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REUTER - WORLD NEWS SUMMARY

VIENNA - The obvious question to ask the head of the soon-to-be-opened 34-nation organisation, the Conflict Prevention Centre of the Conference on Security and Cooperation in Europe, is whether it would have been able to avert the Gulf War. "The simple answer is no", said director Bent Rosenthal.

LONDON - Irish Republican Army guerrillas, fighting to end British rule in Northern Ireland, claimed responsibility for London rail station blasts which killed one man, injured 40 people and caused unprecedented commuter disruption.

LIMA - Peruvian President Alberto Fujimori swore in new labour and industry ministers after his entire cabinet resigned because of disputes over how to fight inflation.

HONG KONG - A cable bridge collapsed in the ancient former Chinese capital of Xian, killing 23 people and injuring more than 100, the Beijing-owned China News Service reported.

LA GUERRE DANS LE GOLFE

LES ECHOS: Gorbatchev: une porte de sortie à l'Irak

"Le président soviétique, Mikhaïl Gorbatchev, qui a reçu hier au Kremlin pendant 3 heures le ministre irakien des Affaires étrangères, Tarek Aziz, et le vice-Premier ministre, Saadoun Hamadi, a créé la surprise en proposant à l'Irak un plan de paix 'sur la base des résolutions de l'ONU'. Les 2 responsables irakiens ont quitté immédiatement l'URSS, Moscou souhaitant une réponse dès aujourd'hui. 'Il faut une réaction immédiate pour éviter l'escalade de la guerre', a souligné le porte-parole soviétique... L'initiative de Moscou apparaît comme le tout dernier espoir d'éviter un affrontement terrestre au Koweït."

HERALD TRIBUNE: Gulf talks send oil tumbling

LONDON - "Oil prices sank Monday to near 7-month lows amid diplomatic efforts to end the Gulf war and confusion over reports of a special OPEC meeting next week. 'The market was very jumpy, looking for what comes out of the Soviet initiative', said one trader... The price of North Sea Brent, a marker for internationally traded crude oil, closed at $16.50 a barrel for April delivery. That was down 54 cents from Friday's close and just 20 cents above the 7-month lows struck earlier Friday. New York markets were closed for a national holiday Monday."

COCOM

HERALD TRIBUNE: Backtracking on plan to loosen curbs

PARIS - "High-technology manufacturers who are hoping that the West will drop restrictions on trade with Eastern Europe at a meeting in Paris next week are going to be disappointed, trade officials said Monday. The officials said a scheduled overhaul of existing curbs on exports to the former communist bloc was not going to be as sweeping as had been promised at a meeting last June... Delegates then agreed to cut the list of items controlled by Cocom by 1/3... The new list targets 8 categories of goods that can be put to both military and civilian use, and is due to be approved at a high-level meeting in Paris on Feb. 27-28. The latest rethink is the result of caution rather than a reaction to the new conservative backlash in the Soviet Union, officials said."
REUTERS: Romania, Bulgaria units to black market rates

VIENNA - "Romania and Bulgaria introduced new currency regimes as a first step towards a market economy on Monday and saw official rates plummet to black market levels. The 2 Balkan neighbours are introducing limited currency convertibility to reform their old communist systems, following similar moves in other East European countries. In Bucharest, the Romanian National Bank held a currency auction with 6 commercial banks to establish a market rate for the leu, while in Sofia the Bulgarian National Bank set the lev rate at its first daily currency fixing, attended by 9 financial institutions. In Romania the leu fell to the black market rate of 200 to the dollar from the official rate of 35. In Bulgaria the lev dropped similarly to 28.25 to the dollar."

LATIN AMERICA

FINANCIAL TIMES: Argentina: emergency tax package

BUENOS AIRES - "An emergency tax package comes into force in Argentina this week, following final congressional approval at the weekend. But experts consider that President Carlos Menem’s government will raise far less than the expected $200m a month in added revenues, threatening the country’s precarious economic stability... Mr Domingo Cavallo, economy minister, said the extra revenues would enable the government to balance its books by April and restore a semblance of confidence in economic policy. However, independent analysts say the taxes will provide only $180m-$130m a month. The government, presently $120m in deficit, needs a monthly budget surplus of over $300m to service its foreign debts."

FINANCIAL TIMES: Brazil: Rescue for troubled banks

RIO DE JANEIRO - "The Brazilian government has agreed a 2-month $3bn bridging loan to state-owned banks in the country’s 4 biggest states, to rescue them from possible liquidation. The decision is aimed at winning support from the state governors and the members they control in Congress for President Collor’s new economic plan, which is due to be voted on this week."

AFP: Brésil/viande: taxe douanière suspendue

BRASILIA - "Le Brésil, confronté à une pénurie de viande, a suspendu pour 2 mois la taxe sur les importations de viande et a décidé l’achat de 100.000 tonnes de viande à des pays de la CEE pour constituer un stock régulateur, a annoncé le secrétaire à l’Economie, Edgar Pereira. Le Brésil se heurte aux éleveurs qui ont fait disparaître la viande du marché pour tenter de briser le gel des prix imposé par le gouvernement. La taxe douanière s’élevait à 6,8% pour la viande importée du sud de l’Amérique latine et de 15% pour la viande provenant du reste du monde."

AFRIQUE

LA TRIBUNE: Le Niger et sa dette commerciale

"La 1ère opération de rachat de la dette commerciale d’un pays endetté parmi les plus pauvres est sur le point d’être conclue. Un montant de 10 millions de dollars mis à disposition par la Banque Mondiale, avec un cofinancement suisse et français vont permettre au Niger de racheter sa dette commerciale... La dette commerciale du Niger, à 108 millions de dollars, ne représente que 10% environ du total de la dette extérieure de ce pays, mais de 20% du service de celle-ci. Une bonne partie de la dette publique de Niamey a déjà été annulée ou est en cours d’annulation."

OECD ECONOMIES

Japan

FINANCIAL TIMES: Industrial production to increase

"Japan’s industrial and mining production will continue to grow strongly well into 1991, the MITI said yesterday. In the annual report on industrial and mining production for 1990, the ministry said firm growth in production of both consumer goods and capital goods in 1990 means production ‘can be expected to increase firmly in the future’... The index of industrial and mining production grew 4.6% in 1990, down from 6.1% growth in 1989. That brought the index, in which 1985’s level equals 100 points, to 125.4 points, up from 119.9 points in 1989."

Canada
REUTER: Interest rates tumble as downturn deepens

TORONTO - "Major Canadian banks cut their prime lending rates by a half percentage point on Monday, responding to the central Bank of Canada’s efforts to lower interest rates and pull the nation out of recession. The move by the big banks, which trimmed their prime lending rates to 11.25% from 11.75%, was the third cut so far this year."

Sweden

FINANCIAL TIMES: Green plans published

STOCKHOLM - "Sweden’s ruling Social Democrats yesterday published an environmental programme ambitiously aimed at solving all the country’s industrial pollution problems by 2010. The main proposals, at an estimated cost of SKr500m (45.9m pounds), are concerned primarily to make both transport and industry cleaner. They stress the importance of wider co-operation with the EC on pollution issues and also aim to ensure that Sweden sets a global example in creating a cleaner environment."