February 12 Février 1991

LE TEMPS - Région parisienne: Début de matinée avec un ciel gris et bas. Belles périodes de soleil en journée.

SG/PRB/D(91)29

WASHINGTON - President George Bush, after consulting with the top 2 US military officials, says aerial attacks against Iraqi forces are doing so well that a ground assault is not yet needed.

TEL AVIV - Iraq fired 2 Scuds at Israel in separate raids overnight, wounding at least 6 people.

HERALD TRIBUNE: Japan’s worst nuclear accident

TOKYO - "The company that operates the nuclear power plant involved in a major accident over the weekend provided a new account of events Monday, saying for the first time that operators waited 50 minutes before taking action to shut down the plant and that a ‘small amount’ of radiation had been released into the atmosphere... The new information marks a significant reversal of reassuring statements issued Saturday afternoon, and raised new questions about what appears to be Japan’s worst nuclear-power accident. Government officials and Kansai Electric Power Co., the utility that operates the plant, had said earlier that operators reacted quickly to shut the plant down at the first signs of trouble, and insisted that no radiation had been released beyond the site of the plant. Japanese press reports said Monday that radioactivity released into the atmosphere appeared to amount to about 8% of the normal annual radioactive emissions."

EUROPEAN COMMUNITY

FINANCIAL TIMES: Kohl backs major over EMU

BONN - "Germany is willing to respect Britain’s desire to ‘go slow’ on fulfilling Stage 2, planned for 1994, of deepening European monetary integration, it emerged yesterday after talks in Bonn between Chancellor Helmut Kohl of Germany and Mr John Major, the UK prime minister... The current London-Bonn accord deals a potentially mortal blow to the French-inspired plan of making significant moves towards a European central bank and common currency in 3 years’ time. After a morning of talks with Mr Kohl, Mr Major indicated tacit accord with Bonn on avoiding haste in moving towards Emu. The prime minister said he was ‘optimistic’ about reaching a conclusion over European integration which would be satisfactory to the UK and its European partners."

FINANCIAL TIMES: Farm budget breaches limit

BRUSSELS - "The EC’s agriculture budget is running out of control with a record increase of Ecu7.9bn ($10.9bn) now forecast for spending on farm price supports this year, according to a confidential Commission memorandum. The new figure exceeds the budget approved only last December by Ecu1.9bn bringing the total farm support budget to Ecu33bn. Farm spending accounts for 60% of the EC budget. It means that the EC is set to breach for the first time, the finance limit or ‘guideline’ on agriculture established in February 1988, which was intended to end the recurrent Community budget crises of the mid-1980s."

CRACKS IN THE EAST BLOCK

REUTER: Iceland recognises Lithuania

REYKJAVIK - "Iceland’s Parliament voted on Monday to recognise Lithuania as an independent state and instructed the government to set up diplomatic ties as soon as possible. It was the first such move by a Western country since Lithuania declared itself independent from the Soviet Union last March... Iceland never recognised the Soviet Union’s annexation of Estonia, Latvia and Lithuania in 1940... Earlier on Monday, the Lithuanian
parliament voted to make a declaration of an independent, democratic state -- approved at the weekend by over 75% of all eligible voters --- the basis of its proposed new constitution... Icelandic Foreign Minister John Baldvin Hannibalsson... told REUTER he would explain the decision to Iceland's fellow members of the Nordic Council and the North Atlantic Treaty Organisation... Opinion polls show a large majority of Icelanders in favour of recognising Lithuania now, despite a possible threat to its wool and fish exports to the Soviet Union."

"Bucarest vient d’adresser au FMI une demande officielle de crédits pour 1 milliard de dollars (800 millions de crédits ’stand by’ classiques et 200 millions de ’facilités compensatoires’ pour amortir le choc pétrolier). En contrepartie, la Roumanie s’engage à améliorer ses grands équilibres macroéconomiques et à accélérer le programme de réformes économiques tel qu’il a été concocté avec les experts du FMI."

"Confrontée à une situation économique ’à la limite de l’état d’urgence’, de l’aveu même de son président Ramiz Alia, l’Albanie se tourne vers le FMI et la Banque Mondiale. Une délégation de la banque d’État albanaise a quitté dimanche Tirana pour Washington pour négocier la nature de ses relations avec ces 2 organismes. Une demande officielle d’adhésion avait été déposée à la mi-janvier. Recourir aux 2 symboles, dans la rhétorique albanaise, du capitalisme impérialiste constitue un renversement idéologique majeur dans un pays qui a érigé l’autarcie en dogme depuis 50 ans. Ce dogme est battu en brèche par l’ampleur de la crise économique actuelle."

"The Soviet Union, the world’s largest oil producer, is on course to become a net petrol importer by 1993 if extraction continues to slide at the present rate, according to PRAVDA yesterday. The Communist Party paper framed its warning, in familiar style, as a thank-you note to Mikhail Gorbachev in the Tyumen oil fields of Western Siberia. It chalked up lost oil as one more casualty in the so-called ’war of laws’ between Moscow and independence-bound republics, noting that Tyumen’s oil production fell by 40 million metric tons in 1990, from a peak of 394 million metric tons in 1988."

"Australia bowed to market forces and increasing debts on Monday and stopped selling wool at a fixed price, a move that could halve the value of one of the country’s biggest export earners. A scheme under which a floor price for wool was set at 700 cents (540 US cents) a kilogram was scrapped after buyers continued to boycott sales, believing the price was too high and Australia could not afford to continue the scheme. The Australian Wool Corporation (AWC) has amassed a $2.8bn (2.1bn US) debt and a 4.8 million bale stockpile of wool -- equivalent to 80% of annual output -- buying in wool unsold at the fixed price at auction."
are affecting the airline industry. In London British Airways confirmed expected job cuts and also announced substantial fare reductions on the New York to London route. The BA move to cut prices was quickly followed by a series of announcements from competing airlines, including Lufthansa, Pan Am and TWA, that they would also cut transatlantic fares. KLM Royal Dutch Airlines said it was also planning discounts."