

World and Nation

West Germany proposes reunion

From Associated Press reports
BONN, West Germany — Chancellor Helmut Kohl Tuesday proposed a German federation as part of a sweeping plan to reunite the two countries after four decades of post-war division.

East Germany has increasingly discussed the possibility of a confederation, but the Communist nation's leader, Egon Krenz, ruled out any talk of reunification.

"A unity of Germany isn't on the agenda," Krenz told West Germany's ARD-TV network in insisting on the continued existence of two "sovereign, independent German states."

There are fears among Europeans in the East and the West about the political and economic power of a reunified Germany with 80 million people.

Kohl, in a speech to Parliament, sought to allay those fears, saying: "The Germans ... will be a dividend for a Europe that is coming together, and never again a threat."

The United States favors reunification, and State Department spokeswoman Margaret Tutwiler reiterated that position in Washington on Tuesday. The Soviet Union has said the idea is "dangerous and unrealistic."

Kohl said he had no timetable in mind to carry out his ideas and made it clear it could take years to form a federation. He is expected to discuss his proposals with East German leaders at a summit next month.

East German government spokesman Wolfgang Meyer said Kohl's plan in general provided "interesting starting points for negotiations."

But writer Stefan Heym and a number of other East German artists, clerics and intellectuals rejected reunification, saying they opposed their country "being pocketed" by West Germany. The group said it would start a petition drive in support of its appeal.

Kohl's proposals were the most thorough delineation he has made yet

of his vision of ending the division of Germany imposed after World War II.

Earlier, Hans-Jochen Vogel, the leader of the opposition Social Democrats, proposed an eventual confederation as a step toward unity.

In the past, the Social Democrats have cautioned against hastening toward German reunification; some in the leftist party have flatly opposed it.

"We are now standing at the start of a new period in European and German history, a period that points beyond the status quo or the hitherto political structures in Europe," Kohl told Parliament.

"We are prepared ... to develop confederative structures between the two states in Germany in order to create a federation, a federal state in Germany."

A federation is a union of states with a central government; a confederation is an alliance of independent nations for a common purpose.

Kohl also said reunification must be "bedded in the pan-European process and in East-West relations. The future structure of Germany must fit into the whole architecture of Europe."

He said his proposal could only be carried out if East Germany holds free elections, as it has promised.

The chancellor proposed creation of joint governmental and parliamentary committees for "permanent consultation" between the Germans.

He also suggested such committees deal with economic, environmental, cultural and scientific matters, and he said they could be set up soon after free elections in East Germany.

Kohl said West Germany was prepared to offer "concrete assistance" to embattled East Germany.

But he said massive assistance would be contingent on East Germany "irreversibly" setting into motion "a fundamental change of its political and economic system."

Former court leader killed during Salvadoran violence

From Associated Press reports
SAN SALVADOR, El Salvador — Mortars exploded and gunfire resounded in northern San Salvador today, awakening capital residents to renewed fighting between government forces and leftist rebels.

A former president of the Supreme Court, Francisco Jose Guerrero, was killed when unidentified people fired on the car in which he was traveling, government sources said.

There was sustained fire from machine guns and assault rifles between 4 a.m. and 5 a.m., following about an hour of sporadic firing accompanied by the thud of mortars. Flares blazed in the northern sky.

It was the first time this week the fighting went beyond brief exchanges between government troops and rebels. Calm returned as dawn broke.

News in Brief

Toppling crane kills five
SAN FRANCISCO — A crane atop a 16-story building tipped over and plummeted to the ground Tuesday, flattening a school van, crushing several cars and smashing into an office building across the street. At least five people were killed, 21 injured and five left missing.

The crane was on a building under construction, hoisting steel when it toppled, sending concrete and twisted steel onto the busy financial district street.

"It felt like an earthquake," said Merrill Lynch Vice President Joe McLaughlin, who was in the damaged office building. "I looked out and saw two bodies. One construction worker's boots were sticking up through a mass of jagged metal."

Rise in food prices to slow
WASHINGTON — Consumers will see 1990 food prices rise at a much slower pace as farmers continue expanding crop production, a senior Agriculture Department economist predicted Tuesday.

"The 1990 food outlook calls for larger supplies and lower prices," said James Donald, chairman of the department's World Agricultural Outlook Board.

"Record meat production, bigger crops and slowing inflation will hold the retail food prices' increase to 3 percent to 5 percent in 1990."

Part of the reason for this year's runup was the lingering effects of last year's drought.

Bush says arms control not summit topic

From Associated Press reports
WASHINGTON — President Bush sought to reassure European allies Tuesday about his summit with Soviet President Mikhail Gorbachev, promising "I'm not going to surprise them" with any agreement to cut nuclear weapons or reduce U.S. troops overseas.

Bush said he and Gorbachev may discuss possible military cutbacks "in a general way" when they meet off the coast of Malta on Saturday and Sunday.

But he added, "In writing, I have made clear to Mr. Gorbachev — in my handwriting, so he knows it comes from

me, not the bureaucracy — that this is not a summit for arms control agreement."

He said it was very important for the allies to know "I'm not going to go off and prematurely jump out there and try to grandstand by committing them to something. That's not the way you keep an alliance strong."

After the two-day summit, Bush will fly to Brussels on Dec. 4 to brief NATO leaders on the discussions.

The allies were aghast to learn in 1987 that former President Reagan and Gorbachev had come close to a deal at a summit in Reykjavik to abolish all nuclear weapons in spite of the fact that

NATO regards some of those arms as vital to deter Soviet attack.

Now, with the collapse of hard-line communist regimes in Eastern Europe, and massive budget deficits in the United States, the Bush administration is considering major cutbacks in troops and weapons.

Gorbachev is facing similar pressures at home.

However, Bush said, "There are no arms control proposals" for the summit.

"So the surprise will be, if you're looking for a surprise, there won't be a surprise. That may come as a surprise." He said there had been "frantic specu-

lation" and "hyped speculation" that the superpowers would reach a deal on arms or troops.

"Now if we want to talk in a general way with the Soviet leaders about our aspirations for how a defense system will look 10 years from now, of course, we'll do that, we want to do that," Bush said.

In particular, Bush said, he would like to talk with the Soviets about curtailing their defense spending.

"But that's not what I'm referring to when I talk about euphoric expectations of some deal," Bush said. "There isn't going to be such a deal. It takes two to make a deal."

Vatican plans to offer permanent diplomatic ties to Soviets

From Associated Press reports
ROME — The Vatican on Tuesday suggested establishing permanent ties with the Kremlin on the eve of the first visit by a Soviet leader.

President Mikhail Gorbachev arrives Wednesday for a state visit before meeting with Pope John Paul II on Friday and then flying on to Malta for his summit meeting with President Bush.

Although overshadowed by the events immediately following them, the

Soviet leader's talks in Italy with President Francesco Cossiga and Premier Giulio Andreotti are expected to focus on the dramatic changes in Eastern Europe, where Czechoslovakia has joined East Germany, Poland, Hungary and Bulgaria in breaking away from hard-line communism.

At the same time, the Soviet Union's flagging economy has failed to respond to Gorbachev's attempts at reform, and an Italian government spokesman said Italy would like to "help the Soviet

Union overcome this embarrassing situation." The spokesman, Pio Mastrobuoni, noted that more than a dozen accords are to be signed during the visit.

A top Vatican official said the pope plans to ask Gorbachev to forge permanent ties between the Kremlin and the Holy See, which has had occasional contacts since the 1917 Bolshevik Revolution.

After the Communists came to power, they tried to abolish religion but

succeeded only in forcing several sects, including 4 million Ukrainian Catholics, underground.

Gorbachev's meeting with the Polish-born pontiff will be the first between a leader of the world's Roman Catholics and a Soviet Communist Party chief. The last supreme Russian leader to visit the Vatican was Czar Nicholas I in 1845, and no Soviet party chief has ever visited Italy.

"The Holy See is asking for the possibility of a type of permanent, stable relationship," said Vatican spokesman Joaquin Navarro, indicating the issue would be among the top items on the agenda for the private talks between Gorbachev and the pontiff.

Soviet government spokesman Gennady Gerasimov welcomed the

thaw in Vatican-Kremlin relations but did not comment specifically on a possible exchange of envoys or other formal arrangement for continuing the dialogue.

In a statement signaling the Kremlin's desire for a rapprochement, Gerasimov said, "Christian values are human values, and they are the same as socialist values."

Navarro said it was premature to discuss what form continuing relations might take, but he noted the United States was represented at the Vatican by a personal envoy of the president before formal diplomatic relations were established in 1983.

Also on Tuesday, the giant Fiat automobile company announced the sign-

ing of a joint venture to produce 300,000 cars annually in the Soviet Union, where consumers wait years to purchase an automobile.

Nikolai A. Pugin, the Soviet minister for the automobile industry, said Fiat was selected as "an old friend" to be the Western partner in the ambitious project that envisions selling a third of its products for export.

In 1966, Fiat built a plant for the Soviets that is still producing the Zhiguli and Lada models that are the core of the Soviet civilian and export fleet. The cars have changed little in design over the years but enjoy a reputation as being more reliable than the Volga and Moskvich models made in other state factories.

Meet The Bank That Offers Unlimited Opportunity.

Please join members of our management team to discuss career opportunities in banking at NCNB.

NCNB Reception
Thursday, November 30
6:30 - 8:30 p.m.
The Carolina Inn, UNC Ballroom



A Big Bank Dedicated To Something Even Bigger:
 The Individual.®

"Your future in school looks bright... very, very bright."



Now's the time to buy a PS/2.

The IBM Personal System/2® helps you meet the future with added confidence. With it, you can organize your notes, write and revise your papers, and create smart-looking graphics. And that's only part of the story.

Now you can get special student prices on select models of PS/2's® already loaded with easy-to-use software. What's more, when you buy a PS/2, you will get a mouse pad, a 3.5-inch diskette holder, and a power strip—all free. You're also entitled to a special low price on the PRODIGY® service. Right now there are special savings on three of the most popular IBM Printers, too. But time's running out—check it out today.* Offer ends February 15, 1990.



PS/2 Model 25—640Kb memory, 8086 (8 MHz) processor, one 3.5-inch diskette drive (720Kb), 20Mb fixed disk drive, IBM Mouse, monochrome display, DOS 4.0, Microsoft® Windows/286 and hDC Windows Express.™

\$1591.96



PS/2 Model 30 286—1Mb memory, 80286 (10 MHz) processor, one 3.5-inch diskette drive (1.44Mb), 20Mb fixed disk drive, IBM Mouse, Microsoft Windows/286, Word 5.0** and hDC Windows Express, hDC Windows Manager™ and hDC Windows Color.™

\$2423.96

How're you going to do it? **PS/2 it!**

See the IBM PS/2 at
RAM Shop Computers
Student Stores

Ask to speak to the IBM Collegiate representative or call 1-800-662-8790, ext. 7966



*This offer is limited to qualified students, faculty and staff who order an IBM PS/2 Model 8530 E21 through February 15, 1990. The preconfigured IBM PS/2 Model 8525 001 is available through December 31, 1989 only. Prices quoted do not include sales tax, handling and/or processing charges. Check with your institution regarding these charges. Orders are subject to availability. Prices are subject to change and IBM may withdraw this promotion at any time without written notice.

**Microsoft Word is the Academic Edition.

IBM, Personal System/2 and PS/2 are registered trademarks of International Business Machines Corporation. PRODIGY is a registered service mark and trademark of Prodigy Services Company, a partnership of IBM and Sears. Microsoft is a registered trademark of Microsoft Corporation.

Printer is a trademark of International Business Machines Corporation. hDC Windows Express, hDC Windows Manager and hDC Windows Color are trademarks of hDC Computer Corporation.

©IBM Corp. 1989.