsh words were exchanged yesterday as Pentland of the UK unexpectedly scrapped a £215m deal to buy Adidas, the German sports goods company, from Bernard Tapie, the French businessman. The leisure investment group's shares suffered from yesterday's events, initially losing 13p to 129p on the announcement before closing at 132p. Pentland, which originally bought a 20% stake in Adidas last year for £46m, made a £215m offer for the outstanding shares in July. The deal was due to be completed next month. However, due diligence carried out on Adidas revealed 'some serious items', said Frank Farrant, finance director of Pentland. He could not elaborate because of confidentiality agreements... Mr Tapie's reaction to the news was scathing. 'Pentland says things that do not correspond to the truth.'"

BRAZIL

FINANCIAL TIMES: Reforms win praise from GATT

GENEVA - "The GATT has praised Brazil for its sweeping trade liberalisation programme, implemented despite serious economic difficulties in just 2 years. In a report yesterday the GATT secretariat says the trade reforms have achieved impressive results in bringing about a marked change of direction in Brazil's long tradition of inward-looking policies... Mr Celso Amorim, Brazil's GATT ambassador, assured GATT's governing council during discussion of the report that the new government of President Itamar Franco was committed to the liberalisation process. He said the economic reforms commanded a growing consensus within Brazilian society. The economic system based on import substitution and state intervention, under which Brazil had built up its diversified industrial base to become the world's tenth biggest economy, had not failed but had reached its limits, Mr Amorim said."

END-OF-TEXT