**MITERRAND IN SARAJEVO**

**FINANCIAL TIMES: Daring visit**

LONDON - "French president François Mitterrand flew out of the besieged Bosnian capital of Sarajevo yesterday evening after a daring visit by helicopter to the city’s starving 300,000 inhabitants. The dramatic 6-hour visit ended with the 75-year-old head of state in a flak-jacket, taking shelter in a building near Sarajevo airport after Serb tanks and heavy machine guns on the runway renewed their assault on the Sarajevo’s suburb of Dobrinja. As the presidents helicopter took off under heavy grey skies, Serb irregulars and Serbia’s proxy Bosnian army based at the airport began shelling Dobrinja, which has been under siege for more than 50 days... Mr Douglas Hurd, the UK foreign secretary, said: ‘It’s a brave act by an elderly president... I take my hat off to him’.

**HERALD TRIBUNE: Brave but inconclusive**

BELGRADE - "President François Mitterrand of France paid a dramatic but inconclusive visit Sunday to the besieged Bosnian capital, Sarajevo, in an attempt to open the city's airport and begin the flow of humanitarian aid to hungry residents... Fighting around the airport later forced the diversion of 2 French government flights totaling 13 tons of relief supplies that were to have landed Sunday evening in Sarajevo. The Air Force transports landed instead at Split. French Defense Ministry officials said the pilots were waiting for word on when it would be safe to land in Sarajevo... Mr. Mitterrand’s courageous visit to a city that experienced international relief officials say is far too dangerous to work in appears to have grown out of what he has described as Europe’s ‘moral obligation to help’ the people of Bosnia. But the siege of Sarajevo is also a human drama that receives heavy coverage in the French press. Mr. Mitterrand’s visit could help improve the flagging fortunes of his Socialist Party, which faces national elections next March."
ITALY’S NEW GOVERNMENT

WALL STREET JOURNAL: New faces

ROME - "Prime minister-designate Giuliano Amato formed Italy’s 51st government on Sunday, naming a slimmed-down cabinet with a few new faces, but leaving doubts about its ability to pass tough economic and social-reform legislation... Mr. Amato’s coalition includes his own Socialist Party, the Christian Democrats, the Liberals and the Social Democrats. Despite the same coalition members, however, the contents of the new government has a few surprises, perhaps signaling the beginning of a break with the past... Among the most significant changes in the new government lineup is the absence of some prominent establishment politicians, including 7-time prime minister Giulio Andreotti... In addition, Foreign Minister Gianni De Michelis won’t be returning to the government... Mr. Amato reduced the size of his cabinet to 24 from 32 by combining or eliminating ministries. He also named 6 technocrats, who are considered more independent from political influence than politicians... Among the new faces is that of Piero Barucci, managing director of Credito Italiano and former president of the Italian Banker’s Association who will become Treasury minister, replacing Guido Carli. Franco Reviglio, a Socialist and former president of the Italian state energy conglomerate ENI, will be the new budget minister."

FINANCIAL TIMES: A measure of independence

ROME - "... The new government fills a power vacuum which has lasted nearly 3 months. Mr Amato has faced considerable difficulties in building up a consensus and took the unusual step last week of issuing a 23-page policy paper to the 16 parties represented in parliament. The paper laid out 4 priority areas for action: restoring Italy’s public finances; the fight against organised crime; institutional reform and cleaning up public morality. At one stage over the weekend he was close to giving up as the party bosses persisted in their traditional tactic of dictating the composition of the government. However, backed by President Scalfaro he has achieved a measure of independence. This is reflected in the reduction of the cabinet from a record 32 to 24 portfolios, new faces and the presence of 6 ‘technicians’... In a significant move, the Ministry for the South - the worst area for wasted public investment - has been merged into the Budget Ministry... Mr Carlo Ripa de Meana, EC Commissioner for the Environment, returns to Rome to take over the environment portfolio."

LE SOMMET DE LISBONNE

LA TRIBUNE: Oui au traité, non au budget

LISBONNE - "Le sommet européen qui s’est tenu vendredi et samedi à Lisbonne aurait presque pu dépasser ses promesses s’il ne s’était conclu sur un désaccord plus marqué que prévu entre pays du nord et du sud de la Communauté sur le financement futur du budget européen, le fameux ‘paquet Delors II’... ‘Le Conseil européen, indique le communiqué, souligne qu’il importe de respecter le calendrier de ratification afin que le traité puisse en tout état de cause entrer en vigueur le 1er janvier 1993... Tel est en tout cas le credo de François Mitterrand, qui a affirmé sans hésitation que ‘l’événement danois’ ne modifiera pas la voie tracée en décembre à Maastricht: ‘L’union européenne se fera avec qui le voudra’. Parmi ces pays devraient se compter, vers les années 1995 ou 1996, 4 ou 5 membres de l’Association européenne de libre-échange (AELÉ). Comme pour affirmer encore que la construction européenne se poursuit sans coup férir sur sa lancée, les Douze ont décidé avec solennité l’ouverture, dès le 1er janvier prochain, de négociations d’adhésion avec l’Autriche, la Finlande, la Suède et la Suisse, voire avec la Norvège si elle se porte candidate."

FINANCIAL TIMES: Site of bank not decided

LISBON - "Germany looks almost certain to be chosen as the home for the planned European central bank after the European Community summit in Lisbon at the weekend. Ten of its EC partners agreed, under a plan put forward by the Portuguese presidency, that Bonn could be the site of the Bank and its planned forerunner, the European Monetary Institute. However, the plan foundered on Britain’s opposition. Mr John Major killed an agreement by saying the UK was not prepared to decide on the bank’s site now."

UNITED STATES

HERALD TRIBUNE: US aid trimmed
WASHINGTON - "The House has voted to spend $13.8bn on foreign aid, the lowest sum since 1977 and an amount that the Bush administration called 'inadequate'."