REUTER - WORLD NEWS SUMMARY

BELGRADE - Serbian guerrilla leaders in southern Croatia signed a ceasefire brokered by the European Community but fierce fighting raged in other parts of the breakaway Yugoslav republic.

NAIROBI - The United Nations said it had brokered an agreement between Sudan’s government and rebels that would open up food relief corridors to reach millions of famine victims in the war-torn south.

BOGOTA - Colombian President Cesar Gaviria ralled for international cooperation to fight drugs and condemned tolerant attitudes to narcotics in industrialised countries.

UNITED NATIONS - Secretary-General Javier Perez de Cuellar proposed a review of the use of enforcement measures under the U.N. Charter and indicated some reservations about the way they were applied in response to Iraq’s invasion of Kuwait.

***************

EASTERN EUROPE

FINANCIAL TIMES: Call for E Europe task force

MOSCOW - "Western foreign ministers yesterday called for European states to have the power to intervene in the internal conflicts of eastern Europe, using the present strife in Yugoslavia and gathering conflicts in the former Soviet Union to illustrate their concern. Their proposals, still in outline form, came after a strong speech from Soviet president Mikhail Gorbachev to the Conference on Security and Co-operation in Europe which opened in Moscow. Mr Gorbachev said that 'the international community will now deal with a union of sovereign states, a country where free, democratic republics, and dozens of ethnic groups, coexist voluntarily and equally'... The strongest proposal, for the CSCE countries to consider developing something like an anti-totalitarian task force came from Mr Hans-Dietrich Genscher, the German foreign minister. He told the conference that last month’s abortive coup in the Soviet Union had taught other states that they must immediately isolate would-be putschists and deal only with recognised authorities."

WALL STREET JOURNAL: Gorbachev asks for more aid

MOSCOW - "President Mikhail Gorbachev asked the West for more aid while US Secretary of State James Baker appeared to edge his nation closer to approving such help. 'We need assistance, cooperation, solidarity', the Soviet president told member countries of the Conference on Security and Cooperation in Europe. 'We are counting on it’... 'What needs to be done is to make sure that they understand what we think is required’, Mr Baker said. 'If they can take those steps, we will be there. They don’t have to take the steps first, but (they must) commit to taking the steps’. The US already has indicated it is willing to provide emergency food and medical aid to get the Soviet Union and its republics through the coming winter, and to provide technical aid to improve food distribution."

FINANCIAL TIMES: Business chiefs urge restraint

MOSCOW - "Soviet business leaders yesterday pleaded with the republics to postpone their drive towards independence in order to conclude a strong economic agreement which would moderate the effects of the crisis. 'Independence today is not as important as the economic issue because people must live better, both today and tomorrow’, said Professor Yevgeny Yasin, economic adviser to the Scientific Industrial League, which represents state and private enterprises."

***************
FINANCIAL TIMES: Ukraine law backs foreign investment

KIEV - "Ukraine yesterday put some muscle behind its August declaration of independence by introducing laws to encourage foreign investments, introduce a separate currency and take over and privatisate all central government property on its territory... The new law will allow foreign investors to transfer all profits abroad. The law also protects foreign investors from nationalisation."

LA TRIBUNE: Estonie et Lettonie frappent à la porte de la BERD

LONDRES - "La Lettonie et l'Estonie sont officiellement candidates au statut de membre de la Banque européenne de reconstruction et de développement. Le 3ème Etat balte, la Lituanie, devrait également déposer sa candidature dans les jours ou les semaines qui viennent, a indiqué à LA TRIBUNE Mario Sarcinelli, vice-président de la BERD chargé du développement."

LES ECHOS: Weizsäcker appelle la France à une nouvelle Ostpolitik

BONN - "...L'Allemagne se fait de plus en plus ouvertement l''avocat des pays de l'Est. Recevant, hier, un groupe de journalistes français, le président de la République fédérale Richard von Weizsäcker a appelé à un changement de politique à l'égard de cette région. 'La France et l'Allemagne ont besoin d'une politique nouvelle, différente de celle qu'elles ont pratiquée pendant les années de la guerre froide', a-t-il notamment déclaré. Critiquant implicitement l'attitude de la France, qui a rejeté lors des dernières négociations agricoles à Bruxelles tout accroissement des livraisons à la Communauté de viande bovine en provenance de l'Europe de l'Est, le président allemand a plaqué pour une 'plus grande ouverture de nos portes à ces pays, à leurs idées et à leurs produits, tant industriels qu'agricoles'."

KYODO: Japan renews $400 million credit line for Hungary trade

TOKYO - "Japan has again set a credit line worth $400 million for trade with Hungary, a government official said. Eiichi Nakao, minister of International Trade and Industry, told Kupa Mihaly, a visiting Hungarian Finance minister, that the credit line will guarantee trade risks for Japanese companies for 2 years beginning in September. The government-set credit line will further encourage investment in Hungary by Japanese private sectors, Nakao was reported as saying."

REUTER: Germany to hold European conference on illegal migration

PARIS - "Germany will stage a European conference next month to try to stem clandestine immigration from East Europe, German Interior Minister Wolfgang Schaeuble said on Tuesday. 'It is necessary that we try to consult seriously with our neighbours in the east in order to combat and resolve this problem jointly', Schaeuble told a joint Paris news conference with French Interior Minister Philippe Marchand... Marchand said Germany was under particular pressure from asylum seekers from the economically hard-pressed emerging democracies of central and eastern Europe. About 28,000 people sought asylum in Germany in August alone, equal to the number seeking exile in France since last January, he said."

CEE - MONETAIRE

LE FIGARO: Hoffmeyer à la tête du comité des gouverneurs

"C'est donc Erik Hoffmeyer qui succédera à l'Allemand Karl Otto Poehl à la présidence du Comité des gouverneurs de banques centrales de la CEE. Ses pairs, qui l'ont désigné hier, à Bâle - lieu habituel de leurs rencontres mensuelles -, ne pouvaient assurer meilleure continuité. M. Hoffmeyer, qui est âgé de 66 ans, se trouve à la tête de la Banque centrale du Danemark depuis 1973, et fait figure de doyen des banquiers centraux. Il manifeste surtout la même prudence que M. Poehl vis-à-vis de l'union monétaire européenne."

OECD ECONOMIES

United States

WALL ST. JOURNAL: Trade surplus for 2nd quarter in row

WASHINGTON - "Contributions from allies to cover the cost of the Persian Gulf war gave the US and overall trade surplus for the second quarter in a
row. The current-account surplus narrowed to $2.97bn in the second quarter from a revised surplus of $10.50bn in the previous quarter, according to preliminary estimates from the Commerce department. The first-quarter surplus was the nation’s first since 1982."

Japan

KYODO: Japanese traveling abroad near record levels

TOKYO - "The Japanese were big overseas travelers this summer despite signs of a slowdown in the nation’s economy, tourism industry officials said Saturday. It is almost certain that the number of overseas travelers will match the record level set in the July-August 1990 period, when a record 2.1 million Japanese left for abroad, they said. 'The effect of the (Persian Gulf) war is gone and the number of Japanese overseas travelers will surely surpass 10 million this year', an industry official said."