
AFP: LE MONDE EN BREF

LONDON - La réponse du président syrien Hafez El-Assad à l’initiative américaine de paix au Proche-Orient ouvre la possibilité de négociations directes entre Israéliens et Syriens, a déclaré le secrétaire d’État américain James Baker à Londres.

BAGDAD - La Suisse a autorisé l'Irak à utiliser ses fonds gelés dans des banques suisses, en accord avec une décision à ce sujet du comité des sanctions de l'ONU, a affirmé le ministre irakien du Commerce, Mohammad Medhi Saleh. A Berne, un porte-parole du département des Affaires Étrangères a démenti.

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LONDON ECONOMIC SUMMIT

THE EUROPEAN: ‘Engines must run faster’

"Jean-Claude Paye, Secretary-General of the OECD, talks to Barbara Cassasus in Paris. Question: The OECD ministers met in Paris last month. What do you think are the main messages from that meeting for the G7 leaders? Answer: The economic recovery is about to start. To make it long-lasting, an upsurge in inflation has to be prevented... The structures of our economies must be continuously improved, enabling the economic engine to run faster without overheating. The temptations of protectionism must be resisted... The transition to a market economy undertaken by central and eastern Europe, including the USSR, must be encouraged and helped. The dialogue and co-operation with the internationally oriented economies which have emerged in Asia, and begin to emerge in Latin America, must be deepened. The concern for social progress within nations and for equal opportunity among nations must accompany the concern for economic growth... Question: What do you think should be the top item on the agenda for the London summit? Answer: It will probably be how best to manage the historic mutation of the world scene triggered by the collapse of Marxist ideologies... Question: Should aid to the Soviet Union be tied to a programme of economic and political reform? Answer: Pouring money into the Soviet Union would be a waste if the necessary conditions were not met for it to be used efficiently... The bedrock should be a permanent joint survey of the Soviet economy by the four ‘Houston Summit institutions’ (IMF, IBRD, OECD, EBRD) plus the EC Commission. Frequent discussions involving international institutions and interested governments would provide the necessary thrust and co-ordination for projects, which would remain those of individual governments or institutions. The OECD could be the locus for all this; it regroups all, it covers micro as well as macro economic policies and it is the hub of a vast network of experts."

THE EUROPEAN: New world order needs changes at the top

"... A memorandum, signed by Poland, Czechoslovakia and Hungary last week, poses some questions to the G7 London meeting, and Pierre Beregovoy made the comment that G7 would not become G8, G10 or G12 meetings. It is time to face the basic question: why G7? No treaty or international agreement has decided that the US, Japan, Germany, UK, France, Italy and Canada should run the economic affairs of the world... Therefore, we see that G7 is no longer adequate to world economic government... If you add the USSR and Central Europe as the 2 new zones arriving on the world market, then you end up with 6 zones and the US, EEC and Japan, for instance something like a G9 which would represent fairly well the new international economic order President Bush is looking for. Such a structure would also reflect a major change which nobody wants to recognise: our world economic problem is no longer a short term consequence of economic policies; it is what the OECD calls ‘structural adjustment’. Fine-tuning is dead, global strategy is what we need."
REUTERS: G7 backs special association between Soviet Union and IMF

LONDON - "The G7 nations agreed on Tuesday to allow the Soviet Union to develop a special association with the IMF, British chancellor of the Exchequer Norman Lamont said. The G7 leaders are due to hold an unprecedented meeting with Soviet President Mikhail Gorbachev when their London summit ends on Wednesday to discuss his economic reform proposals... In a letter to G7 leaders setting out his goals and painting a grim picture of Soviet economic decline, Gorbachev said he had high hopes the meeting would help him implement radical changes... Germany is pressing for creation or a working group within the OECD to coordinate technical support for Gorbachev's policies. Germany believes this would share out the burden of help for Moscow. The German sources saw broad backing for this idea from France, Italy and Canada. Britain was more reserved but believed such help was needed. The United States remained opposed to coordination of support within the OECD."

FINANCIAL TIMES: Summiteers backpedal on the environment

"The environment was, as promised, debated at the G7 summit alongside aid to the Soviet Union and the global economy, but early agreement on 2 vital issues - tropical forests and greenhouse gas emissions - proved elusive. Indeed, the G7's landmark environmental initiative - a pilot project for the Brazilian rainforest, commissioned at last year's Houston summit and costed at $1.6bn over 6 years by the World Bank, Brazil and the EC - is running into opposition from the US and Japan."

THE INDEPENDENT: Wrangle over farm prices put on back-burner

"Reviving the world trade talks was to have been a priority at this year's world economic summit. But all the indications are that the G7 leaders have effectively side-stepped the issue... Six weeks ago in Paris, during the annual meeting of the OECD, the US and the EC appeared close to a breakthrough on curbing farm trade subsidies. The puzzling question at this summit is why those signs of progress, flagged in Paris as significant, are not being followed through in London... Frans Andriessen, the EC's External Relations Commissioner, said the summit communiqué will not single out agriculture. It will repeat the OECD language, urging specific commitments to reductions in all areas of farm support. But the leaders' statement will also refer to the need for reaching accords on trade rules for services, reciprocal market access between trading partners and on patents and copyrights - the other unfinished business of the round."

FINANCIAL TIMES: G7 leaders move to curb arms build-up

LONDON - "The world's biggest industrial democracies agreed yesterday to take action to curb the spread of arms and to strengthen the role of the United Nations. Their far-reaching response to the lessons of the Gulf crisis and to the end of the Cold war came as leaders and finance ministers of the G7 nations prepared for today's historic meeting in London with President Mikhail Gorbachev... The summit leaders adopted a declaration designed to prevent arms build-ups similar to those in Iraq before last year's invasion of Kuwait. They mapped out an enhanced role for the United Nations as a protector of human rights, guarantor of peace and security and a deterrent to aggression."

CAR INDUSTRY

F.T.: West Europe new-carsales increase by 6.7%

West European new-car sales rose 6.7% in June to about 1.17m, supported by a further dramatic surge in German new-car demand. The record level of German new-car sales is masking a serious decline in demand in most other European markets, led by steep falls in the UK, France and Spain, as well as in some smaller markets such as Finland and Sweden."

FRANCE

LA TRIBUNE: Inflation: la vertu profite du relâchement allemand

"Enfin! Après 18 ans d'attente, l'inflation française est revenue en juin en deçà de celle du 'modèle' allemand. Avec 0,2% de progression des prix à la consommation en juin dernier et 3,3% sur les 12 derniers mois, la France fait mieux que les 0,5% et 3,5% de la RFA... L'inversion du différentiel tient-elle à une particulière excellence française ou à une baisse de forme de la RFA pour cause de digestion difficile?"
WALL STREET JOURNAL: French inflation, at 3.3%, falls below German rate

PARIS -"... The French Finance Ministry hailed the event with an exceptional 5-page statement, underlining France’s new position as the G7’s inflation master and containing no fewer than 3 charts mapping the nation’s inflation gap with Germany over the last 30 years. In fact, the crossover comes primarily as a result of Germany’s struggle to digest its new eastern states... Last month, the OECD praised Mr. Beregovoy’s performance."