THE NEW US ADMINISTRATION

HERALD TRIBUNE: Greenspan backs Clinton

NEW YORK - "The chairman of the Federal Reserve Board, Alan Greenspan, threw his weight behind the Clinton administration's economic program on Friday and indicated that the US central bank would not choke off recovery with higher interest rates out of exaggerated fears of inflation. 'It is a serious proposal, its baseline economic assumptions are plausible, and it is a detailed program-by-program set of recommendations as distinct from general goals', Mr. Greenspan told the Senate Banking Committee in his semi-annual state-of-the-economy testimony to Congress. The Federal Reserve Board head is the United States’ most important economic policymaker after the president... All this represented an important vote of confidence for Mr. Clinton who, along with Vice President al Gore and cabinet members, has begun campaigning across the country to sell his economic program."

FINANCIAL TIMES: Study may provoke row

LONDON - "A wide study of the possible cost to the US economy of anti-dumping actions, commissioned as one of the final acts of Mrs Carla Hills, former US trade representative, appears set to provoke a storm of controversy among protected US industries, and embarrassment for the new Clinton administration. The demand for the study was described by one senior US trade official as 'potentially nuclear' in its implications, pitching powerful domestic industries such as cars, steel and textiles against US exporters and consumers, all of whom have to pay higher prices because of such duties. It could embarrass President Bill Clinton, who is under strong pressure from domestic industry lobbies to use dumping laws fully to protect US companies against 'unfair competition'... The study must be finished by January 1995, and is among the most ambitious ever demanded of the ITC."

HERALD TRIBUNE: Air industry summit hears problems

SEATTLE - "President Bill Clinton will hold what US officials called a 'summit meeting' on Monday with executives of 11 airlines and 4 aerospace concerns to hear the problems of the 2 industries and what the companies think of his economic stimulus package. The chairmen of the 2 top plane makers have said in recent interviews that the key to stemming their job losses is a return to profitability at the airlines. The executives are likely to repeat to these sentiments by Frank Shrontz of Boeing Co. and John McDonnell of McDonnell Douglas Corp... Mr. Clinton will meet with the
airline and aerospace executives after taking questions from about 3,000 workers at Boeing, which last week said it was planning to cut 28,000 jobs over the coming year and a half. Administration officials said the plan to talk with the executives was conceived on Friday."

FINANCIAL TIMES: US unhappy over access

"European companies have significantly easier access to procurement contracts in the US, according to a leaked US document that could trigger a US-EC war of numbers in the battle to open up respective government procurement markets. In a document from the office of the US trade representative, the US claims that bidding opportunities worth $16.8bn were offered to EC contractors under the Government Procurement Code in 1990, compared with $7.8bn in EC contracts open to US operators... The document was tabled during EC-US negotiations in Washington last week aimed at settling the clash over public procurement which flared last month. The new US administration threatened to bar European companies from bidding for federal contracts in the US unless European procurement rules favouring local manufacturers were dismantled by a deadline of March 22."

EUROPE

FINANCIAL TIMES: Steel to lose 100,000 jobs

DÜSSELDORF - "Western Europe’s steel industry may be forced to cut more than 100,000 jobs in its latest market crisis, more than double the estimate of the European Commission, according to the German steel federation. Social spending to ease the burden of redundancies would have to be substantially increased, and protection from cheap eastern European imports ensured to enable the industry to restructure, Mr Ruprecht Vondran, president of the federation, said in an interview. At the same time, the head of Germany's second largest steel producer, Krupp-Hoesch, said he believed it was 'perfectly realistic' to consider quitting the steel industry altogether, if 'radical measures' were not taken to meet the crisis."

LE FIGARO: Bruxelles abandonne sa norme TV

BRUXELLES - "La Commission européenne va réviser son plan en faveur de la télévision haute définition (TVHD). Elle souhaite mettre l’accent sur le format grand écran 16/9, au détriment des normes de transmission D2-Mac et HD-Mac, défendues par les industriels Philips et Thomson Consumer Electronics. En d’autres termes, Bruxelles ne cherche plus à imposer les normes européennes D2-Mac et HD-Mac. Dans une interview, Martin Bangeman, commissaire européen à l’industrie, a clairement appelé les Européens à se rallier aux choix techniques totalement différents que les Américains vont faire à la fin de cette année. L’Europe devra s’aligner sur les États-Unis pour imposer un standard mondial de télévision haute définition numérique, a affirmé Martin Bangeman."

LES ECHOS: Nouveau gouvernement en Italie


HERALD TRIBUNE: DAF bailout omits stockholders

EINDHOVEN, Netherlands - "A weekend rescue plan for the truckmaker DAF NV will save part of the Dutch and Belgian operations, but the British unit was left out and the parent company’s chairman said Sunday that stockholders were expected to lose their entire investments. The DAF chairman, Cor Baan, said on Dutch television that the finances of the new company that will emerge March 1 from bankruptcy proceedings will be 'healthy'. The new company, DAF Trucks NV, would have a modern product range and a capital base of 40% of its assets. But when asked whether old shareholders would get nothing back, Mr. Baan said, 'I
SINGAPORE - "When Mahathir bin Mohamad, the prime minister of Malaysia, thinks of Europe these days, he professes to see a continent handicapped by a high cost structure that puts it at a permanent disadvantage vis-à-vis more efficient economic competitors in Asia... Europe, says Noordin Sopiee, director-general of the Institute of Strategic and International Studies in Kuala Lumpur, is becoming 'tied down by the emerging market economies and learner democracies of Eastern Europe'... The point seems certain to be made forcefully with Helmut Kohl, Germany’s chancellor, when he begins a tour of Singapore, Indonesia, Japan and South Korea on Monday. Mr. Kohl arrived in India on Friday on the first leg of his visit to Asia... The image of Europe as a sick and distracted continent, in contrast to the relative peaceful and buoyant growth of East Asia, appears to be deeply etched in the minds of regional leaders. Mr. Mahathir said at a recent meeting of East Asian newspaper editors that when Europe and the United States had a monopoly on industrial technology, it was 'quite O.K. to have high pay and forget about competition'. But now, he said, Asia has the same technology, and that, combined with a lower cost of production, has enabled East Asia to oustsell the rest of the world."