**AFP: LE MONDE EN BREF**

PO-PAIX - La Commission de coopération économique israélo-palestinienne s’est réunie pour la première fois à Paris afin de mettre au point un programme économique pour Jéricho et la bande de Gaza.

ALGERIE - La Cour spéciale d’Alger, siègeant à Médéa (sud d’Alger) a condamné à mort 37 islamistes, dont 30 par contumace, sur 110 personnes jugées notamment pour 21 assassinats.

RUSSIE - Le musée Lénine, qui célébrait depuis des décennies à l’entrée de la Place Rouge le père de la révolution, a définitivement fermé ses portes, sur ordre du président Boris Eltsine.

KOWEIT - Plus de 350 Irakiens se sont infiltrés dans le nord du Koweït et ont exigé l’arrêt du creusement d’une tranchée par des Koweitiens sur la frontière entre les 2 pays.

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**TRADE**

**FINANCIAL TIMES: NAFTA : Congress gears up for vote**

WASHINGTON - "The widespread assumption is that if the North American Free Trade Agreement is defeated in the House of Representatives tonight the cause of liberalised world trade is in deep trouble. There is little doubt, for example, that an even bigger cloud will promptly gather over the head of the Uruguay Round, itself due to be completed by the congressionally mandated deadline of December 15. Yet there is one element in this equation which may not stand up to scrutiny - that a defeat for NAFTA denotes such a depth of protectionism in Congress that even if the Round is concluded it, too, would face certain rejection on Capitol Hill... Everything, of course, initially depends on there being a GATT agreement at all, the hopes for which will certainly not be improved if NAFTA goes down. But US diplomats are quite encouraged by signals from Europe that French resistance to agricultural concessions may be softening... Mr Edouard Balladur, prime minister, is understood to have been particularly impressed by last week’s OECD report which concluded that a GATT agreement could enrich the world by as much as $270bn by 2002, the highest independent estimate yet of the potential accrued benefits."

**FINANCIAL TIMES: Mexico enjoys few alternatives**

MEXICO CITY - "Mexico’s plan to expand trading relations with Europe, Latin America and Asia if the NAFTA is rejected by the US Congress today faces the problem that many non-Americans are less likely to invest in Mexico without it. In an effort to lessen its dependence on the NAFTA, Mexico has already signed a free trade agreement with Chile, and plans to sign new accords with Venezuela and Colombia by the end of this year. The government hopes to become a full member of the OECD by next spring, and is actively looking for bilateral investment agreements with Europe and Asia... If NAFTA was rejected, Bill Clinton said, Mexico might sign trade agreements with Japan or the European Union. 'That could change the purchasing habits of 90m Mexicans and hundreds of millions of people in Latin America’, he warned."

**HERALD TRIBUNE: US waves the Asia card in stalled trade game**

WASHINGTON - "If the European allies do not show more flexibility in the stalemated global trade negotiations, Washington will move quickly to develop an alternative trading association with Asia, the Clinton administration has warned. In a briefing with reporters at the White House, a group of senior administration diplomats and trade officials said they were treating the economic summit meeting in Seattle this week as an
opportunity to lay the groundwork for a possible trading association, if the stalled negotiations with Europe over the GATT are not completed. The Asia Pacific Economic Cooperation forum, which includes the US and Canada, opens in Seattle on Wednesday and will be followed by a meeting of top leaders of member nations, including President Bill Clinton. It is the largest meeting ever of American and Pacific leaders."

CHINA

YOMIURI SHIMBUN: Chinese party plans further economic reforms

BEIJING - "The Chinese Communist Party on Tuesday gave its most detailed master plan yet of the kind of China top leader Deng Xiaoping want to leave as his legacy to history. The Central Committee released a 32-page document detailing the decisions reached at a major 4-day meeting it held last week and incorporating the 2 poles of Deng’s policy - a market economy and strict political control by the party. It saw a slimmer government with decreasing direct participation in the economy, state firms turning themselves into industrial conglomerates, a Western-style central bank, widening gaps in wealth and multiple forms of income... China has already taken steps along this road, achieving remarkable growth as the straitjacket of Maoist economics is cast off. But it remains dogged by structural and ideological contradictions that will take years to resolve. The document called for bold steps to reform thousands of state firms, a fiscal burden round the government’s neck."

JAPAN TIMES: $2.8bn in contracts signed with Germany

BEIJING - "China and Germany on Tuesday signed 20 business contracts and governmental agreements worth $2.8bn, the official Chinese news agency, XINHUA, reported. Among them are China’s purchase of 6 Airbus planes and a 700 million mark ($413 million) deal for the Siemens Co. to build a subway in Guangzhou... The other contracts signed Tuesday covered projects in power, steel, auto production and machinery, XINHUA said."

RUSSIA

WALL STREET JOURNAL: G7 officials invited to meeting

FRANKFURT - "Russia is inviting finance and foreign ministers from the G7 Western industrial nations to a meeting in Moscow early next year, its finance minister said. Boris Fyodorov told a news conference that G7 deputy finance ministers and senior foreign-ministry officials were already being invited for a preparatory meeting in Moscow early next month. The Russian minister was in Frankfurt to announce the establishment of a Business Development Bank for Russia - a joint project between the ministry and Bonn’s KfW financing agency. International monetary sources in Washington said a high-level meeting in Moscow would be a show of support for President Boris Yeltsin and his economic reforms... But sources in London said the proximity of Russia’s parliamentary elections on Dec. 12, and pressure of the world-trade talks, made this unlikely."

EUROPE

LES ECHOS: Dérapage budgétaire de la Commission

"La Cour des Comptes de la Communauté européenne accuse une fois de plus la Commission d’être trop laxiste en matière de lutte contre la fraude et trop dispenseuse dans certains domaines, selon le rapport annuel portant sur 1992: la mauvaise gestion des fonds communautaires a coûté plus de 150 millions d’écus (1 écu = 6,7 francs) à la Communauté. Elle a chiffré à quelque 115 millions d’écus les dépenses excessives de la Commission, notamment en matière d’aide à l’agriculture et au développement régional, et à 47 millions d’écus les recettes non perçues... La Commission est également épinglée pour la lourdeur et la centralisation à Bruxelles de l’organisation de la coopération avec les pays d’Europe centrale et orientale et l’ex-URSS."

FINANCIAL TIMES: Brussels spells out telecom guidelines

BRUSSELS - "Telecommunications groups in Europe will have to increase the cost of local telephone calls and charge rival companies for access to the telephone network to fund a basic minimum service for customers once the sector is liberalised, the European Commission said yesterday. But the Commission said individual member states would decide exactly how to fund a ‘universal service’ after January 1, 1998, the date set for opening ordinary telephone services to full competition across the
FINANCIAL TIMES: Denmark issues warning to EFTA’s EU applicants

COPENHAGEN - "The 4 EFTA countries applying to join the European Union could lose their chance of gaining membership if they do not complete accession negotiations by the beginning of March next year, Mr Niels Helveg Petersen, the Danish foreign minister, warned yesterday. He said any delay beyond that date of the negotiations with Austria, Finland, Norway and Sweden could lead the EU to shelve their applications, leaving the four, scheduled to join the Community in 1995, to take their chances 'the next time around' when expansion to include central and east European countries was considered. 'That is why I say to them the time is now, the door is open. Don't hesitate because you might not find the door being that open after Mach 1', Mr Helveg Petersen told the FT in an interview."

OECD ECONOMIES

Japan

FINANCIAL TIMES: First round victory for Hosokawa on reforms

TOKYO - "Japan’s coalition government last night won the first round of a parliamentary showdown with the opposition Liberal Democratic Party, paving the way for wholesale reforms to the corrupt political system. A parliamentary committee voted in favour of the plans, ending days of bitter wrangling between the 7-party coalition and a divided LDP. The Tokyo stock exchange’s Nikkei average recovered from Monday’s 2.3% fall although investors remained cautious ahead of prime minister Morihito Hosokawa’s visit to the US at the end of the week. The committee vote means the reform bills are now likely to get majority approval from what is set to be a stormy debate in the lower house tomorrow. That is the biggest hurdle they face."

Belgique

AFP: Accord sur l’austérité et la relance de l’emploi

BRUXELLES - "Le gouvernement de centre-gauche est parvenu dans la nuit de mardi à mercredi à un accord interne sur un plan visant à relancer la compétitivité des entreprises et la création d'emploi tout en rétablissant l'équilibre financier de la sécurité sociale, a-t-on annoncé officiellement. Selon de premières indications officieuses, le gouvernement pourrait relever de 3% les impôts sur les revenus des capitaux et lier le niveau des allocations familiales aux ressources des bénéficiaires. Le Premier ministre Jean Luc Dehaene a déclaré que 'toutes les catégories de revenus' seraient touchées par les sacrifices demandés au pays."

Italy

FINANCIAL TIMES: Protests for jobs

ROME - "Thousands of Italians yesterday demonstrated over job prospects to increase the pressure on a government which opponents say is reaching the end of the line. Some 50,000 building workers, angry over the effects of the country's huge corruption scandal on employment, demonstrated in central Rome, while steelworkers protesting against EU production cuts went on strike in the southern port city of Taranto. Italy's 2 main opposition parties, the Democratic Party of the Left (PDS) and the fast-growing, pro-autonomy Northern League, are pushing hard for early elections."

END-OF-TEXT