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AFP: LE MONDE EN BREF

L’EX-YOUGOSLAVIE - Le président bosniaque Alija Izetbegovic, qui refuse toujours de participer au second sommet des présidents de Bosnie, Croatie et Serbie prévu mercredi à Genève, s’est rendu dans la nuit de lundi à mardi à Zagreb pour assister à une réunion de crise de la présidence collégiale bosniaque qui s’est prononcée, avant son arrivée, en faveur d’un plan de partition de la Bosnie-Herzégovine en 3 mini-États ethniques confédérés.

M. Izetbgovic venait de Copenhague où il avait plaidé en vain auprès des ministres européens des Affaires étrangères de la CEE, pour une levée, même limitée, de l’embargo sur les armes à l’encontre des Musulmans bosniaques.

AFRIQUE DU SUD - 40 personnes ont été tuées ce week-end en Afrique du Sud dans de violents incidents, notamment dans la province du Natal.

OUA - L’Egypte a dénoncé dès l’ouverture au Caire de la 58ème session du Conseil ministériel de l’Organisation de l’Unité Africaine (OUA), le soutien apporté par certains pays africains au terrorisme intégriste.

FINANCIAL TIMES: French rates cut on soft D-Mark

"France’s official short term interest rates fell below German levels yesterday for the first time in 26 years, in the strongest indication yet that European central banks are decoupling their monetary policies from the Bundesbank’s. The Bank of France cut its intervention rate, which sets the floor for the country’s money market rates, by 1/4 of a percentage point, to 7%. This pushed it 1/4 of a percentage point below the Bundesbank’s discount rate, which serves a similar function in Germany. Yesterday’s move raises new questions about the D-Mark’s anchor role in the European exchange rate mechanism. The French cut was made possible by the D-Mark’s recent weakness against the franc and other ERM currencies."

FINANCIAL TIMES: Money supply figures boost hopes of German rate cuts

"The rate of growth in German money supply slowed in May, encouraging hopes that the Bundesbank may shortly resume its cautious programme of interest rate reductions. However, expansion in the broad M3 measure, reconfirmed yesterday as the main factor governing the central bank’s monetary policy, still exceeded the central bank’s target range."

ECONOMIE INTERNATIONALE

LE FIGARO: Tokyo: Un G7 sous hypothèque

EC SUMMIT IN COPENHAGEN

FINANCIAL TIMES: EC wants new plan for jobs

COPENHAGEN - "EC leaders last night drafted a broad strategy for dealing with the unemployment crisis in the EC, providing a mandate for Mr Jacques Delors to produce an action plan by the end of the year. But at a summit in Copenhagen dominated by the worsening economic outlook and a widespread feeling that high German interest rates are prolonging the recession, EC leaders could do little to disguise their differences on how to revive growth and employment. Mr John Major, the UK prime minister, called for a fundamental rethink of the Community's approach to job creation, stressing the need for more liberalised labour markets, lower social costs for business and tighter constraints on wage increases... Mr Delors, president of the European Commission, conceded that Europe had fallen far behind the US and Japan in its ability to create jobs. But he rejected moves to dismantle Europe's social welfare system in favour of a more deregulated labour market along US lines. Mr Niels Helvig Petersen, foreign minister of Denmark which holds the EC presidency until the end of June, said the US model produced 'very severe defects in the economy', as well as social problems, crime and hopelessness in large urban areas'... The UK, Spain, France and Italy, among others, called for a co-ordinated drop in interest rates, a move which diplomats interpreted as pressure on the Bundesbank to cut its market rates."

FINANCIAL TIMES: Commitment to eastwards expansion expected

"One of the few concrete decisions expected from the Copenhagen summit is for the EC to commit itself for the first time to Community membership for 6 post-Communist states in eastern and central Europe. Since it will still be many years before these countries - Poland, Hungary, the Czech and Slovak republics, Bulgaria and Romania - have strong enough economies to survive in the EC, the 12 heads of government are also expected to agree measures to accelerate political and economic integration with the Community... The measures include faster access for east European goods to the EC market; targeting EC aid for infrastructure and industrial restructuring; and the creation of a 'European Political Area' through joint action in areas of common interest such as energy, transport, the environment and research, and structured collaboration on security issues through regular joint meetings."

EASTERN EUROPE

HERALD TRIBUNE: East could afford some shut reactors, G7 report says

"A report prepared for the G7 summit meeting in Tokyo next month says that Russia and Eastern Europe could close their most dangerous nuclear reactors without endangering electricity supplies - and save substantial investment costs on new capital plant. But it says that many decision-makers in those countries favor modernizing the Chernobyl-type plants rather than closing them, because annual running costs would be cheaper... The report, which was prepared by the World Bank in Washington and the IEA in Paris, says the cost of equipping the countries with gas-fired stations and shutting down the dangerous Chernobyl-type reactors by the mid-1990s would be about $18bn over a 7-year period. It would cost at least $24bn to bring the old Soviet-built nuclear plants up to acceptable standards of safety, the report adds."

OECD ECONOMIES

REUTER: Competitiveness study says Japan flags, US rises

GENEVA - "... The World Competitiveness Report, covering 38 countries, is compiled annually by the Geneva World Economic Forum and the Lausanne International Institute of Management Development. The analysis is based on published figures and assessments by top business figures in the 38 - 23 of them members of the OECD and 15 so-called newly-industrialising economies. It said Japan's long-standing ranking as the most competitive OECD country was unquestioned but weak data from its executives showed that its dominance was gradually slipping... Germany, which long held a secure spot near the top in the 20-year-old rankings, dropped from 2nd to 5th overall. The report said the change reflected the statistical impact of reunification - a fall in per capita income and a rise in inflation - and a 'fight for national identity'... The US, in 5th place in 1992, regained 2nd spot due to business confidence, drops by Germany and
Switzerland and a favourable trend in the balance of payments... In Europe, Denmark was the bright spot, with executives the most bullish in the OECD about their competitiveness and the country moving up to third place in the rankings despite recent uncertainties over its place in the European Community."

United Kingdom

THE GUARDIAN: Fall in jobless 'to hit 2.25m barrier'

"The government expects unemployment to be at least 2.25 million at the end of the century even if it generates growth of 2.5% a year, according to a secret report prepared for the Prime Minister. Despite recent falls in the monthly jobless total, the figures show that ministers believe the level of joblessness built in to the economy has increased sharply as a result of the recession. The background paper, prepared for Downing Street discussions on cutting invalidity benefit, said: 'Projections suggest the programme will continue to rise by 2.8% a year for the rest of the century, even if unemployment is assumed to fall to 2.25 million and the economy to grow by 2.5% a year'." 

Canada

REUTE: Canadian growth shows momentum as consumer returns

OTTAWA - "Canada’s real gross domestic product rose at an annual rate of 3.8% in the first quarter of the year, the government said on Monday, and at a rate faster than annual forecasts by international organisations... The OECD, and the IMF, both with a 1993 forecast of 3.2%, say Canada will achieve the strongest growth among the major industrialised countries in 1993 and 1994. The recovery in Canada from recession has been led so far by vigorous exports, which hit a record high in April, but economists now point towards growing consumer demand as well. 'Consumer spending, business outlays for machinery and equipment, and exports all grew substantially and the pace of business inventory liquidation moderated', the government agency said about first quarter activity."

VIETNAM

JAPAN TIMES: Hanoi aims for GATT status

HANOI - "Vietnam will apply for observer status in the GATT as a first step to becoming a full participant in the world trade body, officials said Monday. Vietnamese trade minister Le Van Triet and GATT general director Arthur Dunkel announced the plan at a news conference at the end of Dunkel’s 4-day visit to Hanoi."