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REUTER - WORLD NEWS SUMMARY

SARAJEVO - International pressure built up against hardline Bosnian Serbs to ratify the peace plan their leader has already signed, but they remained defiant as the war kept up its grim pace.

PARIS - US Secretary of State Warren Christopher told reluctant allies they should press ahead with plans for military action against Bosnian Serbs in case the U.N.-brokered peace plan breaks down.

WASHINGTON - NBC News reported that US special forces troops are already on the ground in Bosnia, gathering intelligence and selecting potential targets for US air attacks.

ZAGREB - Civilians are still being killed, harassed or forced out of their homes in Bosnia despite talk of peace, a senior U.N. official said.

KING HUSSEIN BRIDGE, Jordan - The second batch of Palestinian deportees allowed home by Israel crossed the bridge into the West Bank after years of forced exile in Jordan, eyewitnesses said.

BONN - Germany’s main opposition Social Democratic Party is hurriedly searching for a new leader after Bjoern Engholm quit politics over his handling of a 6-year-old scandal.

ROME - Former Italian prime minister Giulio Andreotti offered to stand trial on Mafia charges, defusing an explosive issue that risked sinking the newly formed government.

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THE IMF AND CURRENCY CRISES

FINANCIAL TIMES: IMF to oversee currency trends

WASHINGTON - "The IMF is to step up its supervision of the economies of industrial nations in an attempt to head off currency crises such as that which rocked the European Monetary System last September. The plan, which was endorsed by the IMF's policy making Interim Committee at the end of last week, could mean greater IMF intervention to influence the economic policies of countries such as Japan which are running large balance of payments surpluses with the rest of the world. Until now the IMF’s main preoccupation has been with countries with debt problems or in balance of payments difficulties. In his speech to the Interim Committee, Mr Lloyd Bentsen, US treasury secretary, hinted that surplus countries could find themselves under pressure to change policy... Mr Carlos Solchaga, Spanish finance minister and Interim Committee chairman, said it was the first time since the end of the Bretton Woods fixed exchange rate system in the early 1970s that the IMF had been asked to try to reduce exchange rate volatility."

COMMUNAUTE EUROPEENNE

LA TRIBUNE: Nouveaux espoirs pour l’Europe orientale

BRUXELLES - "La Communauté doit adresser aux pays d’Europe centrale et orientale (PECO) ‘un message politique clair’, assorti d’actes concrets susceptibles de donner de la crédibilité à ses engagements. Telle est la recommandation que la Commission de Bruxelles vient d’adresser au Douze à moins de 2 mois du sommet européen de Copenhague... Il s’agirait donc pour le Conseil européen de réaffirmer, le 23 juin prochain, qu’il acceptera l’adhésion des PECO à l’Union européenne dès le moment où ceux-ci pourront ‘accepter l’acquis communautaire, faire face à la concurrence, faire fonctionner une économie de marché et garantir le respect des règles démocratiques ainsi que des droits de l’homme et des minorités’. Ce à
quoi, prudente, la Commission ajoute une autre condition: que la CEE soit elle-même ‘capable d’absorber de nouveaux membres’.

FINANCIAL TIMES: Brussels worried over steel subsidy moves

BRUSSELS/MILAN - "The European Commission is increasingly concerned that the EC-wide plan to support the ailing west European steel industry could be derailed by member states’ attempts to subsidise their national producers. EC industry ministers meet today in Brussels to discuss the progress of the plan so far, in the wake of the Commission’s rejection last week of German proposals to restructure Ekostahl, the east German producer, and scepticism about a new rationalisation plan from Ilva, the loss-making Italian steelmaker."

OECD ECONOMIES

Germany

HERALD TRIBUNE: Strike amid gloom

DRESDEN - "About 200 workers at Sachsenwerk, a big Saxon maker of heavy industrial motors, began the early shift Monday with bratwurst, beer and a brass band, in a strike as notable for its subdued mood as for its potentially crippling impact on Eastern Germany's foundering economy... The Sachsenwerk strikers were among about 10,000 metalworkers and 6,000 steelworkers who walked off their jobs Monday in Saxony and in Brandenburg state around Berlin. Officials said that as many as 38,000 workers could be on the picket lines Tuesday as the strike spreads to other states in the East... IG Metall called for the strikes after employers tore up a 1991 contract that would have equalized East German workers' pay with that of the considerably richer West German workers by April, 1994... The employers were offering a 9% pay increase, which is in line with local consumer price inflation, but would still leave East German metalworkers earning far less than West Germans performing the same tasks. The real issue for many East Germans, however, is not the amount of the increase or its relation to West German wages, but a dramatic rise in rents and other costs that gobbles up as much as half of their disposable incomes."

GUARDIAN: Job forecast worsens

BONN - "Germany, the stalled locomotive of the European economy, faces a decline in national output of 2% this year in the west, and an overall rise in real unemployment to nearly 7 million by 1995, experts forecast last night. The predictions underlined that the country is in the grip of the deepest recession since the war, and faces a level of joblessness and under-employment which poses a severe challenge to its social cohesion.... With the threat of an all-out strike next week hanging over east Germany, the western recession is clearly taking its toll in the east. Growth is forecast at only 5.5% - compared with the autumn prediction of 7.5%. Meanwhile, the Swiss-based economic institute, Prognos, predicted German unemployment would rise by 1.4 million in 2 years to reach 6.7 million in real terms by 1995 - when one in six of the labour force would be jobless."

Pays-Bas

LE FIGARO: Pas de reprise avant 1994

"Avec un produit intérieur brut (PIB) en croissance de 1,6% en 1992, l’économie néerlandaise accuse un ralentissement conjoncturel plus sensible que prévu, estime l’OCDE dans son dernier rapport sur le royaume batave. Selon les experts, les perspectives sont assez sombres puisque la croissance économique devrait tomber à 1% en 1993, toute perspective de reprise n’étant envisageable qu’à partir de 1994, à la seule faveur d’une reprise internationale. Cause essentielle du ralentissement actuel: la dégradation de l’environnement international, coupée à l’atonie de toutes les composantes de la demande intérieure."

France

LE FIGARO: La crainte d’une récession

"Malgré le report officiel du plan de redressement préparé par Edouard Balladur, le gouvernement procède à la mise en place de sa politique économique et sociale. Le premier ministre, en recevant hier les 7 fédérations de fonctionnaires à Matignon, a annoncé le gel des salaires des agents de l’Etat en 1993, provoquant ainsi les critiques de
l’ensemble des syndicats. Cette première décision s’inscrit dans un contexte confirmé de récession: les nouvelles prévisions établies par le ministère des Finances font état d’un recul du produit intérieur brut de 0,1% en volume pour cette année... La CSG passerait de 1,1% à 2,4%. Ce 1,3 point d’augmentation, qui rapporterait 50 mrd de francs à la Sécurité sociale, pourrait être déductible des impôts."

Norway

THE TIMES: Britain tells Noray to choose beteen EC and whaling

"Norway’s hopes of joining the EC would be dashed if it were to resume commercial whaling without international approval, John Gummer, the agriculture minister, said yesterday. In the strongest warning so far to the Norwegians, who opened EC entry negotiations last month, Mr Gummer said that Norway would 'lose all credence in international affairs' if it started hunting whales again. 'When they seek to join the EC they have to obey the EC's rules, and one of those is a ban on trading of whale products’, he said. 'The EC’s rules are absolutely clear'. The warning sets the stage for a bitter clash between Britain and Norway at the annual meeting of the International Whaling Commission to be held in Kyoto, Japan, from May 10 to 14."

KOREA

KOREA ECONOMIC J.: Task force to prepare for OECD

"The government is creating a task force comprising staff members of the economy-related ministries to step up preparations for Korea’s admission into the OECD. Earlier in 1991, Korea promised that it would join the Paris-based international organization by the end of 1996. The decision to form a task force came at the 18th conference of economy-related ministers held on April 12 to coordinate Korea’s external economic policies."

US - CHINE

AFP: Levi-Strauss suspend un investissement en Chine

WASHINGTON - "Levi-Strauss, le fabricant américain de vêtements, a 'suspendu' sa décision d'effectuer 'un investissement direct' en Chine et va 'réduire progressivement' ses contrats de sous-traitance dans ce pays en raison de la situation des droits de l’Homme, a indiqué lundi un porte-parole du groupe. 'Levi-Strauss ne procédera pas pour le moment à un investissement direct en Chine et réduira le volume de ses contrats actuels de sous-traitance tant qu’il n’y aura pas d’amélioration des droits de l’Homme’, a déclaré à l’AFP ce porte-parole, Glenda Butler."

END-OF-TEXT