••••   April 3 Avril 1991

SG/PRB/D(91)64

REUTER - WORLD NEWS SUMMARY

NICOSIA - Hundreds of thousands of Kurds fled Saddam Hussein’s army, clogging roads heading out of Iraq and prompting calls for international action to protect them. Kurdish rebels reported a fresh battle for the northern oil city of Kirkuk, which they lost after government troops launched their lightning counter-attack in the north.

ZAGREB, Yugoslavia - The republic of Serbia has stepped up the pressure in a crisis threatening to tear Yugoslavia apart by pledging support for rebel Serbs in the rival republic of Croatia. Disturbances spread in Croatia after 2 people were killed on Sunday in the most serious clashes since World War Two between Serbs and Croats.

SHKODER, Albania - The Albanian city of Shkoder appeared to be out of the control of the ruling communists after security forces shot dead 3 people protesting against the party’s election victory.

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URSS

AFP: La hausse des prix n’a pas rempli les rayons des magasins

MOSCOU - "La hausse des prix de détail, qui ont été multipliés par 3 à dater de mardi matin dans toute l’URSS, n’a pas rempli les rayons des magasins, mais elle n’a pas non plus provoqué de réactions violentes parmi la population. Les Moscovites ont ainsi accueilli avec un calme régné le triplement surprise du prix du métro, qui n’avait jamais varié depuis sa mise en service en 1935, et ils n’ont pas protesté dans les boulangeries, où le prix du pain a été multiplié par 2 1/2, la lèbre hausse depuis 1955. Pourtant, cette augmentation des prix avait été repoussée à plusieurs reprises par crainte de réactions violentes de la population. Le gouvernement précédent de M. Nikolaï Ryjkov n’avait pas osé prendre des mesures aussi impopulaires."

REUTER: Crisis deepens as miners, republics, threaten economy

MOSCOW - "Soviet consumers have reluctantly swallowed price rises introduced by the government on a wide range of goods but deadlock with striking miners and a soaring budget deficit have darkened the economic outlook... The government issued assurances that higher wages, pensions and allowances would compensate for price increases on Tuesday... And a letter distributed to Soviet parliamentary deputies said the national budget deficit in the first quarter of 1991 had exceeded the planned maximum for the entire year. Signed by 3 of the Kremlin’s most senior economic officials, it warned of looming catastrophe -- a prospect which Pavlov believes is increasingly likely as a result of a month-old strike by some 300,000 coal miners. He met miners representatives on Tuesday but failed to resolve the dispute, which threatens to bring sections of Soviet industry to a halt and derail government reform plans."

KYODO: OECD official stresses need of technical aid to Soviets

TOKYO - "... Asked about Japan’s reported willingness to extend financial aid to the Soviets, Salvatore Zecchini, OECD assistant secretary general, told KYODO news service that for financial assistance to be really effective, it should be combined with extensive technical assistance for its transformation to a market economy... Zecchini, currently on a 5-day visit to Tokyo for talks with officials of the foreign ministry, the finance ministry, and other government agencies, also pressed for quicker transition of the Soviet economy to a market-oriented one. "The Soviet economy cannot develop by remaining in an intermediate stage between a centrally planned system and a market-based system, he said. Also a director of the Center for Cooperation with the
European Economies in Transition (CCEET), affiliated with the 24-member OECD, Zecchini also said the Soviet Union is one of the beneficiaries of an extensive program launched by his center, which includes economic policy assistance, technical aid, and training of officials.

CHINA

ASIAN WALL STREET JOURNAL: Minister warns of fiscal 'chaos'

BEIJING - "Describing China’s fiscal situation as ‘extremely grim’, the nation’s top finance official said cash subsidies for workers and money-losing state factories now surpass the country’s combined outlay for agriculture, public health, education, science and culture. In his annual report to the National People's Congress, Finance Minister Wang Bingqian also said that China will face large deficits for many years to come as it struggles to scale back the massive subsidy program. At the same time, Mr Wang said, government officials are once again wasting money on ‘lavish parties’ and tax evasion is rampant... The finance minister projected China’s 1991 deficit at almost $10bn. Mr Wang gave no clear figure for China’s 1990 deficit, but foreign economists estimate that it was about $14bn. Mr Wang said that to narrow the deficit, China’s leaders plan to hike the retail sales tax to 5% from the current 3%.

Herald Tribune: Tax laws: the new mix ahead

BEIJING - "Prime Minister Li Peng presented parliament with a new income tax law on Tuesday aimed at keeping China competitive in attracting foreign investment. Other new tax regulations planned separately, however, may make it harder for foreign companies to work in China, diplomats and businessmen said. The new income tax law charges all foreign companies, except those eligible for special concessions, at a 33% rate. Like current practice, it offers special concessions for many companies that are export-oriented or involved in high technology... Companies that set up in Special Economic Zones, areas that encourage export industries, or in newly established Technological Development Zones, designed to develop high technology, will pay only 15% tax."

Computers

FINANCIAL TIMES: Six companies in worldwide link-up

"Six large computer companies yesterday launched a joint project to ensure that documents containing a mixture of text, diagrams and pictures can be sent around the world from one type of computer to another. The companies say they will develop software to facilitate the free exchange of documents by 1993. The software will then be licensed to other companies and computer system developers. The 6 participants are IBM, Digital Equipment Corporation and Unisys of the US, Groupe Bull of France, Siemens Nixdorf of Germany, and ICL, the UK-based company owned by Fujitsu of Japan. The 6 have formed the Open Document Architecture Consortium, based in Brussels."

Economie Internationale

AFP: Le G7 devrait devenir un G-3 après l’UEM, selon une étude


Le Figaro: Le Japon poursuit son OPA mondiale

"Les achats japonais de compagnie étrangères dans le monde, en hausse depuis 3 ans, ont porté, en 1990 sur 18,04 milliards de dollars, selon le rapport annuel ‘Deal-watch’. En 1990, le Japon a acheté plus de 200 compagnies étrangères, dont 131 américaines, pour 18,04 milliards de dollars."
Seule la Grande-Bretagne fait mieux avec 20,24 mrds de dollars d'investissements internationaux en 1990, mais la tendance est à la baisse, contrairement au Japon. La France arrive en 3ème position (16,3 mrds de dollars), devant les Etats-Unis (15,8 mrds)... La Suède (9,5 mrds) est aussi en bonne position.

US - JAPAN

REUTER: Japan to strive to increase imports, minister says

TOKYO - "Japan will strive to increase imports to help shrink its trade surplus with the United States, Minister of International Trade and Industry Eiichi Nakao told US commerce Secretary Robert Mosbacher on Wednesday... Mosbacher told Nakao that Washington was pleased that a programme to promote US imports in Japan had been extended for 2 more years. Under the programme, which was launched in March 1990 for 1 year and was extended on Wednesday, Tokyo agreed to promote US imports and help US exporters market their products in Japan... Japan’s trade surplus with the United States was $38.02bn in 1990."