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INFO ROUTINE EUROPEAN COMMUNITY POSTS, UKMIS GENEVA, WASHINGTON

URUGUAY ROUND : GERMAN PRESS COMMENT

SUMMARY

1. COVERAGE OF PRIME MINISTER'S COMMENTS AT THE EUROPEAN COUNCIL. FRENCH BLAMED FOR FAILURE AT FRIDAY'S COUNCIL.

DETAIL

2. PRESS COMMENT ON AGRICULTURE HAS BEEN LESS PROMINENT THAN THAT ON THE GULF AND EMU, BUT SEVERAL NEWSPAPERS REPORT THE PRIME MINISTER'S CRITICISM OF THE FAILURE BY AGRICULTURAL MINISTERS TO REACH AGREEMENT AT THE SPECIAL COUNCIL ON 26 OCTOBER. THE FRANKFURTER ALLGEMEINE ZEITUNG SAYS THAT THE PRIME MINISTER BLAMED THIS FAILURE ON THE FRENCH. ALTHOUGH KOHL AND ANDREOTTI WERE OPTIMISTIC THAT AGREEMENT COULD BE REACHED SOON, THE POSTPONEMENT OF THE NEXT SPECIAL COUNCIL FROM TUESDAY TO AN AS YET UNDEFINED DATE WAS NOT A GOOD SIGN.

3. OTHER REPORTS QUOTE HAUSSMANN AS BEING QUOTE SERIOUSLY CONCERNED UNQUOTE AT THE LACK OF AGREEMENT AND AS SAYING THAT THE PROPOSED SPECIAL FAC REPRESENTS THE LAST CHANCE TO RESTORE THE EC'S CREDIBILITY IN THE URUGUAY ROUND. THE SUEDEDEUTSCHE ZEITUNG (SZ) BLAMES THE FRENCH FOR CAUSING FRIDAY'S FAILURE BY SEEKING FURTHER GUARANTEES ON COMMUNITY PREFERENCE. KIECHLE IS REPORTED TO HAVE BEEN PREPARED TO ACCEPT THE PRESIDENCY COMPROMISE BUT UNWILLING TO VOTE AGAINST FRANCE. THE SZ NOTES ACCUSATIONS BY OTHER PARTICIPANTS THAT THE FRENCH AND GERMANS ARE SEEKING TO SABOTAGE THE NEGOTIATIONS. IT REPORTS THAT MR GUMMER BLOCKED AGREEMENT ON THE INTEGRATION OF EAST GERMAN AGRICULTURE INTO THE EC. SZ ALSO REPORTS COMMENTS BY CARLA HILLS IN NEW YORK ON THE COSTS TO THE COMMUNITY OF FAILURE AND THE BENEFITS OF AGREEMENT IN THE URUGUAY ROUND.

4. IN AN INTERVIEW IN WELT, KIECHLE SAYS THAT MR GUMMER IS GOING TOO FAR IN PUTTING ALL THE BLAME ON FRANCE AND GERMANY. BOTH WERE ONLY DEFENDING ESSENTIAL INTERESTS. KIECHLE SAID THAT AFTER SIX COUNCILS, THE COMMISSION HAS MOVED FROM ITS ORIGINAL UNTENABLE PROPOSALS AND THAT HE BELIEVES, TOGETHER WITH FRANCE AND SPAIN,

THAT AN ACCEPTABLE COMPROMISE CAN STILL BE REACHED. KIECHLE ACKNOWLEDGES THE TIME PRESSURE BUT DOES NOT REGARD IT AS THE MOST IMPORTANT FACTOR. HE ARGUES THAT PRICES HAVE ALREADY BEEN REDUCED BY 15% WITH A FURTHER 15% TO BE OFFERED AND THAT THE EC PROPOSAL SHOULD NOW CONCENTRATE ON REDUCING EXPORT QUANTITIES. THIS WOULD ASSIST BOTH THE US AND DEVELOPING COUNTRIES. KIECHLE CONCLUDES THAT THE BENEFITS TO INDUSTRY OF A GATT SETTLEMENT SHOULD NOT BE AT THE FARMER'S EXPENSE.

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