

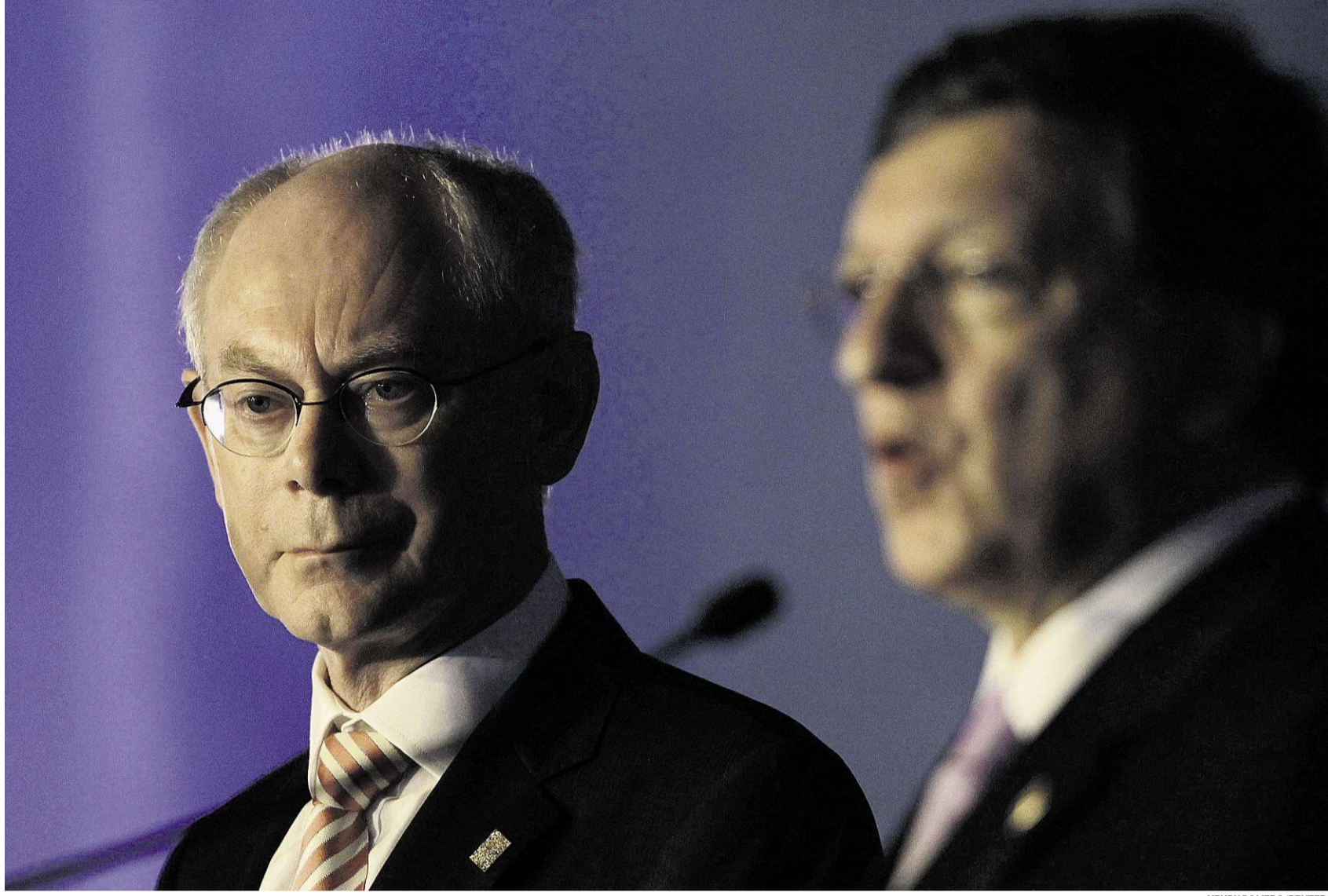


# International Herald Tribune

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**Herman Van Rompuy, left, with José Manuel Barroso, on Monday at the G-20 meeting. They are working on a plan to prevent European debt problems from turning into banking crises.**

## Greek vote doesn't end Europe's troubles

**FRANKFURT**  
After euro zone dodges one minefield, it faces larger survival challenges  
BY JACK EWING, NICHOLAS KULISH AND PAUL GEITNER  
After Greek elections eased fears that the country's exit from the euro zone was imminent, attention turned Monday to another unruly political arena: Europe itself.

A respite from market pressure early Monday proved to be short-lived, as investors shifted their attention from political fighting in Athens to the larger question of whether European leaders could find a more lasting solution to an economic debacle now well into its third year.  
As heads of E.U. member governments prepare to meet next week in Brussels, they contemplate a growing list of problems. They must keep Greece on life support, carry out a rescue of Spanish banks, and prevent the crisis from infecting Italy. At the same time, they are embarking on a contentious

and potentially drawn-out struggle to re-engineer a euro currency union whose weaknesses have allowed all these problems to accumulate.  
"We are still in a crisis of confidence," said Harald Benink, a professor of banking and finance at Tilburg University in the Netherlands. "Quite a few of the fundamental issues have not been resolved."  
In Greece, the situation remains precarious even after elections paved the way for a government led by the center-right New Democracy party, seen as more realistic and pro-European than **EURO, PAGE 18**

**INSIDE • THE EURO CRISIS**  
**LITTLE RELIEF FOLLOWS ELECTION**  
After the Greek vote, renewed anxiety about the euro's future pushed up Spanish and Italian bond yields. **PAGE 17**  
**GREEK LEADER RACES TO FORM COALITION**  
As the leader of the Greek center-right party tried to form a government, there were no promises on a loan deal. **PAGE 4**  
**E.U. MEMBER LOOKS TO MOSCOW FOR HELP**  
As their country prepares to assume the Union's presidency, many Cypriots would prefer aid from Russia. **PAGE 17**

## Egyptian generals appear to ease grip

**CAIRO**  
Reassurances offered after surprising victory by the Islamist candidate  
BY DAVID D. KIRKPATRICK

Faced with the popular election of the first Islamist head of state in the Arab world, Egypt's ruling generals sought on Monday to soften the appearance of their supreme authority as they entered a period of negotiations with the prospective president over the balance of executive, legislative and military power.

In a two-hour news conference, members of the ruling military council made no reference to the election results, which by early morning showed that Mohamed Morsi of the Muslim Brotherhood had defeated Ahmed Shafik, a former air force general and Hosni Mubarak's last prime minister, in the runoff to choose Egypt's first democratically elected president. The ballots were counted in front of television cameras and party observers in polling places around the country to prevent fraud, and independent observers concluded that Mr. Morsi had won by a margin of about four percentage points, or about a million votes.

The election officials will not formally confirm the results until later in the week, however, and Ahmed Sarhan, a spokesman for Mr. Shafik, insisted on Monday that the general was the true winner and the Brotherhood had "terrorized" voters. He offered no evidence, and both the state-run and unofficial media reported that Mr. Morsi had a decisive lead in the vote count.  
The ruling generals had stunned Egyptians on the eve of the vote by dissolving the Brotherhood-dominated Parliament and claiming all legislative power for themselves in an apparent attempt to foreclose the possibility that Islamists could control both the presidency and the legislature.  
Though they acted under the veneer of a court ruling rushed out last week by a panel of Mubarak-appointed judges, the power grab erased their promise to turn over all power to elected civilians by the end of this month, and both liber-

als and Islamists denounced the move as a military coup. The court ruling dispirited Brotherhood supporters, energized Mr. Shafik's backers, and led many Egyptians to expect that either the psychological effect of the takeover or more direct intervention would push Mr. Shafik to the presidency.

In the aftermath of Mr. Morsi's victory — considered an upset by many, despite the Brotherhood's proven popularity and political clout — the generals sought Monday to reassure the public that they had no intention of re-establishing a military-backed autocracy, although they did not back away from their effective seizure of legislative power.  
"Trust the armed forces," two representatives of the military council, Gen. Mandouh Shahin and Gen. Mohamed el Assar, repeated many times over the course of the news conference. "We don't want power," both also said repeatedly, citing the presidential election as proof of their good intentions.  
Despite their seizure of Parliament, they promised a grand celebration at the end of the month to mark their formal handover to the new president.  
They insisted that the legislative power they had claimed for themselves was "restricted." Although they acknowledged that they would have a monopoly on all lawmaking powers and control of the national budget, they said that the new president — presumably Mr. Morsi — would retain a veto over **EGYPT, PAGE 6**



**A poster of the Egyptian presidential candidate Mohamed Morsi in Cairo on Monday.**

**ISRAELI FEARS ABOUT EGYPT GROW**  
An attack by militants that killed an Israeli civilian near the Egyptian border has deepened Israeli anxiety. **PAGE 6**



**Prince Salman bin Abdulaziz al-Saud, Saudi Arabia's defense minister, was named crown prince Monday to replace Prince Nayef bin Abdul Aziz al-Saud, who died on Saturday.**

## In complex family jigsaw, Saudi king names new heir

**BEIRUT**  
BY NEIL MACFARQUHAR  
Prince Salman bin Abdulaziz al-Saud, who was governor of Riyadh for nearly 50 years until his recent promotion to Saudi Arabia's defense minister, was officially named crown prince on Monday, making him the heir apparent to the 88-year-old King Abdullah.  
The promotion of Prince Salman to Crown Prince Salman, announced via royal decree broadcast on Saudi state television, had been expected following the death of Crown Prince Nayef bin Abdulaziz al-Saud on Saturday. The selection was considered a natural choice be-

cause of Prince Salman's reputation as an austere, hardworking family disciplinarian whose tasks included controlling the special jail for princes run amok.  
The royal decree also said Crown Prince Salman's younger full brother, Prince Ahmed bin Abdulaziz, had been promoted to interior minister, a post that Crown Prince Nayef had also held.  
Still, the death of Crown Prince Nayef, who was buried Sunday, has scrambled the complicated jigsaw puzzle of family rule in Saudi Arabia, the world's largest oil exporter.  
The region is in ferment but no radical change is anticipated from King Abdullah, who, though ailing, remains at the **SAUDI ARABIA, PAGE 6**

## Burgundy's vintage reputation threatened by fraud charges

**PARIS**  
BY ERIC PFANNER  
Accusations of wine fraud, which have been swirling around the international trade in rare vintages, have now struck home at the price of some of the world's most prized bottles, the cellars of Burgundy.  
The Burgundy wine industry has been in an uproar since news emerged last week that four executives of one of the largest wine producers in the region, *Labouré-Roi*, had been detained on suspicion of falsely labeling hundreds of thousands of bottles of wine.  
The allegations follow closely on a sep-

arate case in which a grand jury in New York last month charged an Indonesian wine collector, Rudy Kurniawan, with multiple counts of fraud in what prosecutors described as a multimillion-dollar scheme to sell wines falsely labeled under prestigious names like *Chateau Pèterus* and *Domaine de la Romanée-Conti*.  
While the case against Mr. Kurniawan centers on what appeared to be old, trophy bottles that sometimes changed hands for tens of thousands of dollars, the suspected fraud at *Labouré-Roi* involves more recent, more modest wines. Still, it is perhaps more insidious, because it involves vastly greater volumes of wine and because it originates in **WINE, PAGE 4**

**BUSINESS**  
**West Bank buy for Publicis**  
The French advertising group said it had acquired a 20 percent stake in Zoom Advertising, an ad agency in Ramallah, the first equity investment by any of the major Western marketing companies in the Palestinian territories. **PAGE 19**

**Digital-device cops in the air**  
Pity the poor flight attendants, Nick Bilton writes. They did not sign up for this: playing cops to enforce the arcane regulations that ban passengers from using their iPads or Kindles or other digital devices during takeoffs and landings. **PAGE 22**

**SPORTS**  
**His left foot is all German**  
Lukas Podolski just made his 100th national-team appearance for Germany, and he marked the occasion with a goal. If things had worked out differently, he might have played for Poland, writes Rob Hughes. **PAGE 15**

**WORLD NEWS**  
**Little progress seen in Iran talks**  
A tense first day of negotiations by Iran and six world powers broke no new ground by Monday evening. **PAGE 7**

**Taliban block polio shots**  
A Pakistani Taliban commander has banned polio vaccinations, days before a fresh drive is to begin. **PAGE 7**



**Assassination in Yemen** Workers removed a vehicle hit in a suicide attack Monday in Aden that killed a key military leader in the fight against Al Qaeda. **PAGE 7**

**VIEWS**  
**The rise of the different**  
The challenge facing the West is not the "rise of the rest," but the rise of states that do not buy into the American postwar system, Ian Bremmer and David Gordon write. **PAGE 8**

**The acid test for marine life**  
Rising levels of atmospheric carbon dioxide are threatening the chemical balance of the ocean, and the survival of much marine life, John Beddington and Jane Lubchenco write. **PAGE 8**

**ONLINE**  
**On gender and the Games**  
The International Olympic Committee is expected to announce new policies soon on the eligibility of female athletes with naturally high testosterone levels, a condition known as hyperandrogenism. Would banning these athletes from Olympic competition be the fairest way to go? The New York Times invited experts to share their thoughts. **global.nytimes.com/sports**

**NEWSSTAND PRICES**

Algeria \$3.75	Brazil \$10.00	Czech Rep. \$11.00	Germany €11.00
Andorra €3.00	Bulgaria €2.55	Denmark \$20.25	Ghana €1.35
Austria €5.00	Canada \$7.50	Egypt \$2.00	Hong Kong \$5.00
Belgium \$6.50	Chile \$1.50	France €1.00	India €1.50
Bolivia \$2.75	China \$2.16	Great Britain \$1.50	Kenya \$8.50
Bosnia & Herzegovina \$9.50	Croatia €2.30	Greece €2.50	Korea €2.50
Bahrain \$3.00	Cuba \$11.25	Guatemala \$2.00	Madagascar \$3.00
Bermuda \$9.50	Cyprus €3.00	Haiti \$5.00	Malaysia \$2.50
Bhutan \$1.20	Denmark \$20.25	Honduras \$2.00	Mexico \$6.25
Bolivia \$2.75	Egypt \$2.00	Hong Kong \$5.00	Morocco \$2.50
Brazil \$10.00	France €1.00	India €1.50	Nicaragua \$3.50
Bulgaria €2.55	Germany €11.00	Kenya \$8.50	Norway \$10.00
Canada \$7.50	Ghana €1.35	Korea €2.50	Oman \$8.50
Chile \$1.50	Hong Kong \$5.00	Madagascar \$3.00	Peru \$5.50
China \$2.16	India €1.50	Malaysia \$2.50	Poland €3.00
Croatia €2.30	Kenya \$8.50	Mexico \$6.25	Portugal €2.00
Cuba \$11.25	Korea €2.50	Morocco \$2.50	Romania €11.50
Cyprus €3.00	Madagascar \$3.00	Nicaragua \$3.50	Russia €1.50
Denmark \$20.25	Malaysia \$2.50	Norway \$10.00	Saudi Arabia \$11.50
Egypt \$2.00	Manitoba \$10.00	Peru \$5.50	Senegal \$2.00
France €1.00	Morocco \$2.50	Poland €3.00	Serbia \$2.00
Germany €11.00	Nicaragua \$3.50	Portugal €2.00	Singapore \$2.20
Ghana €1.35	Norway \$10.00	Romania €11.50	Slovakia €3.50
Hong Kong \$5.00	Oman \$8.50	Russia €1.50	Slovenia €2.00
India €1.50	Peru \$5.50	Saudi Arabia \$11.50	Spain €3.00
Kenya \$8.50	Poland €3.00	Senegal \$2.00	Sweden \$9.50
Korea €2.50	Portugal €2.00	Serbia \$2.00	Switzerland \$4.40
Madagascar \$3.00	Romania €11.50	Singapore \$2.20	The Netherlands €3.00
Malaysia \$2.50	Russia €1.50	Slovakia €3.50	Tunisia \$1.20
Manitoba \$10.00	Saudi Arabia \$11.50	Slovenia €2.00	Turkey €1.50
Morocco \$2.50	Senegal \$2.00	Spain €3.00	Ukraine \$5.50
Nicaragua \$3.50	Serbia \$2.00	Switzerland \$4.40	United Arab Emirates AED 12.00
Norway \$10.00	Singapore \$2.20	The Netherlands €3.00	Venezuela \$5.25
Oman \$8.50	Slovakia €3.50	Tunisia \$1.20	
Peru \$5.50	Slovenia €2.00	Turkey €1.50	
Poland €3.00	Spain €3.00	Ukraine \$5.50	
Portugal €2.00	Sweden \$9.50	United Arab Emirates AED 12.00	
Romania €11.50	Switzerland \$4.40	Venezuela \$5.25	
Russia €1.50	The Netherlands €3.00		
Saudi Arabia \$11.50	Tunisia \$1.20		
Senegal \$2.00	Turkey €1.50		
Serbia \$2.00	Ukraine \$5.50		
Singapore \$2.20	United Arab Emirates AED 12.00		
Slovakia €3.50	Venezuela \$5.25		
Slovenia €2.00			
Spain €3.00			
Sweden \$9.50			
Switzerland \$4.40			
The Netherlands €3.00			
Tunisia \$1.20			
Turkey €1.50			
Ukraine \$5.50			
United Arab Emirates AED 12.00			
Venezuela \$5.25			

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**CURRENCIES** NEW YORK, MONDAY 1:30PM

			PREVIOUS
▼ Euro	€1=	\$1.2580	\$1.2640
▼ Pound	£1=	\$1.5660	\$1.5710
▼ Yen	¥1=	\$79.090	¥78.690
▼ S. Franc	₣1=	₣70.9550	₣70.9490

Full currency rates Page 21

**STOCK INDEXES** MONDAY

▼ The Dow 1:30pm	12,747.72	-0.15%
▲ FTSE 100 close	5,491.09	+0.22%
▲ Nikkei 225 close	8,721.02	+1.77%

**OIL** NEW YORK, MONDAY 1:30PM

▼ Light sweet crude	\$83.73	-\$0.07
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**Dior**  
VIII  
AUTOMATIC  
SWISS MADE