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REGIONAL AFFAIRS

North Africans in France Fear French Hostility

91AA0233A London AL-MAJALLAH in Arabic
13 Feb 91 pp 60-61

[Article: "North African Community in France: 'Fearful About Our Destiny After Increased French Hostility Toward Us'"]

[Text] France's largest Arab community, the North African community, is worried about its future after the outbreak of the war that Saddam Husayn caused by his invasion of Kuwait, and following his speeches for consumption in which he portrays the war as a holy war against the West. This anxiety was strengthened by recent tightened security measures by French authorities against a large number of North Africans. These measures came after the demonstration by French secondary school students and its accompanying acts of violence and sabotage. They also came in the wake of results of French public opinion surveys in a number of newspapers and media in which participants expressed their hostility towards Arabs after the beginning of the war to liberate Kuwait.

AL-MAJALLAH met with a number of the members of the North African community in the French capital. They spoke about their anxieties, their fears about coming days, and their uncertain future.

"I am sad. I don't know where to turn after today. The innocent are paying the price." Murad was tense, and his words were disjointed. One could see signs of sadness and grievance on his face after the outbreak of the war to liberate Kuwait. Since arriving in France nine years ago, Murad, an Algerian immigrant, had normally not taken an interest in politics, but now he felt compelled to follow all the details of events in the Gulf. For him, the matter concerns "the Arabs and the Muslims." Even the customers of the Algerian coffee shop that Murad usually frequents in Barbès, one of the largest Parisian quarters to which the majority of members of the North African community in the French capital flock, nowadays discuss nothing but the latest developments in the Gulf war. Although their region is geographically distant from the battlefield, most of them believe, like Murad, that the matter concerns all Arabs and Muslims. Others, who are more realistic, fear the effects of the war on their situation in France because of the rising wave of racism against Arabs and Muslims.

Hamid (Moroccan, age 40) said: "We didn't need this war into which Saddam Husayn pushed the Arab and Islamic world. Now the French view us as terrorists and murderers. They see each of us as a Saddam Husayn threatening them with death and promising to send them to hell."

"Sadness, fear, and anxiety"—we frequently heard these three words repeated in conversations with the North African community in Paris: sadness about the course of

events, fear about developments and their effects, and anxiety about the future and an uncertain fate. These three things were visible on the faces of worshipers in the Omar Mosque on the first Friday after the outbreak of war. On this sunny Parisian day, worshipers came to the mosque from both directions of Rue Jean-Pierre Timbaud, where the mosque is located. Some even had to pray in the courtyard. The preacher's voice—mournful, sad, and chiding—could be heard over loudspeakers. He described the state that Arab and Islamic affairs had reached, accusing Saddam Husayn, without mentioning his name, of having kindled the flame of civil strife among Muslims. He deemed any call for holy war against the United States or the West invalid, as long as it did not fulfill the "ten necessary conditions for a holy war." The author of this war could not be considered a "holy warrior on behalf of God," because God said in His Book, "And if they incline to peace, do thou incline to it" [Koran, 8:61]. The imam concluded his sermon with a prayer that God Almighty would unite the ranks of Muslims and enlighten the leaders of the Islamic community, so that they would spare the community the greatest evil.

Some worshipers wept silently as they prayed to God. After the end of the service, members of the Tunisian Islamic movement An Nahda distributed brochures. There were heated discussions between supporters and opponents of Saddam Husayn. A young man intervened to say, "Why didn't Saddam Husayn in fact incline to peace, when he was able to do so, and spare the Islamic community these woes?" Someone followed him by saying, "Saddam and his like are traitors who lulled us to sleep with false, hollow slogans, so that now we are waking up to the bitterness of defeat!"

Even before January 17, extremists in the North African community in France who had been taken in by Saddam's slogans were naturally facing a greater shock than the one facing those who mistrusted the speeches of the ruler of Baghdad. The shock was much greater in the circles of certain Arab students who took pride in Saddam Husayn's challenge to the forces of the world, before they discovered that Saddam was merely a paper tiger—a man who had seized his neighbor's house, as someone said of him in a discussion group at Paris University. In these groups, blame was directed mainly at Saddam as responsible for what had befallen and was going to befall the Arab and Islamic community. For the first time, accusations were leveled at Saddam Husayn's deception and treachery. For example, one North African student said, "If Saddam had wanted to liberate Palestine as he claims, he would not have occupied an Arab country. His stupidity has brought the Arab world into this state, which plays into the hands of those who want it be fragmented." Another student, from Tunisia, thought that, "Saddam stole our feelings with his slogans. Why did he deceive us during the past months?"

The same feeling pervaded less educated groups in the North African community living in France. They have come to fear increasing waves of racism against them.

Everyone here has become fearful of a spreading wave of hatred between Muslims and other foreigners in other foreign communities. Islamic and Christian religious associations are trying to calm feelings and are calling for "calm and concern for solidarity and mutual affection."

In the normally bustling Barbès Quarter, 21 January saw unusual quiet, in which the normal rhythm of life changed somewhat. One of the quarter's biggest streets, La Cote d'Or, seemed almost empty after all Arab businessmen closed their shops in response to a call from the imams of France's mosques to consider Monday a day of mourning for the war's innocent victims.

The expressions used by the people we met on that day reflected a single feeling—sadness, dejection, and hope that the war would end quickly and peace return. Everyone was saying, "I am against the war, whatever its causes."

An Algerian pedestrian told us, "I have been in France nearly 20 years now. I left my country to look for a living. I endured humiliation and exile for the sake of my children, who first saw the light of day in France. I am afraid that the war will destroy everything, that one day I'll find myself homeless and without a job." However, Ahmad (Moroccan, age 25) said, "I am for the Islamic community. My heart is racked with pain. I am against anyone who caused this conflagration to flare up."

The fears of the North African community in Paris have begun to increase because of the effects of the war on conditions in France and the rising waves of racism against them. French authorities are trying to reassure all foreign communities living on French soil, fearing that the Gulf War could turn into a war between religions in France. French President Francois Mitterrand gave expression to this when he stated on the eve of the outbreak of the war, "Our war is not against Islam. The matter has nothing to do with a confrontation between Islam and the West."

Several French officials have made similar statements, notably Interior Minister Pierre Joxe, whose ministry is engaged in a security campaign to prevent terrorist acts on French soil or clashes between members of the three religions that coexist in France.

Although the entire world has been drawn into a war atmosphere for more than six months, the outbreak of war came as a heavy blow to the North African community in France. A few months ago, the campaign of criticism against members of the North African community in a large number of French media intensified. They were described as "rioters" and "looters" in the wake of events accompanying last October's secondary school student strikes. Recall, too, that the issue of Islamic dress that was raised last year was accompanied by a wave of hostility towards Arabs from certain French circles. All opinion polls confirm that immigration has become the number-two issue of interest to the French, after unemployment, and constitutes one of the main points of disagreement between the left and the right. Two-thirds

of the French think "the foreign presence has become powerful in France," and they see Islam as "a religion of violence and intolerance"! This is a dangerous indicator of what the situation of Arab residents in France is going to be.

Members of the North African community fear that the war will increase the wave of hatred against them. Saddam Husayn's speeches, rebroadcast by the French media, focusing on his call for Muslims everywhere to fight a holy war, have caused the French to view the Arab community in France as terrorists and fanatics. A member of the community (Algerian, age 40) summarized this feeling to us by saying, "I can no longer bear the way Frenchmen look at me in the metro, the street, or the coffee shop. I feel that they are apprehensive for fear of me. I feel their anger against Saddam Husayn being vented on me. Weren't the damage and humiliation we suffered from the 1967 setback enough? Why does Saddam have to make us drink the bitterness of another setback?"

Maghreb Union Activity Damaged by Gulf Crisis

91AA0233B London AL-SHARQ AL-AWSAT in Arabic 19 Feb 91 p 1

[Article: "Second Anniversary of Founding Passes Quietly, Negative Effects of Gulf Crisis on Maghreb Union"]

[Text] Tunis, Rabat (AL-SHARQ AL-AWSAT)—The second anniversary of the founding of the Arab Maghreb Union [UMA] passed yesterday in a very subdued atmosphere. Except for a few brief statements issued in some of the North African capitals, the general feeling in the Arab Maghreb region is that the UMA is now passing through great difficulties for many reasons, especially because of the crisis caused by Iraq's occupation of Kuwait, the resulting war, and the divergent positions of the North African countries toward the crisis and its ramifications.

Observers believe that the cancellation of the North African summit that was scheduled to take place between January 21 and 23 in Tripoli under the chairmanship of Colonel Mu'ammarr al-Qadhafi and the absence of the Libyan delegation from the recent meeting of the North African Consultative Council in Algiers give the impression that clear signs of an UMA breakup exist, even if officials in Tunis categorically deny this impression and state that the UMA has become a North African, Arab, and international reality.

Nevertheless, this impression that one receives in Tunis does not negate the praiseworthiness of the achievements that have been realized to date at the level of economic integration. This was affirmed in an editorial two days ago in AL-HURRIYAH, the newspaper that speaks for the ruling party in Tunisia. Many officials in the Arab North African countries now seem to be feeling a kind of frustration at the slowness of the transition from the phase of resolutions to the phase of implementation, especially since the Tunis and Algiers summits

laid the foundations, principles, and rules for a series of important achievements, particularly in economic areas. We would especially mention the establishment of a customs union, the development of trade in industrial and agricultural products, and preparation for the establishment of a North African common market.

Also, freedom of movement, residence, and employment for citizens of UMA countries, and the issuance of a uniform identity card—all these are projects that have not yet been implemented, despite numerous meetings held at the level of North African ministers and experts.

To be fair, the UMA has made important steps since its founding on 17 February 1989, especially in the area of structure and organization. The Tunis and Algiers summits laid the foundations for very ambitious projects to realize North African unity, particularly in economic areas. But it appears that these projects have come up against numerous obstacles and difficulties which have been exacerbated and aggravated by the crisis of the Iraqi occupation of Kuwait.

The fact of the matter is that there have been a series of difficulties hindering the UMA from achieving what it desires for the benefit of the peoples of the North African region. Some of these difficulties are political; others are administrative and organizational.

The main political obstacles can be summarized as: 1) the differing systems of government and structures of each regime; 2) continued disagreements between Morocco and Algeria over the Sahara, with continued fallout despite the reconciliation; and 3) divergent economic systems because of the differing political system of each of the Arab North African countries.

On the administrative and organizational side, a fundamental disagreement has surfaced regarding the headquarters of the UMA general secretariat.

Political observers see all North African eyes as fixed on the war in the Gulf and believe that the result of the war will inevitably affect the UMA in one way or another. Only then will it be possible to judge finally whether this North African alliance will endure or fall apart, as happened in the case of the Arab Cooperation Council that used to embrace Iraq, Egypt, Jordan, and Yemen.

ALGERIA

Government Allegedly Loses Control in Internal Affairs

91AA0235A London AL-MAJALLAH in Arabic
3 Feb 91 p 35

["Algeria: The Street Is Agitated and Authority Is Absent."]

[Text] Algeria, like many other Arab countries, took advantage of the war for the liberation of Kuwait to recalculate some of its political and diplomatic accounts

and evaluate the positives and negatives of the crisis for Algeria. It endeavored to benefit from current conditions in the Arab world and outside of the Arab world by trying to find a role for itself that could satisfy the pressures of public opinion.

The role which the Algerian government tried to play was a diplomatic role, but it failed. The collapse of the Algerian diplomatic efforts and the diminution of Algeria's international role both point to the weakness of its foreign policy, resulting from another weakness, the weakness in its fragile domestic position, aside from the unrest of the Algerian public, the political infighting, the rebellion against the state's central authority, and the breakdown of that authority.

Waiting for the Elections

Any visitor to Algeria comes back with a bad impression. The people of the street rule the country, while the authorities are absent. The government handles the country's affairs as if it were a provisional government, just waiting for the election of some legislative body, for something that it could detach from new political tendencies and alliances. If there is a single reason for the absence and weakness of authority and for the rebellion against it, it is the collapse of the National Liberation Front [FLN] party. It has been the ruling party since the first days of national independence, that is to say, for more than a quarter century. This was the party that, in the wake of the movement of October 1988, lost the people's confidence; it had lost their confidence in its credibility, in its legitimacy, and in its ability to represent the vital forces of the country. The collapse and the internal shakiness of the FLN was increased by the appearance of ideological trends, by the splintering of the party into 15 internal divisions, and by the struggle which broke out among its historic leaders, who levelled serious accusations at each other. Not the least of these accusations concerned bribes, corruption, the monopolization of power, and the use of influence for personal gain.

The people became more distant from the party and came to hate it even more as they saw its leaders openly settling old scores and exchanging accusations. The former prime minister, Mr. al-Ibrahimi, accuses his colleagues in the party and the state administration of acquiring fantastic commissions from awarding government contracts to bidders, commissions which were valued at \$26 billion during a ten-year period. The most recent prime minister, Kasdi Merbah, accuses the party leadership of staging a coup against him and removing him from the presidency so that he could be a scapegoat for the citizens' increasing anger over misgovernment and the failure to move ahead with the program of comprehensive economic, political, and social reform that was announced after the bloody events of October. The reply to Merbah was so abusive that he resigned from the FLN and decided to form a new political party. An indicator of the extent to which the situation has collapsed and the credibility of the party has been lost is

the fact that the party received only about one quarter of the votes cast in the country's first democratic elections. These were the municipal elections that took place in Algeria last June. At the same time, the front claims that it represents all Algerians and rules the country in their name. Yet another indication of the extent of the front's collapse is the withdrawal of its leadership from national politics. Their role has shrunk to the realm of factional infighting within the party, and they avoid assuming any party responsibilities. And because all of the parliamentary delegates in the People's Council belong to the FLN, the council in turn has lost its credibility and legal legitimacy, since it no longer represents more than 25 percent of the Algerian people. This percentage is parallel to that which the FLN received in the last elections. This reality makes some of the Algerians openly contest the legality of the council and the legitimacy of the laws which it enacts.

The People's Council received a sharp blow last November when Rabih Baytatah resigned from the presidency of that body. He had occupied that position since 1977, that is, for 13 years.

As the ruling FLN broke down and its influence in Algerian politics shrank, new political parties and alliances that were working in the ranks of the opposition became more prominent. They became more practiced at entering elections and exercising authority. But although Algerian politics during the past two years witnessed the formation of more than 25 political parties, only a few of these parties are today of any significance or are thought to be a viable alternative. One can summarize the situation by grouping these parties into two blocs. First there are the Islamic parties, which are grounded in the popular religious movements which have made wide inroads into Algerian public opinion. Without doubt the most important of these parties is the Islamic Salvation Front, headed by 'Abbas Madani, who received 55 percent of the votes in last June's elections and who is now preparing himself to govern the country after the coming parliamentary elections. A collection of other, smaller parties moves in the orbit of the Islamic Front, such as the "Party of Appeal and Guidance," headed by Mahfuz al-Nahnah; the "Islamic League Party," led by Ahmad Sahnun; and the "Resurgence Party," headed by 'Abdallah Jaballah. The bloc of the Islamic political alliance parties stands opposite the secular political alliance, which is composed of a collection of Berber parties, of which the most important are the "Socialist Forces Party," whose leader is Husayn Ait Ahmad, and the "Culture and Democracy Party," under the leadership of Dr. Sa'd Sa'di. While all of these parties used to struggle and compete with each other fiercely and at times violently, so that the Algerian scene was never devoid of collisions between the supporters of the various parties, an atmosphere of social fragmentation and political chaos has now settled over Algeria which is made even more critical by the unrest of the Algerian public and its revolt against authority.

Adversarial Government

The authority of the government waned and was shaken; even worse, there was a struggle among numerous authorities. There was the authority of the state, which was exercised by means of the courts and district governors; there was the authority of the "Islamic Salvation Front," which was manifested in the municipal councils and the local councils which it had gained control of and now directed; there was the authority of the parliament, exercised by means of the laws which it passed (although they were contested); and finally, there was a fourth authority, the authority of the press, which had been able to win its freedom and practiced its right by criticizing unreservedly, taking nothing into consideration other than the authority of the street. In the shadow of all this, president Bendjedid has been able to remain steadfast until now when facing the "ups and downs of the political climate." In spite of the criticisms directed against him by the opposition parties, who accuse him of playing the part of an adversary in government because of his role in the ruling party and because of his effort to delay the elections as much as possible so that the ruling party could regain its power and some of its credibility. Yet there is little hope that he can win the elections.

"A harmful and beneficent Lord" is what many observers of the economic situation in Algeria say about the Gulf crisis, which has benefitted Algeria economically without causing the slightest harm. Before last August, Algeria was counting the days until it entered into arduous and difficult financial negotiations with the International Monetary Fund in order to get a \$2 billion loan that would be disbursed to lighten the burden of its crushing foreign debt. Algeria was in urgent need of this sum and was prepared to enter into negotiations for a rescheduling of its debts and to accept the economic recovery plan that the IMF required, as it does with all of the debtor countries who request its assistance. Algeria's debts, which totalled an estimated \$24 billion, are neither high nor terrible when compared with those of other developing countries. But they are, for the most part, short-term and middle-term commercial debts, which means that they are high-interest loans. That is why they are burdensome for the Algerian balance of payments. Loan servicing takes about \$8 billion from the balance of trade each year, which is about 70 percent of the income from sales of oil and gas. Although the Algerian authorities had rejected the idea of loan rescheduling and the conditions of the IMF for many years, at a time when the price of a barrel of oil ranged from \$10 to \$20, they no longer had any option other than rescheduling. But the eruption of the Gulf crisis suddenly raised the price of a barrel of oil from \$20 to \$35 (and to \$40 for high quality crude). By the end of 1990 Algeria had realized a monetary surplus of about \$2 billion. Thus the debt rescheduling and the IMF's conditions were abandoned. Algerian authorities prepared a national economic recovery plan, dropped their request for the IMF loan, and proceeded to collect the same amount of money from international commercial banks so that it could be

spent for other purposes. The international financial reputation of Algeria improved.

But this did not solve the economic problems of the country that had resulted from the failure of the government's policy. This policy had given birth to an industrial sector that was partly nonfunctioning, due to poor projections and planning, poor management, and poor marketing. The agricultural sector was collapsing because of nationalization and because of directives that were wrong for a country that makes its living from agriculture and cultivation and lacks almost completely any supporting sectors such as tourism and service industries.

The policy of economic reforms—which is now being carried out in Algeria and for which the state has high hopes—was fundamentally intended to cleanse the industrial sector of its blemishes, to return the land to its rightful owners, to encourage the offering of work incentives, to encourage production, to improve marketing, and to achieve commercial profits.

Rather than cutting back on industry and delegating it to the private sector, like the countries which have tried out the socialist experiment and then given up on it, the state has preferred to continue with state ownership of the industrial companies' capital while converting them into joint-stock companies. It established a special fund to finance a program of reform for the industrial companies and thus salvage them. This program is not free of dangers, because the companies will remain government property, administered by state employees, and will never be able to work energetically and actively. The first results of this policy were the dismissal of the workers, technicians, and cadres who were not needed for operating the factories and the freezing of the activities of other factories, either because of their economic unprofitability or because of the absence of spare parts. The Algerian government is trying to limit these dismissals, as the country is suffering from an increase in unemployment, and needs to find new jobs for one half of a million people every year.

The phase of industrial reform did not pass without financial scandals. Some were discovered and others were concealed. This was because industry had monopolized the special attention of Algerian governments for decades and so had attracted the most important sources of funding and investment, with the cooperation of many foreign countries and international companies. Many huge contracts were signed and fantastic commissions, amounting to \$26 billion according to the former prime minister, accrued to high officials in government departments. This was greater than the total value of all of Algeria's foreign debts. Despite everything that has been said about the extent of the Algerian authorities' readiness and determination to investigate the bribery scandal, this investigation has still not begun, and the "fat cats" are still hidden from view, taking bribes with impunity.

Phantom Cultivators

Agricultural reform has almost monopolized the attention of the Algerian authorities since the beginning of 1989, because socialist policy, which was represented by restrictions on land ownership, by abolishing individual enterprise, and by making the agriculturalists into lazy employees, paralysed agricultural production. This in a country whose arable land area equals 400 million hectares, a country that used to export grains such as wheat and barley to Europe until the beginning of independence and that after a quarter century had to import about 70 percent of the foodstuffs that it consumed. When land began to be redistributed in 1989 the Algerians rejoiced at this enterprise and took quite an interest in submitting applications for using the land. After the passage of a few months the scandal of the "phantom cultivators" exploded in the Algerian newspapers. Just as the leaders of the ruling party and its cadres in the state apparatus and in the government companies benefitted from commissions and bribes obtained from government contracts and bids in the industrial fields, so other elements who had control and influence in the country rushed to reap the benefits of lands in the public, socialist sector when they were being distributed to the cultivators. They presented forged documents and phantom deeds in order to be entered into the registry of those permitted to use the land. All of the Algerian newspapers agreed that about 4,000 phantom cultivators were granted agricultural lands, even though they were living in the cities and working as state employees, having no connection whatsoever with agriculture. Just as the Algerian authorities covered up the bribery scandal in the industrial sector, they also covered up the scandal of the phantom agriculturalists. No independent, impartial investigative committees have yet been formed. These scandals have disappeared into the vast sea of political, social, and economic problems from which the country is suffering.

Correspondent Surveys Public Opinion After Gulf War

91AA0255A Paris L'EXPRESS in French
22 Mar 91 pp 22-28

[Article by Pierre Devoluy, special correspondent in Algeria: "Algeria Grapples With the Truth"; first paragraph is L'EXPRESS introduction]

[Text] Saddam's defeat has turned the Algerian political scene upside down, leaving the FIS [Islamic Salvation Front] in the worst position of all. President Chadli Bendjedid will be the one to survive the effects of the Gulf crisis, if, that is, he manages to re-right an unprecedented economic crisis.

Is life nothing more than one giant soccer match? In Algiers, the war, like everything else, was experienced in the manner of a championship play-off.

"It was the World Cup," says Amine, "Of course, we were not playing in it; we did not qualify. But we were

rooting for the team that represented the 'Umma,' the community of faithful Muslim who believe in things you Europeans cannot even comprehend. In Saddam we had a hero, a real Arab hero, who was going to show the world that you do not have to be American, Jewish, or European to be strong, just, 'technological,' and arrogant. We did not like Saddam much. We thought he was wrong to invade Kuwait, but that the invasion would not be held against him, because he was going to win."

In the street, it was also believed that for once Israel would be defeated, forced to negotiate in the wake of devastation inflicted by Scud missiles; that the United States would sit down to talk with Saddam Husayn; that all Arab "brothers" would eventually mobilize; and that Algeria would replace Europe as the indispensable intermediary between the Arab world and the West.

The morning of 17 January in Algiers, eyes were red from lack of sleep and anger. "We could not sleep," recounts one young man. "Iraq took the bombing without retaliating. Algerian television had suddenly been taken over by the Western media. It broadcast nothing but CNN and images of a triumphant America. To us, it felt like a slap in the face. But the next day, the first Scuds more than made up for the insult. The counterattack was launched, revenge was at hand. Later, it was unanimous: The Americans were the swine that were out to destroy Iraq, instead of attacking the Iraqis in Kuwait. The French, who went along with them, were sheep...."

Another Algiers resident went even further: "Don't look for political or religious motivations to explain our attitude. Remember that when the Israelis defeated the Arab armies in 1967 and again in 1973, Jews everywhere could not help but be jubilant. This time it was the same for us. But now, hopes have been dashed and it is very hard. We are afraid to look at what will follow the Iraqi rout. However, we reject in advance your interpretation."

The people's voice. All Algerian leaders have sought to join in the chorus, scrambling to keep up with public opinion. The easiest tactic of all was to chant along with the crowd, amplify its reaction, and...rail against foreign television—that means French television in Algeria. That is the side effect of satellite communications providing a flood of images to an audience of several million Algerians who are hungry for programs not conceived with them in mind. A frustrating display of everything they do not have, beginning with credible Algerian media. In fact, it took Algerian television two weeks to send a team to Baghdad. "Simultaneously, we entered into an agreement with CNN," a journalist pointed out. "All of a sudden, we could not even criticize the Americans' selection of images."

In Algeria, the Gulf war forced three groups to react: the government, the religious leaders, and the pro-democracy parties, all of whom adopted split personalities. President Chadli Bendjedid tried desperately to

regain his prestige as an international mediator. The government, keeping its silence, had gambled that oil prices would skyrocket as soon as war broke out, and was asking itself how to further its reforms. The leaders of the FIS, just as they were about to fall behind the pace of public opinion, organized the first demonstration in which hundreds of thousands of bearded FIS followers shouted their support for the Iraqi people and the Palestinian cause. But, while the fiery Ali Belhadj, the famous preacher of the Bab-el-Oued mosque, bedecked himself in combat fatigues to call for the formation of militia, the FIS president, Abbassi Madani, demanded that the Hamrouche government—henceforth deemed to be "without a popular mandate"—step down.

The FIS believed it could exploit this first success in a second march on 31 January, its dream being to attract a more politicized attendance. Algeria's president gave an instantaneous reply in forceful terms before the Assembly: No Islamic militia, no anti-Western disturbances, and an immediate crackdown if matters spin out of control. Brought in from their base in Skikda, the anti-riot military commandos deployed near the airport, and special police units blocked all paths to the embassies. The protest procession lasted hours, making the activists easy to count and revealing a highly disappointing turnout. The next day, surprise of all surprises, a large portion of the population approved the president's firm handling of matters. The leader of the FIS immediately mellowed and spoke not of heroic action in Iraq, but of putting Algeria back to work. For his part, Belhadj laboriously continued to recruit volunteers, but mustered only 300—among them, one of Madani's sons. This meager force did not arrive in Amman until the day after the fighting stopped. Then the press loyal to the FLN [National Liberation Front] reported that the "entente" between Saddam Husayn and Madani was far from "cordiale" as Madani had called the Iraqi chief "an aggressor who should withdraw unconditionally from Kuwait."

Is there a closer understanding between Madani and Saudi Arabia? While he denies receiving any financial aid from Saudi Arabia, Abbassi Madani does ask the question: "Would accepting aid entail a duty of allegiance?" However, rumor—which substitutes for information in Algiers—has it that subsidies from the Riyadh-based World Islamic League of the al-Da'wah (whose number-two man, Abou Bakr Jaber al-Djazairi, is of Algerian origin as the name indicates) will be suspended. Then who would support Madani's movement? According to a close associate of the secularist Socialist Forces Front (FFS), "The United States, which views Algeria as one of the best sources of natural gas, is banking on the FIS in the belief that only an Islamist party would be capable of disciplining the Algerian people and of bringing them to accept economic austerity and harsh measures imposed by the IMF. In the spring of 1990, it was an American political marketing agency in Texas that put together the FIS' electoral campaign: posters, insignia, even the mysterious laser show in which the name of God appeared in the sky."

After its unmistakable success in the municipal elections in the spring of 1990, the FIS found itself faced with a variety of internal difficulties. "The state is dragging its feet when it comes to disbursing subsidies to the cities we govern," the FIS bitterly complained. In Boufarik, a large city in the Mitidja plain, the mayor (an FIS activist) was found guilty of misusing public property and was given a suspended three-month prison sentence and heavily fined. But let there be no mistake: Even if a few dissatisfied constituents shave their beards, bundle up their Islamist accoutrement of white robe and turban, and dump them on the steps of FIS-controlled city halls, the FIS continues to be, if not the principal force, at least a fundamental component of Algeria's political landscape.

There exists an Islamist alternative to the FIS: It revolves around Sheikh Mahfoud Nahnah, a 48-year-old religious leader from Blida who is still relatively unknown north of the Mediterranean. Supported by the 650 charitable organizations he adeptly federated into the El Irshad Oua El Islah movement, he founded the political party known as HAMAS [Islamic Society Movement] in December 1990.

Back in October 1989, Nahnah charged that the "source of the Algerian society's problems" was "the Western-imposed divorce between revelation and reason." Today, in an exclusive interview with L'EXPRESS, the political model he proposes is a synthesis of Islam and democracy. "A one-party system with an Islamic party in power would be a dictatorship. The antidote to sclerosis of the mind is a multiparty system. Europe owes its achievements to its political freedom from which economic freedom derives. But Europe lacks the spiritual dimension that our vision of society can offer, because Islam creates a social framework in which people help each other."

The status of women? "The problem exists solely in the male mentality. Men and women are complementary, not antagonistic. How a woman dresses is a matter for her own moral judgment and her own good sense." On the subject of promoting the use of the Arabic language: "It is only natural that the Algerian people would demand Arabization. But it is not acceptable to turn it into a practice that threatens to pit Arabic-speakers, Berber-speakers, and French-speakers against each other and marginalize a portion of the elite."

After one appearance on the televised "Meet the Press," a few moderate-sounding interviews, and statements in favor of a multiparty system, Mahfoud Nahnah is already receiving calls. He is being contacted by the pro-democracy parties that consider Islam as "natural as the air we breathe," the PRA [Algerian Renewal Party] led by Nouredine Boukhrouh, MAJD [Algerian Movement for Justice and Development] led by Kasdi Merbah, the FFS led by Hocine Ait Ahmed, and even the highly prosecutorial RCD [Rally for Culture and Democracy] led by Said Saadi.

During the Gulf war, he proclaimed his support for the Iraqi people victimized by bombs, but condemned "all forms of opportunism." In contrast, at that time Ali Belhadj was attempting to raise Islamic militia and Abbassi Madani spoke of "marching on the president's office."

Thus, Nahnah is not penalized to the extent that the FIS is. First, his sources of funding are located primarily in Algeria rather than abroad. (A large segment of the local business community supports him.) Second, he is said to belong to the complex but powerful galaxy of the Muslim Brotherhood, which flourishes openly in Jordan. Finally, he is playing on his home turf: religion. Mahfoud Nahnah is better known as an "Alim" (a Muslim theologian) than are the FIS' preachers; he advocates inter-denominational dialogue; and he is about to be received by Pope John Paul II.

Without exception, the 40 political parties officially recognized in Algeria to date (and they include the Communist Party, renamed the "Socialist Avant-Garde Party") all give recognition to Algeria's Muslim character. The Party of Algerian Renewal (PRA) wants to build a bridge between economic, scientific, and technological progress on the one hand, and the country's cultural and religious heritage on the other. "We have no need of Islamism, because we are Muslims already," says PRA president Nouredine Boukhrouh. "What we need is concrete democracy. Until now, everyone here worked for a paycheck that they considered as automatic as electricity or gas service! That is because the Algerian sees life as an unquestionable right to consume and the state as an immense warehouse of riches with the government either distributing or withholding that wealth in its role as keeper of the stores. This way of looking at things must change. It will be difficult. Islam, to be sure, is a common denominator, but it must serve as an engine—not as a brake. Yet, Islam invokes economic and political precepts that were formulated seven centuries ago! So, we are telling Muslims that instead of ignoring the West, we should catch up to it and surpass it. Islam means development in addition to ethical ideals."

Kasdi Merbah, the former prime minister who was ousted with some difficulty in September 1989, surprised many when he abandoned his legendary reserve to found his own political party, the Algerian Movement for Justice and Development (MAJD, by its acronym, which means "glory" in Arabic). He is chiefly remembered as the founder and head of Algeria's dreaded and sadly famous Military Security (SM), a true political police. That past is the source of his strength (he knows everything about everyone) and his weakness (the SM practiced torture). He claims to have learned much later of the lapses that occurred, which he punished. The SM, he adds, played a part in stabilizing the country. "After all, Algeria was not Chile or even Morocco!" he says.

Merbah harbors a deep bitterness and a sense of injustice toward President Bendjedid for the way in which he was

"let go" from his post as prime minister. He criticizes the FLN and the current government, condemning certain economic reforms as ineffective ("because they penalize the poorest"), and he is tackling the national scourge of corruption. "To the man in the street," he says, "not most, but all professional politicians are corrupt. Their assets and wealth as well as the president's expenditures from his official allowance must be made public." He has adopted the practice of prefacing his speeches by invoking the name of God. He is attempting to broaden his audience, too limited up to now to executives and the military. Above all, he wants to shed the image of being France's ally one day and a virulent anti-French nationalist the next. (In response to rumors accusing him of taking part in the ransacking of the French consulate in Constantine on 18 January, Merbah—who was in Constantine to hold a rally that attracted few supporters—denies having been among the rioters.)

In an economically distraught and socially tense Algeria that is also feverishly torn between democratization and Islamization, the president has gained new strength, primarily to the detriment of the FIS, which failed in its attempts to consolidate its standing at home and make a name for itself abroad. The president's present task is to strengthen his governing team, which rests on the strengths of a handful of advisers at this point; no doubt the big loser will be the prime minister, Mouloud Hamrouche.

During the six weeks of war, it seems that secret consultations among the main opposition parties brought out a sufficient number of reasons for them to agree on a common strategy: The enemy is the FIS! The Hamrouche government seemed a mere obstacle, and popular discontent with a delirious rise in prices, the best ally.

The offensive began on 6 March: The FLN organ, EL MOUDJAHID, published a scathing indictment of the inflationary surge and raised the question: "Unexpected worsening of the situation or failure to control it?" All the other newspapers reprinted a letter from the president of the People's National Assembly (APN), prodding the government about the price hikes "which disrupt the supply of goods, impair investments (...), raise unemployment, and further degrade the social climate." For the first time, a serious political debate was taking place in the pages of the press. The stridency of the language revealed a split between the Hamrouche government and the FLN, which has very broad representation in the APN.

The FLN does not have a good start: Internal struggles, scandals, and desertions by its staff have literally emptied the FLN. The president has been ignoring it for quite some time, and the prime minister—it is said—let pass an opportunity to rebuild it. According to a story circulating in Algiers, last August Chadli approved Hamrouche's plan to launch, by the end of the holiday period, a new political movement that would be the heir to the moribund FLN. The FLN's original status as a "political front" uniting diverse movements would be revived.

Indeed, by recognizing pluralism, the FLN would be able to disappear gracefully, leaving its place to new organizations representing the various factions that make it up (or tear it apart), with Mouloud Hamrouche, of course, leading the most powerful of them all. Hamrouche is then said to have requested "friendly advice" from France's Socialist Party, which was quick to respond, taking the opportunity of a visit to Algiers by Pierre Mauroy, first secretary of the PS [Socialist Party], who gave the Algerians a copy of model by-laws for the government's new party....

The prospect of "spectacular" oil prices beginning in August 1990 probably decided the government to postpone the task of rebuilding its political vehicle, encouraging it instead to bank on the socioeconomic triumph these newly found resources would make possible. Indeed, a crude oil price of 23 dollars a barrel would enable Algeria to face its 24-billion-dollar external debt. Algeria would also be able to make investments. And it would be possible for the government to set aside a "nest egg" of 3 billion dollars: one billion to repay pressing debts (and they were paid in October 1990); another billion toward the purchase of food, needed to calm the population's anger; and the third billion to fund a "war chest" for the next electoral campaign. These were regarded as small expenditures, given the expected surge in revenue.

Then the bubble burst. Oil prices are hovering at close to their August 1990 level, if not lower. The miracle did not come about and the problems are mounting: the port of Algiers paralyzed by the indifference of stevedores who are now employed by the state; wharves laden with stocks rotting where they sit for a lack of sufficient effort on the part of customs agents and for a lack of trucks allowing importers to haul the merchandise away. As a result, the state-run companies are in distress, most of them no longer able to function. Equipment in working order and basic goods are in short supply. A few private businesses have been created with help from the state. They have made investments, but the promised subsidies and credits have not materialized. Prices continue to climb. The official price of a bag of cement, for example, has risen to 100 dinars from 25. Because of the shortage, however, it is available only on the black market where it sells for 450 dinars!

There is worse. At the beginning of the year, some 30 cargo ships were forced to spend weeks at anchor in the harbor waiting for the sole floating crane to be repaired. In indemnities, the delays cost 15,000 dollars a day for each ship. The ships were carrying full cargoes of a variety of ordinary consumables (such as oil made in France and bottled in Italy, oranges imported from Morocco, no less). These products, in high demand during the month of Ramadan which began this week, are now appearing on the black market at the higher price levels. If it was the government's intention to make these products widely available at cheap prices in order to regain public favor shortly before elections, the ploy has failed.

These setbacks have forced the government to launch a provisional reorganization: A national unity commission is said to be charged with organizing early legislative elections in September. It is said that "all political parties that have demonstrated in practice their attachment to democratic and religious principles" will take part in the elections. That would seem to rule out the FIS, some of whose activists sought to block the RCD from holding rallies. On the other hand, the HAMAS party led by Mahfoud Nahnah would be eligible to participate.

The creation of this provisional body will enable former president Ahmed Ben Bella, in particular, to stand tall. His role in a mysterious attempt at negotiations between France and Iraq in January has given him the image of a reassuring pacifist, a man of wisdom and, therefore, naturally destined to play an active role in any attempt at forging a "democratic compromise."

The offensive currently under way against the Hamrouche government is too widespread not to have an effect. It now looks as though technically skilled experts will be brought in to replace the Hamrouche government and form a capable transition team to alleviate the socioeconomic crisis between now and the legislative elections. The team would be placed under the direct authority of the president who already oversees the ministries of defense and foreign affairs and is expected to entrust management to Sadek Boussema, the current minister of mining (petroleum, in reality).

There is another factor, reluctantly recognized by clear-sighted or disillusioned Algerians as one that cannot be ignored because it is a fundamental element of politics: relations with France. On the surface, a confrontational climate fraught with bitter memories and suspicions seems to pervade everything that happens, but a few stubborn facts persist: The bulk of Algeria's trade is with the opposite shore of the Mediterranean, and the presence of a large Algerian community in France has a broad influence over local public opinion. Moreover, a set of young enterprising managers (men and women) is emerging in Algeria. Unencumbered by complexes, they are interested in establishing foreign trade relations, with Algeria's historical trading partner, in particular. Finally, Algiers knows that, if necessary, it can find needed assistance in Paris, despite attempts at seduction by Spain and Italy. President Chadli has never lacked French financial support. Openly. He has also enjoyed favorable consideration, discreet but clear, at the political level.

In Paris, Chadli is deemed to have acted wisely, in the final analysis, in that he managed to juggle necessary concessions to pro-Iraqi sentiment with a skillful refusal not to turn himself into a defender of Saddam Husayn. This makes a natural rapprochement with France possible. Patiently, France awaits the signal.

In fact, Chadli may appear as one of the Arab victors in the Gulf war, at least in the only theatre of importance to

him—Algeria's domestic politics, which he would like to continue to govern to the end of his second term in December 1993. He brought the protesters under control without repression. At the same time, however, he avoided a true break with the coalition partners. If he is compromising with the Islamist wave, his purpose is the better to divide it. At the same time, he is channeling the storm in the direction of his prime minister.

To this list of merits, an Algerian with the passionate interest that all Algerians have for the political scene, particularly for what is happening in Paris, added: "You French could not have asked for anything more!" He followed his remark with a slightly forced laugh, for emphasis, before going on to say: "To us, Chadli ought to do better than to come out of this alive. He ought to be the true father of Algerian democracy. God willing!"

EGYPT

Minister Speaks of Expected Development in Economy

91AA0147A Cairo AL-AHRAM AL-DUWALI in Arabic
14 Dec 90 pp 41- 42

[Article by Mahmud Salim: "The Laws are Waiting for Correction and Alteration—for the Good of All."]

[Text] These days the main topic of conversation among people in Egypt who deal with the economy is the economic changes that the Egyptian government intends to implement at the beginning of the new year. The studies and discussions of the day revolve around these changes, which are expected to be announced soon. All the members of the Egyptian government are currently holding back from discussing these changes, which deal with various aspects of the Egyptian economy. On the one hand, there is the issue of developing the public sector. There is also the issue of freeing external trade, for the Ministry of the Economy has finished drafting a new bill for exporting and importing. Then, there are the issues concerning the interest rate, the rate for converting foreign currency, and the measures that should be taken for reducing the weakness of the public budget. There are the negotiations with the international monetary agencies concerning Egypt's debt schedule. There is the matter of the private sector and the role which is expected of it. These are numerous, interconnected issues.... AL-HAWADITH presents these economic changes as the Egyptian government sees them through the words of Dr. 'Atif 'Ubayd, who will take over the position of Minister of Cabinet Affairs and State Minister for Administrative Development. He is the minister who takes part in the various meetings that will either be convened by the Egyptian government in order to study the changes or will be convened abroad between Egypt and some of the international monetary agencies, such as the Monetary Fund and the International Bank. He took part recently in the meetings of the Paris Club to study the rescheduling of \$12 billion—which is the sum owed by Egypt to the member countries of this club!

Dr. 'Ubayd began by emphasizing that all conditions are ready for putting the needed economic change into effect, and that the change concentrates on allowing the economic system freedom to respond to market forces. "We have become convinced that this is correct." Dr. 'Ubayd also emphasized at the beginning of his talk that "...after the events that the Gulf region has witnessed, Egypt was able to impress upon our region an important fact: that Egypt—strong, economically well-supported, always progressive; Egypt, whose energies, especially human energies, are plentiful—Egypt is the country that is able to achieve stability in our region.

"Egypt represents, now and in the future, the basis for stability and progress in the entire region. We once looked for aid from the region. Now the region looks to Egypt for assistance. It is in the interest of the region for Egypt to be strong and stable. We must seize this opportunity and take advantage of the new reality, a reality that shall continue for many years." 'Atif 'Ubayd added that Egypt, despite its problems, has been able to accomplish a great deal. He said that Egypt's debts, which amount to \$42.3 billion, were used entirely to modernize Egypt and to build the bases of its infrastructure. This infrastructure was necessary for giving the units of production an opportunity to work for the purpose of creating a work force, a large part of which could be exported to the Arab countries. This infrastructure was necessary for providing educational opportunities to some 13 million students in the schools, that is, close to one quarter of the population of Egypt. These loans were helpful in building the forces that preserved stability."

He said, "We have acquired a power in the market that can create a demand for more production." He added, "We have the market, the work force, the infrastructure, and the general framework for making the change. There is no longer any reason to avoid making the change quickly."

The question is: what are the particulars of this change? Dr. 'Atif 'Ubayd said, "The particulars of the change are, in sum, that market forces must be allowed to determine the prices of what is produced and what is consumed, now that it has been proved once and for all, both in Egypt and abroad, that government-controlled prices inevitably lead to inefficient use of resources and the weakening of economic units. So the faster that we can free the economic units to determine the prices that the market imposes and remove the restraints and government prices, the faster these units will be able to compete and stand on their own feet. As a result, no inefficient use of resources will take place.

"But there is a fundamental point here: the issue of monopolies. The state will intervene in monopoly situations which are exceptional because of scarcity. The appropriate formula in such situations is to reach a mutual understanding between the owners of units of

production and a neutral agency, so that they can study the costs of producing the goods for which there is a production monopoly."

The Minister of Cabinet Affairs went on to say, "Also, one of the elements of the proposed change is to examine the rules that govern the conduct and administration of the economic units and remove the rules that discriminate against any of the public or private units. In a brief period legislation will be needed to define a single set of rules for administering the economic units." He added, "If we want to use state monies to achieve more investment and realize an atmosphere that is more favorable for this investment, if we want to achieve more investment that is better for private resources, then it would not hurt to release some public property for sale to individuals. The book value of the monies invested in bases of production, including bank assets, has reached about 200 billion pounds. If we leave bank assets out, the figure ranges from 130 to 140 billion pounds. The value of the public property base is about 42 billion pounds, not including the lands owned by the state, which are valued at billions of pounds. If we were able to 'turn over' part of the state's investment portfolio by gradually getting rid of this property, this would mean that we would release into the market more of the investment and, as a consequence, provide an opportunity for progress and increased construction.

"For this reason we must release part of the public properties for sale in growing increments, depending on market conditions. We must provide suitable conditions to realize this sale.

"This sale will not be finalized all at once but will be completed according to specific rules. It will not be at a low price, and there will be no sale at a loss. The sale will not be completed in an abrupt manner.

"We must emphasize here that it is necessary that the buyer be able to administer the sale itself competently." Dr. 'Atif 'Ubayd said, "We cannot be led by our enthusiasm for the sale to accept a low price for the wealth that Egypt owns.

"So much for the sale of some of the public sector's units. What about foreign trade?" The Minister of Cabinet Affairs said, "We absolutely agree that there are restraints on foreign trade that can be traced to historical factors. These restraints certainly did affect the types and quantities of Egyptian exports and also affected the various kinds of imports and their manufacturers. If we want foreign markets to open up for us, our markets must be opened, too.

"Protection of local industry should be transitory and should be formulated to increase its ability to compete, not to deprive or impose restraints. All of that requires adjustments of the laws to give a greater role to competition, so that it increases year by year and we become a part of the international market, play by its rules, and accept what it imposes." Dr. 'Atif 'Ubayd said, "We in Egypt must be willing to make these changes. This

requires us to work on adjusting the present laws that may be too restrictive of the administration and of the freedom of foreign trade. Consequently, we have a great responsibility to review these laws. This review shall be completed by those who are actually working in trade, not by bureaucrats. The implementation of the laws will be carried out in the market, and it is those who are working in the market who should be entrusted with formulating these laws. After that, the task of the legislators should be only to formulate them technically. The government is committed to giving expert practitioners in the market the primary role in drafting the new adjustments. In fact, the drafting of the adjustments that must be inserted in Law 97, which concerns the performance of the economic units, began a few weeks ago. These adjustments will equalize the rules governing the performance of these units, whether public or private." Dr. 'Atif 'Ubayd said, "The proposed change will have a number of important consequences for us:

1. The determination of the role of government agencies in relation to the performance of the economic units, except for what concerns the sovereign rights of the state, such as protection of the consumer and maintaining public safety. The rules governing performance by public units will be the same as the rules governing performance by private units.
2. The granting of complete freedom to the administration so that it can competently administer the transformation of the relation between owner and administrator into a contractual relation that stipulates rights and obligations.
3. The effective practice of the administration in everything, whether it be setting prices, investment, or reinvestment, in order to realize greater profits. For freedom is not separable. We want to see a greater power to choose capable people, to provide these capable people with guarantees, and to encourage them to continue. Of course this requires us to discard the incapable.
4. The making of a simplified formula for the relation between the economic units and the state which does not permit state agencies to intervene. But, then, how to supervise the economic units?

Dr. 'Atif 'Ubayd said, "There is a proposal that we make a single supervisory agency that would specialize in review procedure and that would be empowered to check accounts, in order to stop intervention." He pointed out that there are some precautions that must be taken into account.

"The first of these precautions is that the change not favor one class over another, or that this change serve the interests of a specific party and harm the other party. Here I say: No. We want the change to be for all: workers, peasants, and capitalists. The change will also improve government performance." Dr. 'Ubayd said, "We must frankly oppose any attempt to stop the change by claiming that it will grant victory to one class over another. We suffered from these attempts in the past.

"The second precaution is that the time period for completing the change not last too long, out of care to avoid mistakes. Here I say: We are in dire need for society to see the tangible change, its effects on the market, and its consequences. We must weigh the desire for this against exhaustive dialogue and the time that such dialogue and discussion may take. We are in favor of dialogue, but speed in execution is required in order to be successful.

"The third precaution is that we do not imagine that the consequences of the change will achieve a luxurious life for the individual within a short time. We should not make society's expectations greater and greater than what can actually be achieved in the real world. In the industrialized countries, the stage at which progress occurred took a long time."

Dr. 'Atif 'Ubayd said, "The task is not easy. A long period of work lies ahead of us. We must all cooperate to bring about the needed change." He added: "We have achieved a great part of the economic reform. The coming measures are nothing but steps toward comprehensive reform." Dr. 'Atif 'Ubayd touched upon the matter of the public sector, saying: "The latest figures issued by the Center for Public Sector Information, of 30 June 1990, say that the number of companies which recorded losses amounted to 79, out of a total number of 392 companies in the public sector. These announcements were released by a specialized center after being reviewed by the central accounting agency."

Dr. 'Atif 'Ubayd concluded his talk by emphasizing that the performance of the economic units in Egypt will greatly improve in the framework of the economic change, whose implementation will be completed soon. He added, "I emphasize that Egypt's future shall be made by the sons of Egypt. The future of investment in Egypt shall be made by the Egyptian investor.

"Perhaps some of the figures support what I am saying. Egyptians' savings in the banks in the form of savings accounts in foreign currency have increased to about \$36 billion in the course of ten years, after having been no more than \$6 billion.

"Also, we must point out that the volume of flight capital has been dwindling, year after year, which is a large indication of the security and stability that Egypt enjoys.

"I emphasize that today's economic situation is better than that of the years past, and that it shall be better still in the years to come."

Specialists View Middle East After Gulf War

*91AA0230A Cairo AL-HAQIQAH in Arabic
26 Jan 91 p 3*

[Article by 'Id Hamid and 'Izzat Salamah]

[Text] Following the start of battles to liberate Kuwait militarily, an atmosphere of uncertainty and questions

hang over the future of the powers in the Middle East region, the new security order in the Gulf, the extent of the participation of non-Arab forces in this order, the possible role of Turkey or Iran, the future of relations between the Arab countries, and the future of the Arab-Israeli conflict.

These and other questions are examined here by a number of specialists in politics and national security.

Muhammad al-Sayyid Sa'id, a strategic expert at the Center for Political and Strategic Studies at AL-AHRAM: After Kuwait's liberation, the Arab order will not return to its prior status. It is difficult to predict the concept of the new order, because of the collapse of the concept of Arab security in the face of Iraq's invasion of Kuwait, which led the United States and Britain to enter the arena to establish a Middle Eastern security structure, signalling the demise of the official Arab regional order.

He adds that the current crisis has divided the Arabs into two opposing camps. Eight countries refuse to condemn Iraq, and some of them have supported it. The crisis has also resulted in semi-collective international intervention on the part of all of the major powers, and an international-Arab alliance has formed against an Arab party under the auspices of an East-West concord.

In the light of the preceding, the period after Kuwait's liberation and Iraq's defeat could witness contention between Arab parties, which could lead them to settle their accounts, at the least, by economic and propaganda means.

This has actually begun with Saudi Arabia's adoption of measures aimed against Palestine, Yemen, and Jordan. Also, Egypt could undertake to settle its account with the regime in Sudan. The future will also see a deep split between the Arab east and the Arab west, which could mean the collapse of the Arab order and the Arab League, which could in turn lead to the emergence of a middle bloc, embracing Egypt and Syria, that could play a cooperative, balancing role.

All of that will increase fragmentation and chaos in relations, distrustfulness, and political fumbling for a long period, which could turn the Arab order into something similar to present-day Lebanon.

Therefore, the solution will be based on the method for ending and solving the crisis. There might be a solution through the Arab League. Such a solution, which would be considered safer from a propaganda, if not political, standpoint, would entail compromise solutions that would be accepted by a defeated Iraq. However, if Iraq emerges sound, it might not accept a compromise solution, which means that the league would exist formally, but would be paralyzed in practice, with the possibility that three blocs would form within it: the Gulf Cooperation Council, the Arab Maghreb countries, and the middle countries; at the same time, calculations would continue, and Arab blocs would join international blocs.

Three countries will play an important role, Egypt, Israel, and Iran.

The United States will play a large role in the event of Iraq's defeat, inasmuch as it will strive to establish a Middle Eastern security structure, in which it and several Western countries would retain some of their forces as well as military bases and facilities in the region through a legal framework. This solution, which the American cabinet discussed last September, will encounter Arab rejection.

But there does remain a solution that the Arabs support, which is to revitalize the Arab order. This must begin with a clearing of the Arab atmosphere, openness to the idea of unity, the amendment of the Arab League plan and the protocol of the general rules of Arab action, a new joint Arab defense treaty, [the establishment of] an Arab court for human rights, and respect for the regional neighborhood based on a special declaration. The remaining necessary step would be to solve the Arab-Israeli conflict through an international peace conference.

Major General Tal'at Musallam, a military expert at the Center for Arab Unity Studies:

In the future, Israel might achieve its great dream of invading Jordan and reaching the Euphrates River. That would lead Syria to stop this invasion. Disputes would break out, perhaps leading to a military invasion. As for Egypt's position, it seems to be frozen with regard to the confrontation with Israel under the auspices of the conditions of the peace agreement signed between it and Israel. Also, the Arab order that we have experienced over the course of 45 years will end, and there will be another order based on the presence of foreign forces and complete Arab isolation. The next generation will no doubt encounter circumstances that are very similar to those experienced by the Arab nation in the late nineteenth and early twentieth centuries, especially inasmuch as they are on the threshold of modern colonialism that aims to strengthen the foreign presence, fragment the Arab countries, and paralyze their power.

Regarding the form of the security order in the region if Kuwait is liberated militarily, Maj. Gen. Tal'at stresses: If there is a security order in the region, it will be an order of American Israel [as published] and its allies who are participating in the war at present. They came to the region to divide the Arab legacy and deprive the Arabs of it. After changing the Kuwaiti and Saudi order, nothing precludes the occupation of a part of Egypt and Syria. Nor does anything preclude Turkey's annexation of the Kurdish region in Iraq. Consequently, the aims of the regional security order will be the curbing of Arab forces and arms, the disarmament of all of the Arab countries with respect to their weapons of mass destruction, and Israel's retention of its weapons of mass destruction. There will be limitations on the export of arms to the region and restrictions on the defense industry, so that the process of building advanced weapons will cease.

In addition to this security order, which "will be doomed to failure," several slogans will be promoted to protect this order, such as respect for human rights, democracy, free trade, etc., provided that these slogans do not harm Western interests and that they preclude the Arabs from having rights equal to those of Israelis. Israel will be an important part of this order.

Maj. Gen. Musallam dismisses the possibility of balances in the region, especially inasmuch as U.S. forces have control over the allies' forces and America has the upper hand, which guarantees its continued strong influence in the region.

Dr. al-Sayyid 'Ulaywah, a professor of political science at Hulwan University: The hope at present is to avoid expanding the scope of the war and for the Iraqi regime to retreat and announce its withdrawal. If Iraq does not do so, it will be expelled by force and Iraqi forces, and perhaps the economic infrastructure, will be destroyed. After that, important changes will come to the region. Iraq's future, in the event of the decisive defeat of Iraqi forces, is surrounded by doubts. Some countries are attempting to divide it into three mini-states, a Kurdish mini-state in the north, a Sunni mini-state in the central part, and a Shi'ite mini-state in the south.

In addition, the rest of the Gulf region will not remain in its current situation. The Gulf countries must join to form larger federated units to preserve their future and survive politically among the countries of the world. His thinking is similar regarding the future of the Hashemite Jordanian Kingdom, which is surrounded by uncertainty because of the Israeli threat, which aims to solve the Palestinian problem through a Palestinian state in Jordan, a solution that is being mentioned and might be presented after the crisis.

In general, the regional map could be adulterated by some changes which could be Middle Eastern in nature, inasmuch as some countries in the region, such as Iran, Turkey, and perhaps Ethiopia, could play a greater role in the regional balance, even if Iran's current position differs from that of Turkey.

Perhaps, the regional map will return to the map of the Arab homeland, or the so-called Arab, regional order, which is being shattered by the current crisis. In this Arab regional order, Egypt and other countries such as Syria and Saudi Arabia could play a new role [ma'bar] that focusses on developing the Arab League charter and a new federation that is compatible with the new international order, the formation of large economic blocs, international economic merging, the end of the cold war, and the era of international accord.

In the face of all of the above, the Arabs must take the initiative themselves, so that the security arrangements in the region stem from them. Egypt, because of its military force and Arab influence, could play a major role in the region's security.

Faruq 'Abd-al-Salam, a member of the Egyptian Political Science Association:

There is an old idea that stresses the need to divide the region's countries into mini-states to pave the way for the consummation of control over the region, like Lebanon—one state is parcelled out to the Shi'ites and another to the Sunnis. This was previously said about Syria in the sixties. Reality has proven that this idea is incorrect. In addition, we are currently headed toward the formation of blocs due to economic pressures and international circumstances.

There is talk of dividing Iraq into numerous sects, thereby splitting the Iraqi entity. This cannot happen, as indicated by the fact that when Turkey started talking and acting cunningly, we found Syria—Iraq's greatest enemy—emphasizing the unity of Iraqi territory. Another conceptualization holds that if the problem is terminated militarily, the multinational forces will remain until security arrangements are created by Arab, Islamic countries with sufficiently strong self-defense capabilities, after which only the [multinational] land forces would evacuate and the American naval presence would be strengthened and would remain in the Gulf as a general strategic framework for the creation of a security balance in the region.

Regarding new balances in the Gulf region and the role of Turkey and Iran in these balances, Dr. Faruq 'Abd-al-Salam emphasizes the frequent mentioning of views that see a need to revitalize the old Baghdad Pact, so that it includes strong countries, such as Turkey and Iran. These views, if realized, could turn back the hands of time and permit America to use air bases in Turkey. In addition, the first beneficiary of this damaging war is Iran, given that Iraq is Iran's strongest neighbor.

Dr. Asamah al-Ghazzali of the Center for Strategic Studies:

There are basic features that can help outline the regional picture after Kuwait's liberation. The first is that postwar Iraq will differ from prewar Iraq, and Saddam Husayn is very unlikely to remain in power. His military power will be reduced greatly, and that reduction will be accompanied by important political changes, whether the emergence of opposition forces that might replace Saddam, or changes in the relation between the social forces inside Iraq, [i.e.] between the Shi'ites, the Sunnis, and the Kurds.

The Gulf countries will also be subject to enormous internal changes due to the crisis and the heavy foreign military presence. These changes will also affect the political systems.

All of that will require all of these countries to reformulate regional arrangements among themselves to face the circumstances arising from the curbing of Iraq and the reemergence of a strong Iranian role.

Egypt will have a different role because of its Arab role and its role in the crisis, and Turkey will desire to play a more active role in the region in keeping with its membership in NATO. The foreign role will also be salient, especially that of the United States, England, and France, although it is difficult to define the features of this role.

Therefore, the security order ought to depend largely on the abilities of the region itself, which must lessen its dependence on foreign powers to produce a more effective order. Although many powers in the region will be competing to participate in these security arrangements in the Gulf, Egypt must no doubt strive to have a basic role in these arrangements. This order will embrace all countries in the region, including Iran as a basic, active party. However, a role for Israel in this order is inconceivable. Rather, it must be specifically left out of it. Thus, continuous efforts must be made to mend the rift in Arab relations.

Dr. Muhammad Hasan al-Zayyat, a former foreign minister: The liberation of Kuwait militarily means that the world is entering a new age that stresses the power of the Security Council to prevent and deter aggression.

Hence, after the crisis is over, the major challenge facing the Arab nation is whether or not there will be Arab unity, especially inasmuch as we have become, because of the crisis, enemies of ourselves and incompatible. Therefore, I believe that it has become impossible for us to hope to achieve unity in the near future, because the wound of these events will remain for a long time.

There will be many changes, and they will be governed by how the war ends and the extent of the balance of forces.

'Ali al-Din Hilal, the director of the Center for Political Studies at Cairo University:

On the security, strategic level, the presence of a strategic vacuum in the Gulf region has become clear. Hence, the United States will be giving serious consideration to the form of the security order in the region to prevent a recurrence of what happened. In addition, we are facing a security order in which either Arab and Middle Eastern countries such as Iran and Turkey will participate with America and England, or a security order in which Arab parties would participate.

Writer Says Saddam Obstacle to Peace

91AA0240A *Cairo AL-AHRAM AL-DUWALI in Arabic*
7 Mar 91 p 7

[Article by Mursi 'Atallah: "Peace Will Not Be Achieved Unless Saddam Is Out of the Picture"]

[Text] I do not think that the transition from war to peace can be guaranteed by a cease fire, an exchange of prisoners, and a commitment by the Iraqi regime to accept all UN Security Council resolutions. Although the

guns have been silenced and the raids have stopped, peace in the Gulf continues to elude us. It continues to elude us even though the main force of Iraq's aggressive machinery has been destroyed.

I am prompted to make this statement by a set of observations I have about what is happening in Baghdad and in some Arab capitals which are supporting the Iraqi regime. The fact that the people of Baghdad have not understood the lesson of defeat is the most serious and most important of these observations. Public statements make no mention whatsoever of the regime's capitulation and its consent to all the terms and conditions of the coalition forces.

This means that the Iraqi regime is still willing to resume a demagogic approach to its activities in the Arab world. It means that the Iraqi regime views what it has to do in the wake of its defeat as a lull in the fighting during which it can catch its breath and regroup. So, instead of achieving its most important objective of deterring an aggressive Iraq, the war yielded nothing more than the defeat of a strong Iraq. And there is a major difference between the two goals.

Iraq, the aggressor, is the doctrine and philosophy of a regime. What was required was the destruction of this doctrine and a blow to this philosophy which used Iraq's strength in the wrong place at the wrong time. However, the situation as seen in Baghdad now indicates that the philosophy of those running the government is still that of aggression. Government officials in Baghdad are still talking quite candidly and unequivocally about their success in holding on to some of the elements of a strong Iraq. They are also talking about their future plans to build upon these elements of a strong Iraq so they can once again don the mantle of power and conceit and Iraq can once again resume the role of an aggressor.

I do not believe that anyone did or will oppose a strong Iraq because a strong Iraq is necessary to maintain a regional balance of power in this sensitive and restless area where national dreams and the ethnic sensitivities of non-Arab, regional forces are mixed and mingled. It is not Iraq's arsenal of weapons and ammunition which creates concern and sets rise to new fears, but it is Iraq's philosophy and doctrine of aggression that does.

It would be honest to say that should the Iraqi regime remain in power in Baghdad, peace will elude us. Peace will be in jeopardy not only in the Gulf, but also in Iraq itself and outside the geographical area of the Gulf as well.

It may be useful to explain my point of view on this matter by spelling out the considerations behind it.

1. Wounded by its defeat, the Iraqi regime will try to consolidate its position in the country by resorting to more repressive measures and aiming them primarily against the Kurdish minorities and Shi'ite communities whose origins and roots lie outside Iraq in neighboring

countries in the region. These countries will not hesitate to interfere to defend these minorities or communities. And that bodes real danger.

2. Iraqi President Saddam Husayn harbors real vengeful tendencies against all Arab regimes and nations which stood against his ambitions and aspirations of annexing Kuwait. If he stays in power, it is more than likely that as soon as he catches his breath he will not hesitate to settle his accounts with these regimes and nations, especially those of Egypt and Syria. He will use his terrorist methods against them, and Syria's and Egypt's response to such conduct will be nothing less than a proper deterrent punishment.

3. After being forced by the Gulf crisis to abandon its stake in Lebanon, the Iraqi regime will try holding on to another one of the region's important issues. It has no choice but to strengthen its relationship with its Palestinian allies and to use them and everything else it can use to delay any forthcoming solution to the problem so that it can keep itself in the picture as a regime which carries weight and exercises influence in the issues of the region.

4. The survival of Saddam Husayn's regime means that Israel's justification for the vengeful conduct it usually practices will continue to stand. This conduct has been a basic part of Israel's existence strategy in the region. Because Israel is the first to realize that the survival of the Iraqi regime serves its own interests, it will not hesitate to aim such a vengeful strike against Iraq, thereby allowing the Iraqi regime to gain some sympathy which would prolong its life. In the meantime, Israel itself would regain its standing and prestige as a deterrent force in the region.

This means that not only is peace elusive, it is almost impossible as long as the present Iraqi regime remains in power.

We were the first to concede that the Iraqi people are entitled under all circumstances to determine their own destiny and to have the first as well as the last word about the regime they will accept as theirs.

We have been reading and having premonitions about what is taking place now in a number of Iraqi cities, particularly in al-Basrah, where all expressions of rejection, anger, and protest are being suppressed. The city of al-Basrah is located several miles from the positions held by the coalition forces which had penetrated Iraqi territory.

We are absolutely certain that Saddam Husayn is not the kind of ruler who would admit to his mistakes and step aside voluntarily.

It is because of all these reasons that we believe the Arab nation will have to continue its boycott of the Iraqi regime indefinitely if it wants to accelerate the movement toward peace and if it wants to leave the period of instability behind. The Arab nation will have to continue

its boycott of the Iraqi regime, not out of revenge, as some would suggest by way of an explanation, but rather to avoid what the future may bring if this regime were to remain in power.

It ought to be clear that calling for the books to be closed on what happened in the past does not mean that the crime will go unpunished. Closing the books on what happened in the past and turning over a new leaf for the present and the future mean only the beginning of a new stage and the onset of new ideas which are based on candor and on the facts. In addition to the fact that it deserves to be severely punished for its atrocities, I think the Iraqi regime will not be able to embark upon a new stage. Nor will it be able to bring new ideas into play so that we can find some justification for forgetting the past. Those who have doubts about what we are saying ought to listen to Radio Baghdad or read the statements that are being made in a number of Arab capitals by some of the regime's followers and devotees. Once they do that, they will not feel sorry for Saddam's regime unless its survival serves their own interests.

Editorial Calls for Mercy for Iraqi People

*91AA0240B Cairo AL-AHRAM AL-DUWALI in Arabic
7 Mar 91 p 7*

[Editorial: "Sparing the Iraqi People From Harm"]

[Text] The postwar demands which are being made on Iraq and the concessions it is being asked to make in the wake of the war outnumber those which it faced before and during the war. Before the war Iraq was basically being asked to do the right thing: it was merely being asked to restore the status quo ante. What is required now, however, is that Iraq be declawed and completely subdued.

Some of the demands which are being made on Iraq have to do with the war. Iraq is being asked to release prisoners and multinational detainees. It is being asked to return the wounded and the remains of those who were killed. It is being asked to turn over maps of mined areas, to release thousands of Kuwaiti detainees, to pay full reparations for damages to Kuwait, and to return all property stolen from Kuwait. Iraq is also being asked to rescind its decision to annex Kuwait, and it is being asked to implement UN resolutions.

Other demands have to do with the future security of the region. The Iraqi forces' ability to strike, for example, is to be curtailed, and nothing more than the power they need to defend themselves is to be allowed. Iraq is being asked to destroy all missiles and to remove all its capabilities for manufacturing chemical, biological, and nuclear weapons of mass destruction once and for all. Furthermore, there are demands whose implementation is up to the people of Iraq and their national forces. These are demands like removing Saddam from power, changing the nature of the regime, and giving neighboring countries and countries in the region assurances about their security. In addition, there is one almost

universal demand that war criminals who are responsible for the atrocities which were committed in Kuwait, in Iraq, or on the battlefield be put on trial. It is not yet clear, however, how that demand can be met.

It is obvious then that even if Iraq's leadership were to change, the country is facing lean years and difficult times ahead. It is likely that its natural resources, or what's left of them, will be pledged to pay back the country's mounting foreign debt which has been augmented by the reparations which are being claimed and for which there is still no estimate. The first step in this regard could be giving Kuwait Iraqi oil to indemnify it for the wells which were torched by Saddam's soldiers before their departure from Kuwait. That was the last foolish act in a series of historic foolish acts perpetrated by the bloodthirsty regime.

It is regrettable that the Iraqi people appear to have not quite realized the dimensions of the tragedy for which they will have to pay for a long time—and that in itself is another tragedy. What may be required at this stage is a reduction in some of the penalties which are being imposed on Iraq or being sought against it so that the people of Iraq, who have been suffering from what the regime of Saddam and his cronies have been doing to them, will not have to suffer more hardship. A reduction of these penalties may be required so that the profound humiliation to which the people of Iraq have been subjected will not hatch another Saddam.

Professors Say Arab League Charter Needs Change

91AA0230B Cairo AL-HAQIAH in Arabic
26 Jan 91 p 3

[Article by Najwa Tantawi]

[Text] The Second World War swept away the League of Nations experiment after it had been in existence for 25 years, and a new organization was born, the United Nations. Do we expect the Gulf war to result in the collapse of the Arab League system and its replacement with a more effective regional organization?

This report concerns the Arab League, negative aspects of the charter, and recommendations to amend it.

Dr. Ahmad Hasan al-Rashidi, a professor of international law at the College of Economy and Political Sciences: The peaceful settlement of local disputes has been a primary focus of disagreement and debate between the Arab states since the genesis of the Arab League, in view of the connection made by these states between the League's mandates and each state's considerations of sovereignty. Foreign forces have played a role in dismissing the League in a faulty manner that impedes its effectiveness. The charter and the Joint Arab Defense Treaty do not effectively strengthen the League's role. A call has been made for an amendment to the League's charter that would include particular focus on boosting the level of the League's performance regarding the

settlement of disputes. Article 5 of the charter treats the settlement of disputes and the maintenance of order and peace. It includes three provisions: The first concerns the general commitment of member countries to not resorting to force to settle disputes; the second concerns voluntary arbitration through resorting to the council to settle a dispute between two or more League member countries, provided that the dispute does not concern a country's independence or territorial sovereignty and integrity; and the third provision pertains to the council's mediation in disputes regarding which there is fear that they might lead to a war between two countries in the League or between a country in the League and one outside it.

He indicates that the charter does not present an effective method for peacefully settling disputes between Arab countries. Nor does it provide for other means of settling disputes, such as negotiations, official inquiry, and praiseworthy efforts. It mentions only arbitration and mediation. In addition, the arbitration stipulated by the charter is limited to voluntary arbitration. Thus, arbitration is not possible in a case in which a party to a dispute refuses to resort to the council. In addition, the mediation provided for by the charter is not binding in a given despite if the states involved in that dispute reject it. The council intervenes as a mediator, not as a judge that issues a binding judgement.

He indicated that, based on practical experience, stipulations alone are not sufficient. The precept is not so much stipulations or technical apparatuses as it is the will of a state.

Dr. Muhammad Tal'at al-Ghanimi, a former chairman of the International Law Department at Alexandria University: The Arab League's main shortcoming is that it is a poor substitute for Arab unity. The charter stipulates that the rules governing voting differ depending on the situation. However, the charter does not treat all situations. It says nothing about the number of votes needed to accept new members, which caused a crisis in 1961 regarding the acceptance of Kuwait's membership.

He criticizes the method of voting on resolutions, inasmuch as Article 7 stipulates that resolutions made by the council by a consensus shall be binding on all countries participating in the League, whereas decisions made by the council by a majority shall be binding on those who accept the decision. He mentions that these paragraphs were set forth to reconcile between countries that desired a stronger unity and countries that adhered to national sovereignty. He indicates that the implementation of a decision made by the council to take measures to repel an aggression that occurs, or an aggression whose occurrence is feared, on the part of a country against a League member, requires that the resolution be made by a consensus. It is only natural that there would be no consensus if the aggression was committed by a League member country. The same rule is also applied to the dismissal of a member from the League.

Regarding the voting issue, Dr. Mustafa 'Abd-al-'Al, a professor of social science at the French Center for Research and Studies, suggests a need to examine equality between the votes of countries in the League, which is followed at the United Nations.

Ambassador Baha-al-Din al-Rashidi states that the Gulf crisis unleashed negative aspects latent in the Arab League system.

He stresses that the League's success depends on the awareness of its member countries of the need for unity.

[Box]

Measure To Amend the Charter

Dr. Mufid Shihab, the League's legal advisor, stated that a report has been prepared on the amendment of the Arab League Charter. The amendment concerns the voting method for decisionmaking, the establishment of an Arab justice court, and the restoration of the effectiveness of the joint defense agreement.

Bylaws for Currency Exchange, Authorized Banks

91AA0238A Cairo AL-AHRAM in Arabic 21 Feb 91 p 9

[Text] The Council of State yesterday concluded its final review of the bylaws of Law 97 for 1967 [as published] regulating foreign currency dealings. Dr. Yusri Mustafa, Minister of Economy and Foreign Trade, is expected to issue the bylaws within the next few days following a review of the final arrangements for establishing primary and secondary markets under the new exchange regulations.

Article III of the bylaws repeals the bylaws of Law 97/1976 issued under Ministerial Decree 316 of 1976 and related amending decrees.

The bylaws list the names of 38 banks authorized to conduct all foreign currency operations and license the four specialized banks to act likewise within the objectives declared in their establishment decrees and basic charters.

The Economics Page herewith publishes the most important provisions of these bylaws.

Nonbanking Agencies Licensed to Deal in Foreign Currency

Under the bylaws, and in accordance with the demands of public economic interest, nonbanking agencies may be licensed to deal in foreign currency provided certain conditions are met. Here are the most important:

The agency must take the form of an Egyptian joint stock company, limited stock partnership, or limited liability company.

The company must have nominal stock entirely and perpetually owned by Egyptians, with paid-in capital of no less than one million Egyptian pounds.

The license application shall be submitted to the Foreign Currency Section of the Ministry [of Economy and Foreign Trade] for issuance of a decree by the minister responsible upon review by the governor of the Central Bank of Egypt (CBE). The decree shall include the technical provisions and preparations required to engage in the activity. Companies licensed to deal in foreign currency shall be recorded in a special register at CBE before the onset of activity. Such companies may establish branches within Egypt with the approval of, and in accordance with, the terms and conditions set by CBE.

The activity of a nonbanking agency licensed to deal in foreign currency in the foreign currency free market shall be confined to the following:

Sale and purchase of foreign currency banknotes to its account and on its own responsibility, and purchase and collection of traveler's checks to its account and on its own responsibility through the public banks of Egypt.

Intermediating between those wishing to sell foreign currency free account positions and potential buyers. Nonbanking agencies are restricted from undertaking any other type of banking activity specified in Law 16 of 1957 concerning banking and credit.

The bylaws also contain the following provisions:

- CBE shall specify the maximum operating balance nonbanking agencies licensed to deal in foreign currency will be allowed to hold during a period which it shall define. Funds held by any such agency in excess of the operating balance shall be disposed of by sale to other agencies licensed to deal in foreign currency or to authorized banks at the end of such period. Nonbanking agencies licensed to deal in foreign currency shall also be subject to CBE control and supervision and must adhere to the statistical system and procedures established by CBE in this regard and submit overall data on their foreign currency purchase and sales operations, and the rates involved, within the framework of the foreign currency free market.
- Nonbanking agencies conducting foreign currency transactions at the time these bylaws are issued shall continue to do so and shall submit an application for recording in the registry prepared for that purpose within six months of the date the bylaws become effective.
- Licenses may be granted to individual money changers specified by the Governor of Suez to conduct foreign currency operations in Suez City for purposes related to marine trade activity and financing the foreign currency requirements of the city's ship refuse vendors, in accordance with the following rules:
 - Money changers are restricted from engaging in any activity not related to money changing. Each money changer shall designate an authorized bank for his dealings. Money changers are restricted from purchasing foreign currency from anyone other than the "bambutiyah" [merchants based in small local boats

who sell miscellaneous items to ship crews] and must conform to the free market foreign currency purchase rate at the authorized bank with which they deal. Money changers are also restricted from selling foreign currency to anyone other than ship refuse vendors and the authorized banks with which they deal and must conform to the free market foreign currency sale rate at the aforementioned bank.

- The operating balance of each money changer shall be set not to exceed \$1,000 (or the equivalent in free currencies). Money changers shall purchase foreign currency (banknotes only, not other forms of payment) from the bambutiyah against a receipt to be issued by the money changer to the bambutiyah. Each money changer shall also prepare a special list on pages stamped by the Governorate in which he shall register the value of the foreign currency purchased from the bambutiyah and the exchange receipt numbers.
- Each money changer shall sell foreign currency to ship refuse vendors issued licenses by the governor of Suez. Sale shall be on the basis of receipts and within the allotments made to the ship refuse vendors in accordance with provisions of the bylaws of the Import and Export Law. These amounts and receipt numbers shall also be recorded in the ledgers related to ship refuse vendors. The unused balance of these sums shall remit to the money changer.
- The money changer shall be obliged to sell his surplus from operations to the authorized bank with which he deals at the close of business each day against a receipt issued by the bank conforming to the posted free market sale exchange rate at the aforementioned bank. The money changer shall record his sales in the special registry and retain the bank receipts related thereto. Each money changer shall prepare a monthly report at the close of each month concerning his operations during the month for submission to the Governorate, with a copy sent to the General Directorate for Experts and Currency Cases.
- The Governorate of Suez shall be responsible for supervising these operations.
- Marine vendors and bambutiyah designated by the relevant governor may be licensed to pursue their activity in exchange for foreign currency. They are obliged to deliver the revenue therefrom to an authorized bank, or an agency specified under Article III, the following work day.
- The relevant Governorate shall be responsible for supervising these operations.
- Tourism establishments designated by the Minister of Tourism shall be licensed to accept foreign currency in exchange for the services they perform, provided they deliver each day's foreign currency revenue to an authorized bank on the work day immediately following.
- The Ministry of Tourism shall be responsible for supervising these operations. The relevant minister shall license commercial establishments and shops which he designates to accept foreign currency as part of their activity, whether it be within the customs

areas of harbors and airports or inside the country, provided the revenue therefrom is delivered to an authorized bank on the work day immediately following.

- The relevant ministry shall be responsible for supervising these operations under regulations to be issued by decree of the relevant minister.

Supervision of Authorized Banks and Other Agencies

The bylaws provide that employees of the relevant ministry, in positions designated by decree of the Minister of Justice in agreement with the relevant minister, shall have the competency of officers of judicial seizure when implementing the provisions of Law 97 of 1976. Licensed dealers must provide the Foreign Currency Section of the ministry with any information it may request in this regard.

CBE shall monitor foreign currency operations carried out by authorized banks and other agencies licensed to deal in foreign currency in accordance with the provisions of these bylaws.

Holding Foreign Currency

Any natural or legal person shall be permitted to hold foreign currency [words missing] from operations other than commodity exports or tourism, except for government agencies, public authorities, public sector units, and similar bodies. It shall be held in the form of convertible foreign currency positions in free foreign currencies. Such accounts shall be fed by transfers in foreign currency, sums transferred from another free foreign currency account, and free currencies accepted by an authorized bank regardless of their source.

Such accounts shall be used as follows without any restrictions:

- Transfers in free currency
- Sums transferred to another free foreign currency account
- Cash disbursement in foreign currency to the account holder or anyone else
- Sums used to meet local disbursements including paying the value of commodity exports
- Bank charges and commissions

Foreign currency positions shall be permitted to be held at authorized banks in Egypt in the form of accounts, deposits, or savings instruments, regardless of the foreign currency source.

Authorized banks shall be permitted to transfer foreign currency account positions from one currency to another at the request of the account holder.

The authorized bank shall make the transfer by selling a position in the other currency to the account holder or by carrying out the account holder's request in the exchange

markets on his behalf. Foreign currency holding transactions shall be permitted only through authorized banks and licensed dealers.

Terms and Conditions for Set-Aside

Set-asides shall be made by opening foreign currency accounts for this purpose at authorized banks to be labeled "Foreign Currency Accounts/Set-Aside." They shall be fed with sums permitted to be set aside from revenue. They shall be used to meet visible and invisible purposes related to the activity of the agency or individual licensed to make a set-aside.

A single agency shall not be permitted to open more than one set-aside account, which shall be at an authorized bank.

Public sector units and companies shall be permitted to open foreign currency accounts at authorized banks to be labeled "Set-Aside Account/Free Market." Such accounts are to be fed by their foreign currency purchases from the free market. They shall be restricted for use to meet visible and invisible purposes related solely to the activity of the account-holding agency.

A single agency shall not be permitted to open more than one "Set-Aside Account/Free Market." Such account shall be at an authorized bank having an open [account entitled] "Set-Aside Account/Export" or "Set-Aside Account/Invisible or Tourism" belonging to the agency. Any interest coming due on such account balances shall be added to the same accounts. This type of account shall be subject to balance limitations and end-of-month sale in accordance with the regulations implementing the bylaws.

Terms and Conditions for Tourism Revenue Set-Aside

Three-, four-, and five-star hotels established under Law 1 of 1973 shall be obliged to charge all foreigners for the expenses of their stay and the services provided in foreign currencies collected through the authorized banks located in such hotels or by an accepted form of payment. Certain categories as contained in the regulations implementing these bylaws shall be exempted.

Banks Authorized to Deal in Foreign Currency

- National Bank of Egypt
- Banque Misr
- Bank of Alexandria
- Banque du Caire
- Commercial International Bank/Egypt
- Misr International Bank
- Egyptian American Bank
- Misr-Romania Bank
- Egyptian Workers Bank
- Arab International Banking Corporation
- Export Development Bank of Egypt
- Development Industrial Bank
- Egyptian Real Estate Bank
- Housing and Development Bank

- Principal Bank for Development and Agricultural Credit of Cairo
- Banque du Caire et de Paris
- Misr America International Bank
- Suez Canal Bank
- Nile Bank
- Alexandria Kuwait International Bank
- National Societe Generale Bank
- Cairo Far East Bank
- Delta International Bank
- Arab Federation for Development and Investment Bank
- Mohandes Bank
- Egyptian Saudi Finance Bank
- Al-Watany Bank of Egypt
- National Bank for Development
- International Islamic Bank for Investment and Development
- Bank of Commerce and Development (Al Tegaryoon)
- Bank of Credit and Commerce (Misr)
- Faisal Islamic Bank of Egypt
- Daqahliyah National Development Bank
- Commercial and Marine Bank of Alexandria
- Misr Exterior Bank
- Port Said National Development Bank
- Hong Kong Egyptian Bank
- Egyptian Gulf Bank
- Egypt Arab African Bank
- Banque Credit Internationale d'Egypte
- Cairo Barclays International Bank
- Misr-Iran Development Bank

'Serious' Rise in Israeli Counterfeiting

91AA0241A Cairo AL-WAFD in Arabic 12 Feb 91 p 5

[Report by Fikriyah Ahmad on Conference Held 10 February 1991 at Police Academy: "Thirty Billion in Counterfeit Dollars Received by National Bank"]

[Text] Security agencies and members of the judiciary attending a conference held two days ago at the Police Academy revealed "serious" facts related to currency counterfeiting inside and outside Egypt, especially concerning the \$100 bill. Security and judicial leaders confirmed that Egypt is being targeted by international gangs seeking to sabotage its national economy. Facts show that 85 percent of all those accused in cases of counterfeiting and importing counterfeit currency are Israelis. These crimes have "seriously" increased since the onset of the Gulf crisis. Fourteen cases led to arrests during last January. The conference also confirmed that banks have incurred huge losses of up to \$200,000 per month because of counterfeit currencies and dollars brought to them by clients. Conference recommendations stressed the need for banks to monitor customs posts before persons entering Egypt with foreign currency in their possession complete the customs declaration.

The Ministry of Interior held the conference to discuss the dangers of counterfeiting and to try to set guidelines

for overcoming it in view of the huge losses exceeding \$30 billion incurred by Egypt and the national economy in the last few years. Many security and judicial officials, including Fathi Salamah, senior undersecretary of the Ministry of Finance and chief of the Customs Authority, and Major General Mahmud Sha'rawi, senior assistant to the minister, participated in the conference.

Maj. Gen. Shawkat Husni, Director of the Port Security Authority, reviewed the first appearance of counterfeit \$100 bills in 1988 when they were confiscated at the Rafah customs post. Most of the accused were Israelis. Such incidents grew at an alarming rate as other amounts were confiscated at the al-Sallum, Port Said, and Luxor customs posts. The number of attempts reached 51 cases involving 53 suspects, of whom 31 were Israelis and seven Sudanese. In 1991 there were 94 cases of attempted currency smuggling involving 102 suspects during January alone, concurrent with the Gulf crisis, in 12 attempts which were thwarted at the ports of al-Sallum, Rafah, Nuwayba', and Aswan, indicating high rates of arrest and attempted sabotage of the national economy. Maj. Gen. Shawkat Husni indicated that the reasons counterfeit dollars predominate in these cases include the ease with which U.S. bills can be copied by virtue of their manufacture and printing, their failure to incorporate devices to inhibit counterfeiting, increased international demand for American currency, and their widespread use in illegal exchange markets.

Counterfeit Currency and Drugs

Maj. Gen. Ahmad Tal'at Sa'id, conference rapporteur and director of the Police Research Center, discussed Ministry of Interior attempts to coordinate with the Port Security Authority, investigative agencies, and others concerned in preparing plans to combat the changes occurring in the world of counterfeiting and forgery. He stressed that these operations weaken the value of local currencies in the international money market. Maj. Gen. Ahmad Jalal 'Izz-al-Din, acting chief of the Police Academy, pointed out that because they were stopped, the cases of confiscation in Egypt cannot be said to constitute a serious phenomenon, but would do so had the currency actually successfully entered Egypt via the customs posts. This is abetted by individuals coming to Egypt who fail to declare openly the sums of currency they are carrying and hide them from customs officers.

Maj. Gen. 'Isam al-Tirsawi revealed the relationship between counterfeit currency and the drug trade. He emphasized that smugglers resort to counterfeiting and forgery to pay for their illegal deals. He indicated the danger is concentrated on the country's eastern frontier, where counterfeit currency and other cases involving drugs originate, and stressed the need to control this point of ingress.

State Security and Counterfeiting

Brigadier General Faruq 'Abbas, General Directorate for Combatting Public Funds [as published], also reviewed

the danger of increased and improved counterfeiting operations, stressing the need for concerned security agencies to stay abreast of the latest means of counterfeiting worldwide and the importance of training officers to combat the phenomenon. Colonel Muhammad Fahim, State Security Investigations (Mabahith), discussed the link between counterfeiting operations, smuggling currency into Egypt, and state security, stressing that they seek to create chaos and weaken confidence in the ability of internal security agencies to protect the economy and individuals from elements sabotaging the national economy. Counselor Murad Rushdi, public attorney, likewise affirmed that efforts to combat this phenomenon must not be local only, but must be coordinated internationally. In his view legal confrontation is an adequate deterrent. Counselor Salah 'Abd-al-Muta'al revealed that 85 percent of those accused of importing counterfeit dollars are Israelis. He described this phenomenon as a new war Israel is waging indirectly on Egypt to sabotage the national economy. Counselor 'Adli Husayn, chief of the State Security Court, mentioned that of late there really are no more organized gangs importing and counterfeiting currency in Egypt, rather these are individual cases aided by foreign currency deals outside normal channels and the collapsed value of local currency which induce citizens to seek the highest value for their money. Nasir Mursi, director of the National Bank [of Egypt], revealed the huge losses his bank incurred because of counterfeit currency it took in. Losses have reached \$200,000 in a single month due to a lack of advanced equipment. He stressed that a bank representative should be present at customs posts to inspect currency held by those entering Egypt before they complete the customs declaration to ensure that it is genuine. Fathi Salamah, senior undersecretary of the Ministry of Finance and chief of the Customs Authority, said that it was difficult for a bank representative to be present 24 hours a day and referred to the need to provide modern training and a review of the latest worldwide counterfeiting and forging activities to officers at these locations. At the close of the conference Maj. Gen. Muhammad Ta'lab, deputy [chief] of the Port Authority, declared that the counterfeiting war is as dangerous as the war of reactors and other political wars. The authority can not face this war by itself, therefore coordination with all state agencies and between the concerned ministries is needed to protect the economy of Egypt.

ISRAEL

Deputy Health Minister on Party, Ministry Politics

91AE0293A Tel Aviv HA'ARETZ in Hebrew 13 Feb 91
p 2

[Interview with Eli'ezer Mizrahi by Gid'on Elon; date and place not given]

[Text]

[Elon] Why did you abstain last night from voting to approve the law that was legislated as a result of your defection from Agudat Yisra'el to the Likud, and why did you not oppose it?

[Mizrahi] I agree with this law in principle. However, I did not want to support it, because, during the discussion on the law in the Knesset plenum, I was linked with other Knesset members who switched parties for reasons that differed from my reasons. I decided to leave Agudat Yisra'el based solely on a matter of conscience. I do not see myself as having acted contrary to my faction and constituents.

The law's guiding line is to punish Knesset members who go against their constituents. I think that I did what my voters wanted me to do. In the campaign for Knesset elections, we Agudat Yisra'el promised our constituents that we would go with the right. However, to my regret, other members in Agudat Yisra'el went against their promise by going with the Labor Alignment.

[Elon] However, you joined the Likud only after you were promised many favors, such as the position of deputy health minister.

[Mizrahi] I received no favors and nothing in exchange. The leaders of the Likud appealed to me and offered me this position. They want the public to view them favorably, as having rewarded one who supported them at the time the government was formed. I can say to you that the Labor Alignment was willing to promise me much more. The Labor Alignment offered me the position of minister and all kinds of especially respectable incentives, including a secured spot on their list in the next Knesset.

[Elon] In the discussion in the Knesset on the draft law, you and Efrayim Gur, who left the Labor Alignment, were strongly criticized. It was claimed that you sold your mandates. How did you feel when you heard that criticism being levelled against you?

[Mizrahi] I resented being included in the same group with several other Knesset members who also left their factions. I think that my case is different. My conscience is clear. In my heart of hearts, I know that my former colleagues in the [Agudat Yisra'el] faction, not me, betrayed our constituents. I have much to say, but I decided to remain quiet.

[Elon] If you were to have defected from your party to the Likud's ranks after the law was approved last night in the Knesset, you would have endangered your continued career in politics. In such a case, would you have still switched from Agudat Yisra'el to the Likud?

[Mizrahi] Certainly. I believed wholeheartedly in the measure I took. I have no doubts. Even if I knew that I was risking losing my spot in the Knesset due to this development, I would not have changed my vote.

[Elon] Has Health Minister Ehud Olmert tasked you with duties?

[Mizrahi] My relations with the health minister are harmonious. He even offered me the opportunity to respond on behalf of the ministry to interpellations in the Knesset plenum. To be truthful, when there was discussion of my appointment as deputy minister, I thought about other ministries. But I am satisfied with my current position. I am responsible for religious hospitals, all geriatric, welfare, and psychiatric matters, and family medicine.

[Elon] Have you been able to do anything?

[Mizrahi] I established for myself several challenges that I hope I can meet. I told the prime minister that I intend, in the near future, to convene a meeting of all geriatric and psychiatric hospital administrators with [Prime Minister] Shamir and [Finance Minister] Moda'i to present to them the difficult situation prevailing in these institutions. These sectors have been severely neglected. If ever a patron of these matters has been appointed, it is I. I must endeavor to promote these matters.

Politicians Quoted on Golan

TA1931900 Tel Aviv HADASHOT in Hebrew
19 Mar 91 p 3

[Batya Feldman provides a list of quotes by Israeli politicians in reference to the Golan Heights]

[Text] "HADASHOT", (p.3)—

- November '67—Shim'on Peres: "Israeli control of the Golan Heights is a fact."
- January '68—MAPAM: "Demilitarization of the Sinai desert, the Golan Heights, and the Gaza Strip in the framework of cease-fire agreements."
- March '72—Ministers of Tourism and Housing Moshe Kol and Ze'ev Sherf: "The Heights must remain in Israeli hands."
- November '72—Golda Me'ir: "There is Israeli willingness to negotiate with the Syrians."
- March '73—Shim'on Peres: "We would be crazy if we gave the Height back."
- November '81—Mordekai Tzipori: "There will be no coercion. Those who want Israeli I.D. cards will get them."
- December '81—Energy Minister Moshe Berman: "Annexation of the Golan is a problem."
- December '82—Simcha Ehrlich: "I promise that budget will be found to develop the Heights, which are an inseparable part of Israel."
- October '83—Yitzhak Moda'i: "Israel will be willing to concede parts of the Golan Heights within the framework of negotiations with Syria."
- September '86—Ari'el Sharon: "The Golan is not a matter for discussion."
- March '89—Mordekhai Gur: "It is impossible to make territorial concessions on the Heights."
- April '89—Shimon Peres: "No question marks must be placed regarding the future of the Golan Heights."
- July '89—Ehud Olmert: "The Golan is an inseparable part of Israel."

- January '90—Advisor on Arab Affairs Moshe Toledano: "Discussions must be held between Israel and Syria regarding the future of the Golan Heights."
- January '90—Yossi Sarid: "[I] propose Syrian sovereignty in exchange for an Israeli presence on the Golan Heights."

Future Role of PLO, 'Arafat Explored

91AE0261A Tel Aviv 'AL HAMISHMAR in Hebrew
11 Jan 91 p 11

[Article by Pinhas 'Inbari]

[Text] One's assessment might be that the danger of the war in the Gulf exceeds the chance for peace, but what is more difficult to evaluate is how the war will develop if it does break out and its political consequences. The same might be said for the Palestinian aspect of the crisis and the possible consequences in the territories. The Palestinians have found themselves on Saddam Husayn's reeling boat. It is reasonable to suppose that the war will find them "in the same trench" with Saddam, the expression often used by Yasir 'Arafat and George Habash; that is to say, loyal through thick and thin, they are bound to fight at Saddam's side. How that will affect them in the end, and what the political consequences of the crisis will be for the Palestinians are matters shrouded in the mist of the future.

At the same time, the Palestinians' support for Saddam Husayn is primarily of political importance. The Palestinians serve as a sort of conscience for the Arab world, and their support for the Iraqi president confers on him a status as the leader of the forces opposing the states of the Arab coalition. Their military contribution is minimal.

Palestinian participation in the war involves three fronts: the intifadah, international terror, and Jordan.

In all its facets, the intifadah draws sustenance from extremist sources and its own resourcefulness; it is not dependent on Iraqi stimulation. As the natural result of the political failure of the intifadah, Palestinian public opinion is growing more and more extreme, taking its own course without any clear connection to the crisis in Kuwait. In these fateful days, the head of the PLO, Yasir 'Arafat, resides in Baghdad along with Fatah's central committee and the supreme council for intifadah affairs. One need not poke through secret files to imagine that Saddam has asked 'Arafat to link the intifadah front to the wider struggle. For Saddam, the intifadah means an armed revolt in every possible way, but the facts on the ground do not permit a development in that direction. If this were a matter of just an Israeli-Iraqi confrontation, allocating Israeli forces to prevent a Palestinian partisan war in Israel's rear would represent a heavy burden for the IDF [Israel Defense Forces]. But that is not the case.

If Iraq should attack Israel, and if Israel strikes back, the retaliation would come from the air, not on the ground. Ground deployments are sufficient to deter a Palestinian

thrust against the IDF. It will be possible to rely on steps already tried in the intifadah.

The intifadah proclamations have recently placed greater emphasis on the connection between the two fronts. Still, it is doubtful that these Palestinian groups will be able to convert their wall slogans into action.

These remarks are correct only to the extent that the war does not spread. One cannot forget for a moment the nature of the current Israeli Government. This is its big opportunity to realize its ideology by means of a transfer of population and creation of a substitute Palestinian homeland in Jordan. The fact that King Husayn is standing on the wrong side of the fence, and that the existence of Palestinian ferment in the territories while the eyes of the world have shifted to turmoil elsewhere, amount to a nearly irresistible enticement for a government with its destructive inclinations. It is difficult to believe that it will overcome its desire not to do something harmful. If not a general transfer, perhaps a small scale one, or "relocation" of the Ansar camp to a new spot.

If Sharon were defense minister, that almost certainly is how matters would be handled. Fortunately for us, however, the defense establishment is led by a minister like Moshe Arens, who has preferred Ehud Baraq as his new chief of staff. There is room to believe that the IDF in its current make-up, with the defense minister in charge, does not support transfer and will not lend a hand to it. Israeli action at the expense of the Palestinians is the other side of the famous linkage. Israel would be hard pressed to explain to the Americans what it was doing. Then again, the course of war is difficult to predict. Complications on the eastern front, for whatever reason, particularly if they are prolonged, are liable to create harsh conditions. That depends less on what 'Arafat promises or avoids promising Saddam than on real conditions, which will dictate the possible course of the war.

If there really is anyone in this government contemplating an invasion of Jordan, he should know that it will not be a brisk morning stroll but a tough war on a broad urban landscape against a small but highly capable army. For Jordan is Rabat Amon, and Rabat Amon is a metropolis of a million souls. Most of them are Palestinians imbued with religious extremism. If Jordan's Government has a nightmare script, it is precisely the Likud's vision of "Jordan is Palestine." To assure that Israel's task is not made any easier, Jordan has recently created the "Popular Army," a sort of armed people's militia to oppose the IDF street by street from the first day. Conquest of Jordan will by no means resemble capture of the West Bank. On the contrary, Israel might fall into the trap of fighting a monstrous intifadah on both sides of the Jordan.

Because it is difficult to evaluate developments, the opposite possibility will be examined: Israel will be forced by the needs of the hour to close the Jordan

bridges. In the tangle of combat, this action may have far-reaching political significance. There is no doubt that Iraq is putting pressure on the PLO to engage in terrorism. Certain groups will gladly do this work. But, although Fatah has maintained its military branches, they have withered away during the long years of diplomatic activity and no longer possess the operational capability that Black September, for example, once had. We know that 'Arafat so far has rejected Iraq's requests to carry out acts of terror against Egypt, and has made a point of bringing that fact to Mubarak's attention. This is the backdrop for the quarrel that has arisen between Fatah and Abu 'Abas. 'Abas was expelled from Libya, for which he blames Fatah among others. The years-long struggle between Fatah and Abu Nidal continues, even as both now find themselves allies in Saddam Husayn's camp. In any event, the PLO will depend heavily on European backing when the Kuwait crisis ends, a state of affairs not conducive to resumption of terrorism. Indeed, the "new order" will rest on "security arrangements." The PLO's resumption of terrorism could be its entrance ticket to postwar proceedings, but that, however, is a delusion. The "new order" will not tolerate terror, and a new wave of terrorism will not get a foot in any door. The PLO understands that. It is both too "diplomatic" and too sophisticated to sink back into the follies of its youth.

We can expect that other Palestinian organizations will be willing to serve Saddam Husayn; we have already spoken of Abu 'al-'Abas and Abu Nidal. Nor can his friend, Shaykh Tamimi of Islamic Jihad, and his new pal, George Habash, be forgotten.

A short, decisive war, affording the Arab-American coalition a sweeping victory, will put the PLO, but not necessarily the Palestinian issue itself, in a difficult position. The foreign ministers of the "Triple Entente," Egypt, Syria, and Saudi Arabia, met in Riyadh last week. The declaration they issued afterwards dealt with the Palestinian problem in these terms: the Palestinian cause is a pan-Arab problem (to use the language of "Kuwemia"), not the exclusive property of any one country but a problem that unites all the Arabs. What that means is that these countries will take the Palestinian matter under their wings. If the PLO follows their lead, fine; if not, there apparently will be a political consequence to the fact that the PLO belongs to the pro-Iraqi camp.

Even before the crisis, Syria sought to extract from the PLO the right to represent the Palestinians. Libya, too, the new "recruit" of the triple entente, has similar ideas. Egypt thus far has supported the PLO as the Palestinians' representative, but the PLO's position has disappointed her. Even people such as Hani al-Hasan, who tried to guide the PLO towards the Saudi outlook when the crisis broke, find themselves now standing with Saddam Husayn. Even Abu Iyad, who decided to freeze his activities on behalf of the PLO because of his

difference of opinion with 'Arafat on the subject, expressed his support for Iraq in an appearance in Rabat Amon last week.

That has not yet sounded the death knell for the PLO. The war has not yet begun and it is certainly too early to know how it will end. The PLO is riding a sinking ship, but its strength has always lain in its status as the symbol of a genuine, pressing problem. This fact, everyone agrees, has not changed.

IDF Personnel Chief Interviewed on New Recruits

*91AE0298C Tel Aviv IDF JOURNAL in English
Jan-Feb 1991 pp 54-56*

[Interview with Major-General (Air Force) Ran Goren; date and place not given; first paragraph IDF JOURNAL introduction; quotation marks as published]

[Text] Throughout the years, Israel's claim to qualitative advantage over its enemies has been based primarily upon the high quality of one resource—manpower. Recently, IDF JOURNAL discussed the various issues pertaining to human resources with Major-General (Air Force) Ran Goren, head of Personnel Branch at the General HQ.

IDF JOURNAL: What are the main manpower problems facing the IDF [Israel Defense Forces] today?

Maj Gen Goren: The main problem is the budget, or rather the cuts and prospects of further decreases in it. This obviously reflects on manpower issues.

New conscripts entering the IDF this year are of high quality. Motivation is high, as is the desire to serve in select combat units. After a short setback in the mid-1980's, as a result of an economic recovery plan initiated by the government which caused layoffs and imposed pay cuts, the quality of the career army is also vastly improving.

Due to the process and tendencies you mentioned, there seems to be a critical shortage of field officers in junior and intermediate rank, from Lieutenant to Lt Colonel. Has that problem been addressed?

Such a process, unfortunately, began towards the end of our presence in Lebanon (1985), and lasted well into 1988. Many career officers expressed dissatisfaction and loss of trust in the system with some eventually leaving the IDF. This drift was halted by the end of the 1980's. Several policies and incentives were implemented well before 1988-1989, but this strata of the officers corps has been restored rather slowly compared to other sectors. Today we are in a similar situation—the treasury threatens to cut the defense budget and before we know it, the trend will resurface: pay cuts, less incentives, and ultimately a loss of confidence in the system. I strongly believe that defense budgetary problems should not be

solved at the expense of the career officers cadre. The burden must be shared equally by the entire population of Israel.

What are the characteristics of the new recruits who will be entering the IDF in the November draft?

The November induction, is part of a process of expanded and larger entering classes. This process is independent of the immigration influx we are now absorbing. I foresee this trend lasting well through 1995. It has to do with increased motivation on the one hand, and a diminishing number of exemption requests on the other hand. The immigration waves will add to the process of ever-growing entering classes, which in turn poses the question, what do you do with all these people?

So far, the needs necessitated by the Intifadah (the Palestinian uprising) have consumed most of the increase in available standing-army manpower. The regular army has replaced reserve units and filled positions vacated as a result of people transferred to deal with the Intifadah.

Medium and long range planning emphasizes further replacement of reserve units with regular army units, thus saving millions of 'working days' for the economy. There are two closely related reasons and rationales for this policy:

1) Saving money and ameliorating budget problems. 'Reserve days' are huge consumers of the budget pie. By cutting this consumption we achieve two goals—helping the economy and enlarging our own portion of available funds, because the unused budget remains in our bank account, so to speak.

2) The second reason is to alleviate the burden of reserve service. This has caused problems for both the individual serving 45 days a year, and the nation's socio-economic system. We are currently formulating a multi-year plan that aspires to achieve this goal by using available regular army manpower to replace reserve units.

I emphasized already the issue of alleviating the reserve duty burden, avoiding 'frictional unemployment', i.e. when reservists are under-utilized or are moving from place to place due to administrative mismanagement. This is an important problem with which we are currently dealing.

You have to remember that a reduced budget does not imply a decrease in the level of the threat we are facing. The needs and requirements either remain at the same level or grow and expand. In addition, the costs of maintaining a modern and sophisticated military, coupled with the recent possibility of war also grow. We must find ways of addressing the budget problems with minimum erosion in quality manpower.

Describe the profile of the November class.

One problem that we are encountering is the shortage of 'technological manpower': i.e. those graduating from

technological high schools, and conversely those who prefer not to serve in field units. The numbers are decreasing as part of a general social trend, in which fewer and fewer teenagers seek technological education. Obviously, this has an adverse qualitative effect on the IDF, as well as on society as a whole.

The employment of women in the IDF is being expanded. More and more positions are now open, especially in training facilities, command posts, and control systems. Another characteristic has to do with increased opportunities for minorities—Druze, Circassians, etc. We have changed our policy and are now able to offer them places in units which were unavailable in the past.

These were the tasks you assigned the entering class. What are their special characteristics, qualitatively?

The quality of the entering class is superior. Motivation is high and the ambition to succeed, to become an officer is growing. For example, while in 1970 only 42 percent of the conscripts graduated 12 years of schooling, in 1990 84 percent have done so.

In 1984 (when the IDF was still deployed in Lebanon), 57 percent of new conscripts expressed a desire to serve in combat units, in 1989 that figure rose to 87 percent. In 1984, 78 percent requested to go to officer school. In 1989, 89 percent expressed their will to do so. Over 90 percent responded favorably to the question of whether they are proud to serve. Take for instance the August 1990 entering class: 98 percent of those serving in the GOLANI Infantry Brigade wanted to be there; 80 percent of those in Armor Corps had asked to be there, as one of their first or second preferences.

What about immigration? Has it been reflected at this stage?

Not as far as the November conscription is concerned. Given the length of the absorption process, immigration's impact will be evident in two years time. However, some are naturally joining the military now, which requires us to facilitate adequate preparations. We have formed specialized tests, trained Russian speaking NCO's to deal in personnel affairs, and created distinct service plans for the new immigrants.

The IDF's involvement in absorbing the immigrants is twofold. First, we assist in the actual absorption and orientation process—units 'adopt' families, inviting them to different functions—Passover (1,500 immigrants were guests of the IDF), Independence Day celebrations (10,000 were special guest of various IDF units), 'corps' days (5,000 were invited to a pilot course graduation party), and so on.

Second, we place specially trained soldiers and NCO's in absorption centers to help integrate these people into Israeli society.

From a military point of view, though, we will undoubtedly face a problem in the near future—how to train such

large quantities of manpower, given cultural and language barriers. I am confident that we shall also succeed in this task.

What about ways and means of cultivating the career cadre?

As for the career military cadre, we are putting extra efforts and emphasis on creating incentives for service and prolonging it. Such emphasis is applied to treating and being attentive to his or her family. I believe that the family is a very influential determining factor in the decision making process of a career officer.

Promotion methods are also undergoing review. We are currently applying new and advanced methods of evaluating performance. Interdisciplinary data is examined, including psychometric tests, in order to objectively rate an officer. We aspire to determine promotion not only based on time increments, but also on qualifications, position, and education, which are all not necessarily linked to the time factor.

Currently, an academic degree is a prerequisite for only a few specialized positions.

True, but we are changing this. Over 1,000 career officers are studying at the moment. 80 percent of them are young officers—captains and majors. Educational options such as granting time off and scholarships to study are also used as incentives to induce these officers to remain in the military.

The same applies to senior career NCO's. We do not have an NCO academy, such as the one in the U.S. Army, but we have formulated advancement patterns to create more competitiveness. We are also adding another rank for NCO's—the equivalent of, say, a W-3 Chief Warrant Officer in the U.S. Military.

The personnel branch, as you know, is also responsible for discipline throughout the military. We are creating an 'award' system for exemplary behavior or action, to complement the regular 'crime and punishment' policy. We deal quite emphatically with the issue of safety, especially on the roads.

We also empower officers to enforce the law more rigorously. In addition, we encourage competition between units or departments for outstanding safety records and reward the better units.

What about diet and health?

Physical fitness is, unfortunately, not high on the average Israeli's priority list. We are doing our best to combat that reality and promote more awareness. Today, 90 percent attended physical and medical tests. This figure was less than 50 percent not so long ago.

We are more health-conscious than ever in the military, and that is reflected in the composition of the military diet, as well as added physical fitness programs.

An unpleasant issue. The POW's and MIA's. They are under your responsibility.

Yes. There are seven that we know about, and we are tirelessly working to find out anything about them.

Lastly, how much of your average work-day does the Intifadah, and the reality it created, consume?

Not much. The military has become accustomed to dealing with it, and an inevitable process of 'routinization' has developed.

Although the manpower allocated to various Intifadah related assignments has increased, I can allocate enough time on substantial issues such as preparing for all out war, or development of various sectors of the military manpower.

However, the Intifadah has presented educational challenges and problems. As head of the branch responsible for all education activities in the IDF, I deal in-depth with this subject.

Maj General Ran Goren Biography

Maj General Ran Goren, currently Chief of 'A' (personnel) branch at the IDF GHQ, had an extremely versatile career at the Israel Air Force. Born in Kibbutz Merhavva in 1942, MG Goren was commissioned as a fighter pilot in 1963. His first aircraft was the french Mode Mystere-4. He participated in the Six Day War as a French Voutur pilot. During the War of Attrition, 1969-1970, MG Goren was deputy commander of an A-4 (Skyhawk) squadron. In 1973, during the Yom Kippur War, he was an F-4 Phantom pilot. Immediately following the war he was appointed as an F-4 squadron commander. Between 1977-78, MG Goren headed the 'fighters' branch at the Air-Force HQ, while from 1978-1980 he held the position of Head of Operations Department. In 1982, he was appointed Commander of Hatzor AFB as well as Air Force Deputy commander. Between 1984-1987 MG Goren held two staff positions—First, director of AF Intelligence and from 1985, director of Air Division at IAF HQ. In 1989 he was appointed to head 'A' branch at the IDF GHQ.

MG Goren has accumulated over 4,000 flight hours including 400 operational sorties. MG Goren holds an M.A. degree in business administration from the naval Postgraduate School in Monterey, California.

Armcor Claims CBW Aid to Israel

*91AF0657Z Johannesburg BEELD in Afrikaans
17 Jan 91 p 11*

[Article by Marga Ley: "How Can South Africa Be of Assistance to Gulf Task Force? Weaponry Tested under Desert Conditions"]

[Excerpt] [Passage omitted] Another domain where South Africa can be of service to the international task

force is in dealing with the technology needed to wage war under desert conditions.

Until recently, the Republic was still successfully involved in a war being fought under the semi-desert areas of northern Namibia and Angola, where sand was also one of the greatest problems.

Sand in fine machinery, such as aircraft motors, works like sandpaper. The Americans are now getting only something like 300 hours of flying time out of their aircraft, while South Africa's equipment was able to last 3,800 hours before it had to be serviced.

In an advertisement placed in a foreign publication, Armscor [Armaments Corporation of South Africa] also recently spotlighted the fact that South African weaponry is tested under desert conditions. Whether Armscor has been approached for help or equipment, he is not allowed to disclose, says Mr. Don Henning, a spokesman for the firm.

As far as equipment is concerned, South Africa has already sent vaccines against cholera, typhus, and anthrax to Israel in case Saddam Husayn makes use of biological weapons.

KUWAIT

Foreign Ministry Official on Rebuilding Plans

91AE0288A London AL-HAWADITH in Arabic
22 Feb 91 p 20

[Interview with Kuwaiti Deputy Foreign Minister Sulayman Majid al-Shahin; interviewer, place, and date not given; "Kuwaiti Deputy Foreign Minister Sulayman Majid al-Shahin to AL-HAWADITH: 'Kuwaiti Reconstruction Plans Ready'"]

[Excerpt] A number of Kuwaiti experts are busily finishing reconstruction plans for the State of Kuwait to allow the people of Kuwait to return to their country at the first opportunity following its liberation. [passage omitted]

AL-HAWADITH met with Kuwaiti Deputy Foreign Minister Sulayman Majid al-Shahin to ask him about future reconstruction plans for the State of Kuwait and raise issues related to the Iraqi aggression on the country, liberation, and Kuwaiti resistance. His responses were frank and firm.

[AL-HAWADITH] What is your view of the military action now being undertaken to liberate Kuwait through Operation Desert Storm?

[Al-Shahin] The participation of 28 nations in the military action called Operation Desert Storm to implement Security Council resolutions represents support for and world agreement on the just principle of liberating the State of Kuwait and restoring its legitimacy under the leadership of His Highness the Emir of Kuwait Shaykh

Jabir al-Ahmad al-Sabah and his crown prince and prime minister, Shaykh Sa'd al-'Abdallah al-Sabah.

The world is living in a period of rapprochement and will never allow one country to commit aggression against another or a dictator to play singlehandedly with the fate of mankind, threatening it with ruin and destruction, to satisfy his sick personal ambitions.

The truth is that Saddam Husayn is playing with the Arab media in a variety of ways, including misleading and buying them off so they will portray him as a leader and [the] hope [for the future], creating the false aura that he is the one who will liberate Palestine. Everyone knows that the Palestinian people have suffered and continue to do so as a result of certain Palestinian leaders who have traded in the Palestine cause for years without comprehending the reality of this heroic people or the international political conditions and environment.

The stance and support of certain Palestinian leaders for Saddam Husayn have badly harmed the Palestinian cause.

[AL-HAWADITH] What is your view of linkage between the occupation of Kuwait and the cause of liberating Palestine?

[Al-Shahin] It is a cheap transparent attempt. The occupation of Kuwait, expulsion of its people, and plundering of its expertise cannot lead to the liberation of Palestine. In no way does the path to Palestine lead through Kuwait. The claims Saddam used to deceive the world to the effect that he would destroy and burn half of Israel and his mention of binary chemical [weapons] are falsehoods the Arab world will never believe. His strike on Israel came as a farcical effort to engage the world with another issue intended to hide his criminal occupation of Kuwait and to draw certain Arab countries into the furnace of his destructive war by bombing Israel with what are simply propaganda missiles. The Arab world is wise to this attempt, however, and able to distinguish between the two issues. It is able to determine who is sincere about the Palestinian cause.

Even certain current regimes known to be in his camp were unable to hide their inward revulsion for the Iraqi occupation. Hence we find that Saddam is alone against the world. Can the entire world be wrong, while he is right?

Here we have Arab countries of consequence and clear positions taking a courageous stand to establish right and vanquish falsehood. Here are Saudi Arabia, Egypt, Syria, and those Gulf states aware of the issues of the Arab nation, standing as one rank to liberate Kuwait and establish justice and truth in the face of a tyrant who has trampled all international values, mores, and charters.

Most Arab nations have stood up to the Iraqi threat and sent their forces to the battlefield to defend Arab peace and security, first of all, and to stand with the international coalition forces in a noble battle to end falsehood

and expel the aggressor from his neighbor's land. These noble signs reassure us that our Arab world is still well despite certain puffheads purchased with money and cheap enticements.

[AL-HAWADITH] What can you tell us about Kuwaiti pilot participation in Operation Desert Storm and the honorable role of the Kuwaiti resistance?

[Al-Shahin] The stances taken by the Kuwaiti Arab citizens have demonstrated his strength of character and virtue in aiding his brothers and implanting good everywhere in the world to the fullest of his ability. True, he is a peaceful man, good by nature, but he is unyielding, intractable, and will never remain silent when confronted with tyranny for any reason. This is why the Kuwaiti citizen absorbed the blow of treacherous aggression on August 2, and then launched a brave and stubborn popular resistance effort. Now you have Kuwaiti fighting men in the combined forces participating bravely, always in the forward ranks of battle.

Just as it earlier praised the stance of the magnificent Kuwaiti people behind their legitimate leadership, the world shall soon know the bravery of this courageous fighter as, together with the noble men of the combined forces, he storms Saddam's barricades and destroys them.

[AL-HAWADITH] What about the plans to rebuild Kuwait? Are they now ready?

[Al-Shahin] Yes, they are ready. A number of committees have actually been formed in this regard. [Rebuilding] will be done with the help of Arab and friendly nations. Contacts have been made with a number of international organizations and agencies on this matter. Kuwait by itself will be unable to deal with all the destruction, demolition, pillage, and looting of every establishment left by the occupation.

[AL-HAWADITH] Do you believe a new Arab order will be necessary after Kuwait is liberated?

[Al-Shahin] Certain Arabs lack respect for such charters as that of joint Arab defense. Had it been honored, this would never have happened. In light of this, we are going to have to restudy the Arab reality. Until then, Kuwait will resort to our noble brothers and the international community to find security. We ought to find it in the embrace of the Arab nation, but after Kuwait's occupation by one who claimed to be an older brother, it has the right to rely on law and the international community to establish the security it seeks.

On this occasion, I would like to express my extreme appreciation for the brave stand, clarity of vision, and steadfastness in the right shown by the leaders of the three Arab countries, Egypt, Syria, and the Kingdom of Saudi Arabia.

The people of Kuwait, filled with gratitude and goodwill for the Custodian of the Two Holy Mosques King Fahd Ibn-'Abd-al-'Aziz, his wise government, and his great

and trustworthy people, see total truth, justice, and equity in this stance by a wise and seasoned Arab leader who sees life as the application of God's law and pronouncements with full force, firmness, and assuredness to establish the right and support his brethren. For a long time the entire world and the Arab group called [on Saddam] to listen to the voice of reason and conscience on the march to peace. Up to the last moment of the international deadline they implored him to opt for peace, to the point of indulging his self-deception and conceit, but he covered his ears, stuck to his error, and failed to respond. So the inevitable happened, and the liberation of Kuwait began.

The catastrophe and destruction befalling the Iraqi people and army are the result of Saddam's failure to listen to the voice of reason and conscience, the last two calls being those of the custodian of the two holy mosques and President Husni Mubarak.

My hope is that the operation to liberate Kuwait will end and not drag out and that what has happened will be a big lesson to tyrants and oppressors. The will of a people cannot be vanquished. Arab brotherhood must become the proper premise for inter-Arab dealings in the period ahead.

LEBANON

Minister Baydun on Amal-Hizballah Relations

91AE0304E Beirut MONDAY MORNING in English
28 Jan 91-3 Feb 91 pp 9-11

[Interview with Muhammad Baydun by Fatimah Siblini: "Cautious Optimism on Amal-Hizballah Peace"; date and place not specified; first paragraph is MONDAY MORNING introduction; quotation marks as published]

[Excerpt]

[Boxed item]

Muhammad Baydun, a member of the politburo of the Shiite Amal Movement, has expressed cautious confidence that the long armed conflict between the Amal Movement militia and its fundamentalist rival Hizballah, has ended. [Passage omitted]

Here is a translation of the interview:

[Siblini] Do you think the present Lebanese situation warrants a cabinet as large—30 members—as the new one led by 'Umar Karami?

[Baydun] The national accord process requires this type of cabinet, which includes spokesmen of all the various trends in Lebanon. There is no other way they can all be brought together, nor can the cabinet be smaller. The present cabinet is the fruit of much thought and discussion.

I believe that this large number of cabinet ministers is not an obstacle in the way of efficient work, but will help the cabinet a lot in resolving any topic. A ministerial committee has been formed to study the issues in depth before they are submitted to the cabinet. The present number of ministers will also help in taking decisions on pending matters to accomplish the reconciliation process.

[Sibli] What is your impression of the cabinet policy statement?

[Baydun] The cabinet is currently working as a harmonious team within the framework defined by the al-Ta'if accord. There is harmony and a common approach in thought among all the members, which indicates an important starting point for the cabinet.

The important thing is that Parliament has ratified the cabinet statement. We look forward to its help in applying that statement, and in rallying public support for the government's policies.

[Sibli] Opposition has been expressed in certain quarters to a certain 'unbalance' in the composition of the cabinet. How will this opposition affect the cabinet's work, do you think?

[Baydun] There are obstacles which must be removed before we can all meet around one table. Those hesitating have started with a specific proposal, and obstacles started being removed, because of pressure from public opinion and the media, and we are approaching a solution.

The cabinet has been formed, and it is in the interest of dissident parties to take part in it and in the reconciliation process. I don't believe they will want to be absent from the general coming together of Lebanese which is taking place, and it is in the context of this coming together that they can best obtain what they are looking for.

The participation of everyone in the cabinet is now all the more important in view of the Gulf war, which poses such great potential danger to Lebanon and the whole Middle East.

[Sibli] One of the opposition figures is Lebanese Forces militia commander Samir Ja'ja'. Do you think that giving him charge of a specific ministry, instead of only the dignity of minister of state, would placate him?

[Baydun] Dr. Ja'ja's associate, Dr. Georges Sa'adah has a very important ministerial portfolio, that of the Communications Ministry. So if Dr. Ja'ja' was given a specific ministry I don't think that would solve the problem.

Dr Ja'ja' has been given the title of minister of state to deal with the vital matter of political reconciliation. This task will occupy all his energies and time, without adding the extra burden of a ministry. His seat in the cabinet as

minister of state will be an ideal opportunity for him to accomplish his important task, an opportunity which may not be repeated.

The unity of Lebanon and the liberation of its territory are paramount considerations. The government is now devoting special attention to liberating South Lebanon from the Israeli enemy and to unifying the country. Then the government must reactivate the State institutions, foremost of which are the security forces, which should perform their role on all Lebanese territory. Time is of the essence in these matters, a fact which I hope will persuade Dr. Ja'ja' to join the process. But I repeat—time is of the essence. This should be understood by everyone.

[Sibli] There were reports late last year that the Army would soon deploy in the Iqlim al-Tuffah, long the scene of clashes between the two Shiite militias Amal and Hizballah. What is the reason for the delay in sending the troops to the Iqlim?

[Baydun] There is general agreement that the Army should deploy in the Iqlim, as well as elsewhere in the South. This will soon be done, since problems and obstacles among the various groupings concerned have been overcome. Amal and Hizballah have agreed to evacuate their positions so that people in the Iqlim can return to their homes. The Army will soon move, because the atmosphere there is encouraging. Everyone in the South wants the Army and the Internal Security Forces, so the delay in their deployment in the Iqlim will be short.

[Sibli] How long will it take to deploy the Army in the whole of South Lebanon?

[Baydun] Determining the period is up to the Army command. The Council of Ministers has taken a decision in this regard, following wide consultations. We hope deployment will take place within a few days, God willing.

[Sibli] How do you perceive the relation between the Amal Movement and Hizballah?

[Baydun] There is an encouraging atmosphere, and we hope their relations will improve. We all expect the Amal-Hizballah conflict to be behind us, so that we can rally behind the Lebanese Resistance and its struggle to end the Israeli occupation.

[Sibli] In your opinion, have the military clashes between the two militias really come to an end?

[Baydun] Military confrontation serves no one but Israel, which has been fanning the flames of rivalry between the various Lebanese factions. I believe the page of military confrontation between Amal and Hizballah has been turned, and we hope our brothers in Hizballah have well learned the lessons of the past, namely, that military struggles lead only to destruction and displacement.

We are heading towards the opening of a new page in Lebanon's history, one called the page of national accord.

[Sibli] Does the Karami cabinet plan actively to support the Lebanese Resistance in its struggle against the Israeli occupation of the border strip?

[Baydun] The al-Ta'if Agreement affirms our right to use every means available to expel the Israeli enemy from our soil, and the main means is resistance. The cabinet is considering the organization and activation of that resistance in such a way to preserve the land and people, and to avoid having burnt land and displaced people. The cabinet is exerting efforts to support the solidarity of the people, and to encourage them to stay.

[Sibli] How smoothly is the work of your department, the Ministry of Housing and Cooperatives, proceeding following the reunification of the two halves of Beirut?

[Baydun] Last week, I met with the senior permanent officials and other staff of the Housing Ministry, and I shall hold meetings with the heads of departments to coordinate our activities. You must recall that the work of the Housing Ministry was divided until the reunification of the capital under the Beirut security plan, and we will have to get used to working as a single team.

There is another obstacle, namely, that of finance. We are trying to overcome this through our contacts with Arab states and the European Economic Community to boost the capabilities of the Housing Ministry. We are drawing up a plan which will be the basis of any approach we make to foreign states or agencies.

[Sibli] What has become of the financial assistance that was to have been granted to Lebanon by the Arab and International support fund?

[Baydun] Before obtaining aid, there should be clear projects and studies based on statistics. As for foreign aid, it will start being provided once the government proves to be making headway in the process of national reconciliation.

[Sibli] Is there any plan to amend the law governing house rents?

[Baydun] There are many proposals on this subject. In this connection I would like to stress that in adjusting the scale of rents we will always have in mind the needs and difficulties of people at the lower end of the economic scale.

[Sibli] How will the Gulf conflict affect Lebanon, do you think?

[Baydun] In my view the war will be long, hard and destructive. I hope that other countries outside the conflict will intervene to put an end to it as quickly as possible and to resolve issues peacefully, because if this war goes on, security in the whole area will be undermined.

I don't think there will be violent repercussions in this country, but it will have other effects, which indeed have already been seen in the exodus from villages in the Israeli-occupied border strip. The economic situation is difficult and people are full of foreboding.

Qabalan: Warlords Must Become Peacelords

*91AE0304G Beirut MONDAY MORNING in English
14-20 Jan 91 pp 12-13*

[Interview with 'Abd-al-Amir Qabalan by Fatimah Sibli: "Let Warlords Become Peacelords"; date and place not given; first two paragraphs are MONDAY MORNING introduction]

[Excerpt]

[Boxed item]

Ja'far (Shiite) Mufti Sheikh 'Abd-al-Amir Qabalan believes that the efforts of Syria and Iran to obtain a lasting peace between the Amal and Hizballah militias have paved the way for the inhabitants of the Iqlim-al-Tuffah to return to their homes.

The Iqlim, located southeast of the port of Sidon, was for months the scene of bitter fighting between the two militias which were competing for ascendancy in Lebanon's Shiite community. The fighting was ended by the Damascus Agreement, concluded between them last November under Syrian and Iranian sponsorship. Qabalan said that certain regional and international "touches" were still needed to ensure the full application of the Damascus Agreement, adjustments he seemed confident would be forthcoming. [passage omitted]

Here is a translation of the interview:

[Sibli] Why has the problem of the Iqlim-al-Tuffah not yet been resolved?

[Qabalan] We thank God for the peace agreement arrived at to end the fighting in the Iqlim, for which credit goes to Syria and Iran. Their efforts succeeded in paving the way for a cease-fire so that the people of the area can return home. We are sure that, God willing, conditions will not deteriorate in terms of security and in terms of relations between Amal and Hizballah. We believe that there will be no further conflict between them.

[Sibli] Who is primarily responsible for the delay in implementing the Damascus Agreement?

[Qabalan] There is agreement by the Amal Movement and by Hizballah on the accord, but there is a slight difference of view concerning the entry of the Army into the Louweizeh region. I don't think this problem, which is of very minor importance, will obstruct the implementation of the Damascus Accord. However it seems that issues are no longer restricted to the Amal Movement and Hizballah, but require some regional and international touches, so that the Damascus Agreement can be

completely implemented. Matters are on the way to be solved very shortly, especially following the formation of the new cabinet, which is to make reconciliation as a principle plank of its program. I wish this cabinet success in fulfilling its mission to rescue the country. I also hope that all the sincere elements will give the cabinet their support, because we consider it the last card. The warlords who assumed ministerial posts must become peace-lords to allow us to move from the state of war to the haven of peace and safety.

[Sibli] If the Army deploys in the South, what regions should it give priority to?

[Qabalan] It is noteworthy to remind the present cabinet that the Army is the only means through which a strong and competent state can be constructed. Once the reconstruction of the Army is accomplished, then we can declare that we have entered the phase of peace. The Army is the shield of the nation, and we should build it on this basis.

During the 15 years of war, we have seen the various Lebanese factions form innumerable alliances with each other and with outsiders. We have seen them to resort to a multitude of maneuvers and strategies to advance their various causes. And what was the invariable result? Massive casualties and damage, with the collapse of the country's economy. Now the al-Ta'if Agreement gives us the chance to make a new beginning, an opportunity to start again on the basis of national reconciliation.

An important aspect of this is the reconstruction of the military establishment, which is essential for the consolidation of security. It also bears on the application of U.N. Security Council Resolution 425, which requires Israel's complete withdrawal from Lebanese territory, including the Israel's so-called "security zone." Israel likes to say that the "security zone" is essential for the safety of its own people, and will continue to be as long as lawlessness prevails in South Lebanon. This of course is merely Tel Aviv's pretext for staying in the zone, and we should expose it for the sham it is by deploying the Army, not only in the Iqlim-al-Tuffah, but throughout the South.

Obviously, the Army cannot end disorder in the South unless it is well-trained, well-equipped and unified, and it is to ensure that the Army is up to its task that the new cabinet of 'Umar Karami must set its hand.

We have been informed by the Army command that all is in readiness for its deployment in the South, and that it requires only a political decision for the deployment to go ahead. Amal and Hizballah have both said they welcome such a deployment and will facilitate it, so we hope the necessary decision by the cabinet will not be long delayed.

SSNP Official Faris on New Cabinet

91AE0304A Beirut MONDAY MORNING in English
14-20 Jan 91 pp 14-16

[Interview with Marwan Faris by Fatimah Sibli: "Fully Behind the New Cabinet"; date and place not given; first two paragraphs are MONDAY MORNING introduction]

[Excerpts] A senior official of the Syrian Social National Party (SSNP), a prominent member of the coalition of left-wing Lebanese political groupings, has expressed the full confidence of his party in the new cabinet formed by Prime Minister designate 'Umar Karami.

The official, Marwan Faris, head of one of the two factions of the SSNP, told this magazine last week: "The new cabinet enjoys the confidence of the SSNP...because it is the cabinet set in place to accomplish the program laid down by the al-Ta'if accord (concluded by Lebanese members of Parliament in 1989) to end the war. [passages omitted]

Here is a translation of the interview:

[Sibli] There has been criticism from some quarters, notably the Lebanese Forces militia and the Phalangist Party of the composition of the new cabinet and the speed with which it was formed. How do you react to this criticism?

[Faris] The new cabinet enjoys the confidence of the Syrian Social National Party, not only because it is chaired by Premier 'Umar Karami, but also because it is the cabinet set in place to accomplish the program laid down by the al-Ta'if accord to end the war. If this cabinet succeeds in implementing that for which it has been formed, in its capacity as a national accord cabinet, it will greatly contribute to extricating Lebanon from the state of war.

We, the Lebanese nationalist parties, regard as a very important step the entry of our representatives into the cabinet. This is the first time a cabinet has included Ba'thist, Progressive Socialist and Syrian Social National members who are bringing with them their programs and ideas. This cabinet opens a small window in the sectarian wall, a view of better things for future generations. It is a cabinet to end the state of war, as it is also the forerunner of a cabinet that will pave the way for peace.

[Sibli] How would you respond to the charges made by Lebanese Forces commander Samir Ja'ja' that certain members of the cabinet are "terrorists?"

[Faris] This cabinet signifies the defeat of the isolationist scheme in Lebanon. The prime movers of that scheme, the Lebanese Forces militia and the Phalangist Party, having been defeated, are now compelled to fabricate objections to conceal their discomfiture and to delay the peace process. These two groupings claim to be supporting the implementation of the al-Ta'if accord, but in fact they oppose this accord.

The fact that comparatively few people in the "eastern region" heeded the strike called recently by the Lebanese Forces (in protest against the assassination of two Phalangist officials) indicates that the Lebanese who live in the separatist canton controlled by the Forces reject the domination of the militia. As for his claim that some of those who hold portfolios in the cabinet are "terrorists" perhaps an opinion on this point should be given by someone other than Dr. Ja'ja', who has deep roots in this sphere.

We have to distinguish between "terrorism" and the Lebanese Resistance to Israeli occupation.

The terrorists are those who collaborate with the Zionist enemy in order to block the Resistance. It might have been better for Dr. Ja'ja' not to have raised this topic, which is a sensitive one for him.

[Sibli] Ja'ja' also said that the cabinet has been formed without the prior consultations that constitutional usage requires...

[Faris] Dr. Ja'ja's concern for the Constitution is welcome, but also very strange, in view of his theories about a "Christian society" supposedly separate from the rest of the Lebanese people, and of his plans for a federal, i.e., partitioned, Lebanon. His partitionist designs to disintegrate the country do not serve the interest of Lebanon but that of the Zionist enemy.

[Sibli] How do you comment on Ja'ja's call for the intervention in the row of the Arab tripartite commission on Lebanon?

[Faris] The tripartite commission will be taking a close interest in developments in Lebanon, and will be in close touch with the Lebanese government through its special representative, Lakhdad Ibrahim. Then too, a member of the commission, President Chadli Benjedid visited Lebanon, where he blessed the efforts made by the president, the prime minister, and the legitimate government to extricate Lebanon from conflict. What more, then, does Dr. Ja'ja' want from the commission?

[Sibli] How do you view the reported meetings of American Ambassador Ryan Crocker with former Army Commander General Michel 'Awn, whose "mutiny" was overthrown in October and who is now sheltering in the French embassy?

[Faris] I am not informed on this issue, but I have read in the press that the ambassador or his diplomats have denied any such meetings. I personally do not believe any politicians or diplomats have met with 'Awn, especially in view of official French pledges to discourage such contacts.

[Sibli] A cabinet portfolio has been given to one of the two SSNP factions, that led by Isam al-Mahayiri, but not to your faction. How do you feel about that?

[Faris] This is not a problem, in our view. We, in the National Syrian Socialist Party, only think of the interest of a unified Lebanon, and we have no personal or factional interests.

We know that this cabinet has the confidence of the Syrian Social National Party, including as it does representatives of the nationalist parties, which ensures that the government will follow a policy aimed at creating a new Lebanese state, a state based on the principle of nationalism rather than that of isolationism. Our party evaluates the new cabinet from the perspective of the overall situation, and we are content that our viewpoint will be heard within it.

[Sibli] You seem to believe that the present row will be satisfactorily resolved?

[Faris] The new cabinet will go on until it fulfills its mission. The Lebanese Forces and the Phalangist Party cannot return to a state of war, as they know perfectly well. Their present objections are intended to give them more room for maneuver, and will soon be disposed of. The new cabinet will gain a vote of confidence in spite of all objections.

Elie Hubayqah on Balance of Power

91AE0304F Beirut MONDAY MORNING in English
21-27 Jan 91 pp 15-21

[Interview with Elie Hubayqah by Nadim Abu-Ghannam-Amal Fadlallah: "The Balance of Power"; date and place not given]

[Text]

[Boxed item]

A member of the newly-installed cabinet of Prime Minister 'Umar Karami told this magazine last week that the government had a clear set of aims and intended to press forward to achieve them, regardless of the objections raised to the composition of the cabinet and the brevity of the consultations undertaken prior to the appointment of its ministers, and regardless of the narrowness of the vote of confidence the government won in Parliament earlier this month—37 votes out of 40 MPs [Members of Parliament] present in the Chamber of Deputies, with 17 members absent.

Hubayqah, who now heads the small pro-Syrian Wa'd Party, together with its militia, rejected accusations that his men had been responsible for attacks on property and personnel of the Phalangist Party in the mainly-Christian eastern region after 'Awn's overthrow. These attacks, he alleged, were the work of Lebanese Forces elements.

Here is a translation of the interview:

[MONDAY MORNING] The narrow margin won by the Karami cabinet in Parliament seems to reflect parliamentary dissatisfaction with that cabinet. Do you think that dissatisfaction will delay implementation of the government's program?

[Hubayqah] If the al-Ta'if Agreement is taken as the basis for national reconciliation, and democracy is taken as the basis of our government, then the country will move from military confrontation to political confrontation. We certainly respect the viewpoints of the members of Parliament and the proposals of the opposition in regard to the composition of the cabinet and its policy statement.

But I have a number of points to make in regard to the stand adopted by a number of MPs. Some of them have said that those who made the Agreement, that is, the deputies, should receive their appropriate recompense. It is true that the deputies, as persons took part in the actual writing of the accord itself. But it was the struggle of almost 16 years on the ground which provided the framework, the context and the formula in which the accord came into being. The MPs did not bring the Agreement into being all by themselves, but rather addressed themselves to certain basic factors on the ground which they stabilized, so to speak, in the al-Ta'if charter. That is why the charter is not the property of the members of Parliament, but the property of the nation and the people. Those who went to al-Ta'if and took part in the Agreement's formulation are not the elements which should be entrusted with its application. The peace process Lebanon aspires to see cannot be monopolized by the MPs. This is all the more true when we consider that the present Chamber of Deputies can no longer be said to have a truly representational character, having been elected almost 19 years ago. This is one of the points I would like to underline.

Another is in reply to those deputies who say that those who—referring presumably to militia leaders—caused tragedies in Lebanon should not be allowed to become cabinet ministers, but should on the contrary be put on trial for their actions. But I think that in a conflict, extending over 16 years, which caused the death of hundreds of thousands and the displacement of millions, and which was intersected by wars fought by Middle Eastern states other than Lebanon, it would be difficult to find anybody in a responsible position who could say he had "nothing to do" with the war, or who could claim he was "clean" and that no one who was not clean should be allowed to take part in government.

One could argue that those who took part in the conflict, who had sacrificed for it and had endangered their lives were perhaps more worthy to participate in the affairs of state than others who spent the war years in luxurious exile in Paris or Cannes, waiting for the conflict to end so they could return to stand for president of the republic, or some other plum office. The fact is that those who

experienced war are those most apt to form the peace, because they know the woes of war and how to avert them. It is these who should be the leaders in the peace process.

Of course the Lebanese Parliament is one of the oldest institutions in the country's constitutional life, and as a traditional institution, it is hard for it to accept the radical modification in political practice which the composition of this cabinet entails. The opposition expressed by certain deputies is legitimate, since they belong to a traditional group which is fearful for its interests and for its political line, and thus is apprehensive of new developments. There will, through the entry of the new elements into the present cabinet, surely be radical changes in Lebanese politics, in the way of taking decisions as well as in terms of political confrontation. There will certainly be "aggressive" tactics by cabinet ministers who favor deep modifications in ways of doing things, modifications which parliamentarians of a traditional stamp, accustomed to a certain style of political action evolved over a period stretching back to the (French) mandate, will find hard to accept. But I feel that the differences between the deputies' views and our own can be worked out in frank and tolerant discussion.

You described the confidence won by the cabinet as "narrow." I don't agree. You see, the cabinet depends primarily on a balance of forces on the ground more than on the support of the deputies. By this I don't mean to disparage the importance of democratic parliamentary representation. But we should consider that the al-Ta'if Agreement was the result of the balance of powers which prevailed at the time it was framed, at the end of 1989. Had it not been for the war, and for the change in the earlier balance which the war brought about, there would have been no al-Ta'if Agreement. All of [us] know the obstacles which confronted the making of the Agreement. There were a few MPs who opposed the Agreement, as far as the constitutional amendments it provided for were concerned, but eventually they submitted to the balance of power which prevailed at that time. By the same token, they have, in ratifying the new cabinet, submitted to the balance of power which prevails at this moment.

That balance of power is constituted by the confluence of factors on the regional and international levels, which has resulted in the collapse of the opposed to peace in Lebanon. It is on the basis of this confluence of factors that the cabinet intends to press forward with the peace process which has been mapped out. It is true that a larger parliamentary vote of confidence would have given a more favorable aspect to the matter. But the cabinet now envisages positive goals, namely, the ending of the war and the disbanding of the militias, and it need not resort to Parliament to implement these goals, since they are political and executive issues related to the business of the cabinet. They are issues which must be the subject of decisions by the cabinet because they are the result of accord already reached in al-Ta'if, and the outcome of a regional and international accord which has become an umbrella sheltering Lebanon.

So I wouldn't describe the confidence vote as "narrow," nor do I think it will affect the cabinet's activity. The MPs might obstruct the mission of the government if it tried to enact brand new legislation or issue new regulations for this ministry or that. But the goal of this cabinet is to end the war, and it makes no difference whether the vote in favor was one of half the MPs plus one or three-quarters of them. The essential requirements for this government's success are its will and its decisions.

[MONDAY MORNING] But don't you think the divisions inside the cabinet itself, and in the political establishment generally, are of such gravity as to impede the cabinet's activity?

[Hubayqah] The cabinet is composed of three groupings, each one a unified body. There is a traditional group committed to regional and international accord. There is another group whose members are of a nationalist color and who favor substantial changes in the ways things are done. This second group is also committed to the regional and international accord, and therefore, in terms of major national issues, these two groups form a single body. There is also a third group, one expressing a single political view and comprising three, perhaps four ministers at the most, and this third group, i.e., Messrs. Sa'adah and Ja'ja', are trying to maneuver around the regional and international accord.

Now there may be disagreement between the first two groups I spoke of on certain matters of less importance such as the appointment of senior civil servants, public works, appropriation bills and the like, but there is complete accord between them on the two major issues, viz., disbandment of militias and appointment of new MPs (to fill vacancies left by the decease of members). Both of them are committed to the need to deal with these issues, by whatever means are available, and they comprise 27 of the 30 cabinet members. Of the remaining three, one of them, Samir Ja'ja', rejects the principle of militia dissolution, while the other two are effectively in favor of it but cannot declare their stand, in view of political pressure. That is why I can say without hesitation that this cabinet is united in aiming to end the Lebanese war and embarking on the peace process.

[MONDAY MORNING] How plausible do you think Samir Ja'ja's reasons for boycotting the cabinet are?

[Hubayqah] Before the cabinet was formed Samir wanted to have one-third plus one of the portfolios held by men on his side, so that if there were to be 30 ministers, he would have eleven. After his condition was ignored in the formation of the cabinet, he wanted each group or faction to be able to have the right of veto. This too was disregarded.

Ja'ja' agreed to accept the principle of joining the cabinet in order to consolidate his power base, and in order to escape certain things imposed by the al-Ta'if Agreement, namely, the end of the war and the dissolution of militias. Now both these things contradict the line the Lebanese Forces (LF) have taken ever since they were set

up. The LF believe that their militia is a sort of resistance which must be legalized within the State framework, not abolished. He has put forward the suggestion that a corps of border guards or national guards might be established, and this might be a way, he thinks, by which the LF would be "legitimized." He could preserve his militia in such a guise until a change in international or regional balance of forces occurred on which he could manipulate in his favor.

My own view is that militias must be disbanded and their members rehabilitated by being enrolled in the Army, the Internal Security Forces or the Public Security Service, not maintained as autonomous paramilitary groups within the State. This is also the view that prevails within the cabinet.

Another sensitive issue for Ja'ja' is that of appointment to vacant parliamentary seats. The reason for appointing rather than electing them is that security conditions make an election impossible now. Samir wants one-third of the appointees plus one to be men who stand with him, so that if, say, 39 new MPs are appointed, 14 of them will be his men. But it's unlikely he would get more than four or five, and this would certainly reflect adversely on his standing in the Christian community, where the Forces cannot be said to enjoy popularity. I believe that if a free referendum was held in the (Christian) areas dominated by the Forces, they would not get more than 10 percent of the vote.

The third issue under discussion is that of privileged relations between Lebanon and Syria, which is enshrined in the al-Ta'if Agreement and in acts of the Lebanese Parliament.

It was also part of the agreement concluded by the major Lebanese militias...the Progressive Socialist Party, the Amal Movement, and the LF...in 1985, when I was commander of the Forces. We concluded the agreement with the help of Syria, and we intended it to close the chapter of war in Lebanon. But within a month Ja'ja' took over the LF and annulled the agreement. One aspect of the agreement he took exception to was that of privileged relations. Having rejected these in January, 1986, how can he now swallow them in January, 1991?

Does he no longer fear such relations, since they are provided for in the al-Ta'if Agreement? Not at all. The reason he wants one-third plus one of the appointments is so he can block privileged relations. He is taking a totally negative approach to this question, not one aimed at making peace.

[MONDAY MORNING] Many observers have cited sectarianism as a major flaw in Lebanon's constitutional system, but the al-Ta'if Agreement entrenches explicitly in the system. Isn't this a drawback in the Agreement?

[Hubayqah] It is true that the Agreement provides for a sectarian apportionment of government posts, as well as stating that the legislature is to be half Christian, half Muslim. These provisions however are to be temporary,

and whatever harmful effects they might have will be offset by the presence in the cabinet of elements which are secularist and in favor of wide change in the Lebanese system.

The al-Ta'if Agreement did not lay it down that confessionalism would remain part of Lebanese life indefinitely. The fact is that non-sectarian forces have been introduced into the cabinet, and will be introduced into Parliament and later into other spheres of public life. These forces will be effective and decisive and will lead to a Lebanon without a sectarian mentality. (Former Prime Minister) Dr. Salim al-Huss once said that our new Second Republic could be a stage of transition to a "Third Republic." The new cabinet envisages legislation which would gradually annul sectarianism until we eventually reach a non-confessional state in the strict sense of the word. This is what we are trying to reach.

[MONDAY MORNING] How many members of the cabinet are sincerely in favor of a secular Lebanese state?

[Hubayqah] I can name As'ad Hardan, Zahir al-Khatib, Michel al-Murr, 'Abdullah al-Amin, Sami al-Khatib, myself. There is definitely a significant school of thought in favor of progress towards a secular state. Among the steps we want to see taken is that of setting up the whole country as a single electoral district or constituency, in which candidates would stand as members of parties with ideological platforms. If Lebanon became a single constituency, the lines of sectarian political division, would gradually be eroded.

But our first goal today is to put an end to the war and to stabilize peace, after which we hope to begin the advance towards secularization of the State, to separate religion from politics.

[MONDAY MORNING] Returning to the subject of Samir Ja'ja', suppose he maintains his refusal to take up his cabinet seat, and suppose the Lebanese Forces refuses to disband. What then?

[Hubayqah] I can't say for certain, but I'll say this: If, at a time when most of the militias are committed to the principle of disbandment, one militia plays the maverick and refuses to go along with a government decree requiring them to disband, then it would have the same fate as that of General (Michel) 'Awn, who refused to abandon his mutiny and finally had to be overthrown by force. In such a case the government must take appropriate measures.

I am setting forth my own viewpoint, which I will put to a session of the cabinet, if the need arises. I believe there are a large number of ministers who think as I do. If the Lebanese Forces refuse to disband, no other militia can be allowed to make the same refusal, using the logic of fear as a pretext. If we or other militias are ever the target of an attack by the Lebanese Forces, we will not hit back, we will let the Lebanese Army do that for us. If we take casualties and lose positions, it will not be for us to riposte. Weapons and their use must be solely in the

hands of the legitimate authorities, not in the hands of sectarian and factional paramilitary organizations.

[MONDAY MORNING] Surely the Lebanese Army is not yet prepared to confront such an attack. Is it able to deliver an effective "riposte?"

[Hubayqah] There is a shield for the Lebanese Army, which is the Syrian Army. Just as the Syrian Army helped the Lebanese Army to suppress the 'Awn mutiny, so it can do likewise to put an end to a comparable act from some other quarter in order to carry out the will of the Lebanese government and enforce its laws.

[MONDAY MORNING] A deadline exists, I believe, by which the militias must have been dissolved. Is the deadline March of this year, or June? There seems to be some doubt on this point.

[Hubayqah] The deadline is March, as the cabinet of Mr Karami's predecessor, Dr. (Salim) al-Huss, decided. In my opinion, this gives the paramilitaries enough time to take whatever steps are necessary to comply with the government's decision. We cannot leave the matter open-ended; there must be a deadline, and the deadline laid down is a reasonable one.

[MONDAY MORNING] Members of your militia have been accused of carrying out attacks on members of the Phalangist Party and on premises of that party in the days following 'Awn's overthrow, when members of pro-Syrian militias broke into the (mainly-Christian) "eastern region." How do you respond to such allegations?

[Hubayqah] I reject them out of hand. They are false and without foundation. It is true that the Lebanese Army arrested certain members of my party who were accused of committed attacks. They were innocent. I did not intervene, but left the matter in the hands of the judicial authorities. The attacks in question were carried out by members of the Lebanese Forces.

[MONDAY MORNING] The LF have been accused of continuing to have relations with Israel, as they have had over many years. Are these accusations true?

[Hubayqah] I have reliable information to the effect that relations between the Forces and Israel are continuing at a high level.

[MONDAY MORNING] Do you think the Forces are sincere in their protestations that they want good relations with Syria?

[Hubayqah] I don't think they are really serious in wanting to have strong and firm relations. Their talks with Syrian officials are only maneuvers, I believe, to gain time and ease their position.

[MONDAY MORNING] Your statements imply that you don't think the war in Lebanon is necessarily at an end....

[Hubayqah] There is Arab and international accord in support of the al-Ta'if Agreement and in support of ending the war. I believe we should do all we can to advance the peace process.

[MONDAY MORNING] How much danger might a war in the Gulf pose to Lebanon?

[Hubayqah] I don't think the war will pose a danger to Lebanon in the security sense. Having said that, I'm not sure that the Lebanese Forces might not take advantage of the crisis, of the way it will distract various governments, such as Syria, to attack the Matn district, which is now under the control of the Lebanese Army, in order to regain their old positions there.

Muhammad Husayn Fadlallah Interviewed

91AE0304H Beirut MONDAY MORNING in English
21-27 Jan 91 pp 10-14

[Interview with Muhammad Husayn Fadlallah by Nadim Abu-Ghannam and Amal Fadlallah: "Look for the American Hand"; date and place not given; first three paragraphs are MONDAY MORNING introduction]

[Excerpt]

[Boxed item]

There was hope, following the deployment of the Army throughout the Beirut region late last year in accordance with the Greater Beirut security plan, that the Army would soon be able to deploy in the Iqlim-al-Tuffah region, southeast of Sidon, which for many months was the scene of fierce clashes between the two chief Shiite militias, Amal and Hizballah. Such a deployment in the Iqlim, it was fondly hoped, might be the first step to an Army takeover of the whole of South Lebanon, from which it has been absent since the outbreak of the civil war in 1975.

Pessimists, however, pointed out that Israel has for years stated that it would not allow the Lebanese Army to take over South Lebanon, which it regards as a buffer zone protecting its northern border against guerrilla attacks. Israel had prevented Army deployment in the South in 1977 and 1983, they said, and it would certainly do so again, as indeed official spokesmen in Israel have repeatedly stated.

Since the turn of the year little or nothing has been heard of a Lebanese Army presence in the Iqlim or anywhere else in the South. We asked Sayyid Muhammad Husayn Fadlallah, a senior Shiite cleric close to fundamentalist circles in Lebanon, whether the matter had now been frozen, and what progress had been made in applying the Damascus Agreement of last November which ended the Amal-Hizballah fighting. [passage omitted]

Here is a translation of the interview:

[MONDAY MORNING] Is it appropriate to call the new cabinet of 'Umar Karami a government of national salvation and reconciliation?

[Fadlallah] If we are discussing the form, then this cabinet might be so described but if we go into the matter, we will find that the actuality of the Lebanese conflict is much greater than the symbols used to represent it.

On the Lebanese scene there are various political orientations on the Islamic and Christian levels, and their proponents have a wider view and a larger base than those of mere parties or militias.

We wonder whether it is sufficient, while talking of national reconciliation, that one party should be in control of many regions and become part of the reconciliation process, while another party which has a wide base but lacks arms, cannot participate? What we mean by reconciliation is not that of the guns with each other, because we know that these weapons do not possess any political identity. Reconciliation represents a wide reality which intersects with a number of regional and international data. Throughout the Lebanese war there have been "headlines" in terms of which the struggle was presented. One of these is the "Muslim-Christian conflict," and we have seen the other tendencies trying to conceal themselves in the "interstices" of this conflict. One has to go behind the headlines and penetrate the complex reality.

If the Lebanese want to reconcile, they should define the nature of Christian society and of Muslim society in Lebanon, the contours of Christianity and of Islam in this country. To what extent are Muslims divided from Christians? On what issues can they find true and lasting common ground?

If the militias are reconciled, it amounts to nothing more than an outward show, as we shall see when the time comes when a particular minister tries to have a decision taken, which however is obstructed by his colleagues with their visible and invisible guns. Indeed, no decision of the cabinet which does not have the support of all the militia chieftains is likely to ever be enforced. The presence and power of the militias will continue to be felt.

This is why I don't think the issue is at all as simple as it is made out to be. I believe that Lebanon is still living in the mentality of merely "decorative" politics. The crisis is deep, and there is no way of moving it quickly towards a breakthrough or a settlement. Matters in Lebanon must always be in harmony with the international climate, where the stress is on freezing the issues and avoiding tension which might distract attention from the Gulf crisis.

We may gauge something of the atmosphere by reading the speeches made by our politicians. Have you read any speech in which the speaker discusses the nature of the issues on which reconciliation is to be achieved? Is there

a serious discussion of the way the South is to be freed from Israeli occupation, apart from the repetition of rhetorical phrases we have heard ever since, years ago, Israel occupied the South? When they discuss the Lebanese Resistance in the South, they like to do so in grandiose, abstract manner, full of high-flown phrases. But when it comes to dealing with the concrete realities of the situation in the South, we hear only of "the security of the citizens" and of American and Israeli reservations.

The Resistance is one of the basic issues in Lebanese life, on both the internal and external levels. But instead of a serious discussion of its implications, we hear of the maneuvers around the appointment of such and such an official in this or that ministry. Is the appointment due to the person's qualifications, or was he appointed just because he happened to be of this or that sect, or was related to such and such a personality? Sect is of great importance, since the al-Ta'if Agreement has given the confessional system a new depth.

I believe that the present phase is one in which the Lebanese have been given the idea that something new has been created, in a bid to keep them quiet, as one might give a child a new toy to play with.

[MONDAY MORNING] Has the Lebanese civil war really ended, as many believe?

[Fadlallah] Did the civil war start because of the will of the Lebanese? It is important to realize that the one who ignited the war in the past can do so again later on. What should be taken into consideration is the fact that the Lebanese have truly reached a stage of mutiny against anyone who wants to wage war in their territory, because they have discovered the secret of the basic relation among them. Or is the policy of domination by one party against another still alive in the mentality of the Lebanese? Some intellectuals declare that certain people have in their personality a tendency towards domination and attract others so they dominate them. Can we say about the Lebanese that they have in their personality a tendency to strife, so they attract others to agitate strife within them? The Lebanese are not able to crystallize their conflicts in a manner that will lead to a dialogue instead of creating strife. I believe that war in Lebanon did not start by an act of State, but by those who wished evil for Lebanon, the only country in the region with any aspect of democracy. We passed through an atmosphere of reconciliation after the war in 1958, and also had a foretaste of the 15-years struggle in the early seventies. But why did war break out when it did in 1975? I hope with all my heart that the Lebanese have learnt a lesson from their wounds, and from the disaster that has befallen their economy.

I hope they have also learned that strife solves nothing and will achieve nothing for any party. War can achieve nothing for Islam in its highest expression, not for Christianity in its highest expression.

I warn the Lebanese to beware of extremism or absolutism in politics, where there is nothing absolute. In politics there are lines which cross and recross, and which cannot be unravelled without a surgical operation.

[MONDAY MORNING] So the Lebanon conflict has not really ended....

[Fadlallah] I do not speak about new indications. But I discuss a condition which many forces are working to shape. The present international climate is not one which will allow the settlement of problems through wars. But there are looming question-marks. For example, what about the Palestinian Resistance, which protects the Palestinian people from Israel. What about Arab contradictions over the Palestinian question? What about the position of the United States, which has plans for the region, and which has ways of dealing with opposition? What of the Gulf crisis? We know that, although some Arab states have sided with the U.S., they nevertheless have many differences with Washington.

But despite these weighty matters, the Lebanese go on, like big children, amusing themselves with squabbles about the rights of Shiites, Druze, Greek Catholics, Maronites, and even Armenians. I don't want to paint too dim a picture, but we in Lebanon seem to have a talent for obfuscating.

[MONDAY MORNING] Late last year one heard a great deal about the possibility that the Lebanese Army might deploy in the Iqlim-al-Tuffah and perhaps elsewhere in South Lebanon. Has this deployment now been put off or "frozen?" And what progress has been made in applying the Damascus Agreement between Amal and Hizballah?

[Fadlallah] Always look for the American hand. The Damascus Agreement was on the way to being implemented until U.S. contacts started on the ground through the American ambassador. The reason for the delay is that the issue of the South is not one on which Washington has arrived at a clear conception. This is because the U.S. wants to fit this issue into the framework of the whole Lebanon question. The (Syrian and Israeli) withdrawals are linked to each other, and Israel still considers South Lebanon a political card which it needs for any coming talks on the Golan Heights the West Bank, and "adjustment" of its frontier with Lebanon. The U.S. is unwilling to deprive Israel of any or its cards in advance of forthcoming negotiations with the Arabs.

It may be that the Lebanese Army is ready to deploy in the Iqlim-al-Tuffah, and this may indicate to the United Nations that the Army will soon be ready to patrol the whole of the South and patrol the frontier with Israel, which would in turn indicate that the time had come to apply Security Council Resolution 425. But this is against America's will, because it does not want to embarrass Israel. This explains why the delegation of the Arab tripartite commission on Lebanon was warned that the commission members—Algeria, Morocco and Saudi

Arabia—must not press for application of Resolution 425, or else America would withdraw its support for the commission's work. Of course, when it was bruited in the Lebanese press that the U.S. had "reservations" about a deployment in the Iqlim-al-Tuffah or the rest of the South by the Army, there was an official State Department denial that such reservations existed. But we have become accustomed to seeing such denials as a form of confirmation.

So we can discern that a moment may come for Resolution 425 to be implemented, but this must await "the proper time," like application of Resolutions 242 and 338. And we can see that implementation of these is certainly not likely in the foreseeable future.

It is a fact that America continues to strive to frustrate our aspirations to build our own future in dignity, sovereignty and independence.

[MONDAY MORNING] America seems to be speaking with two voices on Lebanon. Officials in the State Department take one stance, which is belied by the actions of their ambassador on the spot.

[Fadlallah] Since the beginning of the Lebanese crisis, America has never spoken with one voice to all parties. When in 1976 (U.S. emissary) Dean Brown came here to mediate in the crisis, he conferred with Kamal Junblatt, Camille Chamoun and Pierre Gemayel. But he made different statements to each one of them.

America's Arab policies are not based on principle, but on manipulating the facts in such a way as to preserve its interests.

Political disintegration is continuing in Lebanon, for the benefit of America's interests.

[MONDAY MORNING] Can the Karami cabinet carry out application of the al-Ta'if Agreement? How far is the cabinet's policy statement a realistic one, do you think?

[Fadlallah] If we agree that the issue is one of getting out of our impasse, then projects like the Greater Beirut security plan would be an accurate picture of the situation as it is now developing. But no real settlement has been achieved. The militias might officially be "disbanded," but in actual fact they will only go to ground to give the impression that they are no longer a factor to be reckoned with. But if the situation deteriorates, they will be back again to grab the State by throat. No one knows when Lebanon will be reborn. When the Army is competently trained and properly equipped, then it will be able to make the authority of the State felt everywhere, but when will that be? At the moment the Army must go hat in hand for arms to Morocco or Algeria, or bankrupt Egypt. It seems that the intention is to maintain the militias in a stronger position than the Army.

[MONDAY MORNING] You are not optimistic about present conditions in this country. Do you still believe that Lebanon will emerge from its ordeal as a united and reinvigorated country?

[Fadlallah] I maintain what I have always said: Lebanon will not be partitioned and will not collapse. Another decade lies before us about which it is difficult to make predictions, but at the beginning of the 1990s we cannot deny that Lebanon is still in the phase of convulsions. But the time is coming when the country will regain its prosperity, however the Gulf crisis works out.

MOROCCO

Government Cuts Tourist Prices 50 Percent

91AA0234A London AL-SHARQ AL-AWSAT in Arabic
17 Feb 91 p 10

[Article: "Moroccan Government Cuts Tourist Prices 50 Percent and Tries To Encourage Tour Operators and Moroccan Tourists; Businessmen's Organizations Move To Stem 'Wave of Pessimism'; Palm Bay Postpones Its Tourist Investments"]

[Text] Rabat—AL-SHARQ AL-AWSAT Bureau—Moroccan authorities have decided to reduce Moroccan hotel rates by 50 percent and to increase contact with international tour operators in an immediate and urgent attempt to alleviate the stifling crisis faced by the Moroccan tourism sector as a consequence of the Gulf crisis. These authorities have added to these endeavors a number of steps intended to promote domestic tourism and to encourage more citizens of North Africa to spend their vacations in Morocco.

In this connection, Moroccan Tourism Minister Abdallah Kadiri has issued a decision reducing hotel rates for four-star and five-star hotels by 50 percent and restaurant meals by 25 percent. He said that this decision "will affect both Moroccans and foreigners staying in Morocco."

The Moroccan official has also said that a number of steps have been taken to encourage domestic tourism and to help the tourist sector surpass the difficult circumstances it is experiencing. He pointed out that these steps are especially embodied in loans to be granted by the Real Estate and Tourism Fund for the payment of this year's payable dues, in credit facilities advanced to investors in the tourist sector after a case-by-case study of each project, in examining the possibility of (acquiring) a loan from the International Financing Corporation, and in urging investors to invest in tourist installations compatible with the capabilities of Moroccan tourists.

The minister further pointed out that a number of concessions will be granted for tours organized by travel agents at a 50-percent reduction.

Kadiri also announced the creation of a Moroccan tourism commission in Algeria to encourage tourism from the Maghreb in particular. He added that tourist activity from the Maghreb has been significant recently, with 152,000 Arab Maghreb tourists visiting Morocco in

1990, i.e., with an increase of nearly 18.4 percent over 1989. Tourists from Europe decreased by 6.6 percent whereas tourists coming from the Arab Maghreb countries increased by 54.5 percent in the same year.

It is worth noting that bed occupancy in hotels located in the major tourist sites during the current month of January amounted to 145,000 nights, compared to 283,000 nights in January 1990, i.e., with a drop of 49 percent. Marrakech and Casablanca top the list of Moroccan cities harmed by this slump.

Kadiri has denied what is being rumored about laying off a number of tourist sector employees, stressing that work at hotels is following its normal course and that the owners of these foundations have pledged not to take any steps at the present time. But the minister noted that continuation of the Gulf war may lead to austerity measures. He said that some temporary employees may be laid off while waiting for the situation to relax.

An official of Palm Bay Corporation for Tourist Investments has pointed out that the current crisis will delay for a time the start of implementation of the major tourist projects included in the corporation's investment plan but it will not lead to canceling any projects or reducing the investment volume. The official tried to belittle the significance of the link between the delay and the Gulf crisis which he described as "temporary." He added that in comparison with ordinary circumstances, investment activity will cost less and the crisis will help businessmen to get rid of the redtape of daily work and to consider long-range plans for reorganizing the conditions, methods of work, and management of their foundations. It has been learned from sources close to (LIWA), a UAE corporation in Morocco which purchased a number of Moroccan hotels two years ago, that the corporation is thinking of exploiting the crisis conditions to accelerate the reorganization of these hotels in a manner compatible with the new tendency of international tourism, namely tourism of the elite, and in order to take advantage of the big potential made available by this tendency, especially since LIWA had pledged to enter this field of tourism when it purchased the Moroccan hotels.

Meanwhile, Moroccan businessmen's circles have moved recently to boost morale and to alleviate the "wave of pessimism" that dominates some economic sectors as a result of the recessionary ramifications of the Gulf crisis. Sources in some of these circles have said that despite the big losses suffered by many of Morocco's economic sectors, the "national economy's structure is capable of absorbing and overcoming the crisis that may last a long time."

A group of Moroccan businessmen have expressed this opinion in discussions AL-SHARQ AL-AWSAT held with them to determine the difficulties being encountered by some sectors of the Moroccan economy, especially the tourism and export sectors. These businessmen

have said that the crisis "will help the economic institutions streamline their conditions, become more careful, and reduce fruitless spending."

In this regard, an official of the Moroccan-Spanish Service Corporation which was founded a few months before the start of the Gulf crisis has stated that his foundation's contacts with Spanish partners and investors have shown that they have no doubts regarding future cooperation. Moreover, "our discussions," says the official, "have resulted in reassessing the available resources and the plans to embark on new projects in the areas of tourism, electricity, and agro-industry." The official added that discussions are currently underway on arrangements to set up three corporations with joint capital coming from Moroccan and Spanish businessmen.

Furthermore, a number of Moroccan people in the export industry have made contacts with their European partners on requests concerning [the output of] the ready-made clothing industry for the remaining part of this year. It is likely, according to sources of the Moroccan Exports Association in Casablanca, that some difficulties connected with leather clothing will be overcome on the basis of new arrangements with European partners to guarantee that factories continue to operate, even if at partial capacity, next fall and winter while waiting for the Gulf war, which has affected the Moroccan clothing industry, to end.

At another level, an official of the National Youth and Future Council, which is entrusted with examining outlets for employing the unemployed, especially unemployed university graduates, has appealed to businessmen to make efforts to invest and create jobs. He said that the current circumstances are "propitious for investment" because foundations that invest under difficult circumstances are always the ones that accomplish better results when such circumstances end. "The official cited as an example the conduct of European businessmen during World War I and World War II.

The initial results of a survey conducted by the National Youth and Future Council on work and employment conditions in Morocco show that the industry, construction, agriculture, and conventional industry sectors need more labor and are more capable of providing work opportunities.

Abderrahman Bennani (Semiras), chairman of the Moroccan Economic Confederation, has warned in press statements against excessive pessimism, pointing out that businessmen have submitted to the government a number of proposals on restructuring the national economy.

Port Activity Up 9.8 Percent in 1990

*91AA0226A Casablanca LA VIE ECONOMIQUE
in French 18 Jan 91 p 15*

[Article: "Strong Recovery in Port Activity Linked to Phosphates"]

[Text] Total tonnage of merchandise entering or leaving Moroccan ports was 37,855,012 in 1990, compared to 34,484,612 in 1989—a 9.8-percent increase. An examination of the statistics shows imports increased 18.6 percent while exports increased 3 percent. It will also be noted that entries (17,797,175 tons) accounted for 47 percent of total volume, compared to 43.5 percent in 1989.

Analysis of the traffic leads to the following observations:

Phosphate-related port activity made a strong comeback:

- Exports of phosphoric acid totaled 2,007,724 tons, a 116.8-percent increase;
- Sulfur imports were up 212.5 percent, increasing from 907,228 to 2,835,224 tons;
- There was a 29-percent increase in imports of ammoniac, from 363,126 tons in 1989 to 468,289 tons in 1990;
- Bulk imports of TSP [expansion not given] increased 34.1 percent, from 446,622 to 599,135 tons.

Some 8,017,376 tons of hydrocarbons moved through the ports, compared to 7,559,039 tons in 1989, a 6.1-percent increase. It should be noted that crude oil imports were up 4 percent from the previous year.

In other categories, we must call particular attention to the decline of traffic in citrus and early vegetables; though the decrease varied from port to port and crop to crop, the total was down from 773,613 tons in 1989 to 677,214 in 1990.

Traffic in coal and phosphate declined 9.2 and 6.8 percent, respectively.

The decline in phosphate exports was particularly dramatic at the port of Jorf Lasfar.

Growth continues in containers (15.8 percent) and "TIR" [expansion not given] (22.5 percent).

In the container category, imports increased much more than exports (19.1 percent compared to 10.3 percent). Some 119,988 containers were handled compared to 102,700 in 1989, a 16.8-percent increase.

Passenger traffic through the port of Tangiers increased 4.3 percent over 1989—1,179,500 versus 1,131,338 passengers.

This traffic was divided as follows:

- 489,077 entering passengers—down 3.9 percent;
- 649,468 departing passengers—up 9.5 percent;
- 40,955 cruise passengers—up 38.1 percent.

In examining the distribution of total traffic by ports, it should be noted that Casablanca's share continues to decline year after year (49 percent in 1987, 43.5 percent in 1989, and 42.3 percent in 1990). Jorf Lasfar with a 14.9-percent share has now moved into third place, just

behind Casablanca and Mohammedia, due to the increase in phosphate-related activity.

SAUDI ARABIA

Companies Plan Share in Kuwaiti Reconstruction

91AE0282A London AL-SHARQ AL-AWSAT in Arabic
24 Feb 91 p 10

[Article by Hani Naqshabandi]

[Text] Eastern Region—Saudi companies are getting ready to compete with international companies to win an important share of contracts for projects to rebuild Kuwait. They are relying on several advantages, the most important being Saudi Arabia's geographical proximity to Kuwait, the correspondence between Kuwaiti needs and their capabilities, the similarity of Gulf projects, and their previous related experience. Saudi companies expect the cost of reconstruction to be in the tens of billions of dollars, and they are planning to win 30 percent of these contracts.

Saudi companies have for a while been studying Kuwait's reconstruction needs and the correspondence between these needs and Saudi market output. Among the companies operating in this field is the Saudi International Information and Commercial Services Company.

Muhammad al-Shamari, the company's executive director, emphasizes that a Saudi study has been undertaken to ascertain the post-liberation needs of Kuwait's market and their correspondence with products available in the Saudi market. This matching requires holding contacts with Kuwaiti officials and businessmen to determine the types of services and goods they need, and contacts with small, medium, and large Saudi companies to obtain information on their ability to provide the Kuwaiti market's current needs. The information will then be exchanged between the Kuwaiti government and Kuwaiti businessmen on the one hand and Saudi businessmen on the other hand.

Al-Shamari stated that measures for such a plan have been under way since last December, when the United Nations issued Resolution 678, which gave the Iraqi regime until 15 January to withdraw from Kuwait.

Saudi companies are continuing to draft a plan regarding their share in Kuwait's reconstruction. The plan will reportedly be completed on 15 March 1991.

Work on the plan is being carried out in cooperation with the Saudi chambers of commerce. A number of committees concerned with reconstruction were formed some time ago in the chambers.

The Saudi International Information and Commercial Services Company serves as a link between the companies and private sectors of Saudi Arabia and Kuwait. It performs this function with the help of its information

collecting experience and its relations with more than 10,000 companies inside Saudi Arabia.

Al-Shamari stated that initial estimates indicate that the Kuwaiti Government will spend \$5 billion on reconstruction in the first two months following liberation, of which the share of Saudi companies will be an estimated \$1.5 billion (30 percent); of that amount, \$300 million will be allocated to large companies and nearly \$400 million to small and medium companies in the first month. In this case, reconstruction priorities will be examined. The list of priorities includes food, then medical facilities and equipment, and so on. The Saudi companies will be asked initially to tender their stocks, followed by their productive capacity regarding the Kuwaiti market's subsequent needs.

B. Rajan, the information company's marketing director, stated that Saudi Arabia's geographical proximity to Kuwait will play a large role in facilitating exports and supplying the Kuwaiti market's needs. Also, the high productive capacity of many Saudi factories and companies will play a role in determining priorities and the ability to supply all needs.

Regarding the response the company has so far received from the concerned parties, al-Shamari—referring to contacts with several Kuwaiti Government officials, including Ibrahim al-Shahin, a former Kuwaiti housing minister and the official in charge of rebuilding Kuwait—stated that the response has been positive, and that the Kuwaiti official requested a proposal for a plan. Also, Kuwaiti businessmen who were contacted expressed a desire to cooperate in connection with this reconstruction plan. Al-Shamari added that contacts were also held with Saudi companies and businessmen, and that they, especially the large companies, responded positively about sharing in reconstruction according to their available capabilities.

The cost will be financed and covered through a Saudi intermediary who will insure [ta'min] the capital of Saudi companies and their earnings on goods sold to Kuwait.

The Saudi International Information and Commercial Services Company will obtain its fees through importers who order information services from the company.

INDIA

Cultural Agreement With India Reached

91AF0803Z Windhoek *TIMES OF NAMIBIA*
in English 28 Jan 91 p 5

[Text] The ministry of education and the government of India signed a cultural agreement on Friday.

Deputy Minister Buddy Wentworth thanked the people and the government of India for their support for Namibia. He stated that the cultural agreement would provide further avenues of cooperation in a number of areas.

Under this agreement the two sides shall facilitate and encourage cooperation in a variety of fields including art and culture, education, public health, mass media, sport and journalism.

However, it was confirmed that the cultural exchange programme will be drawn up under the overall agreement for its implementation.

Mr Shir Shankara Mukherjee, Indian High Commission to Namibia said that the cultural agreement was really an avenue for development of relations between the two countries, which was of great importance as relations should not be confined to the diplomatic realm.

Reportage on Janata Dal Convention

Executive Committee Meets

91AS0684A Madras *THE HINDU* in English
9 Feb 91 p 9

[Text] Puri, Feb. 8—Even as a rumour that the Janata Dal was on the verge of yet another split did the rounds at the party's first national convention which began at Puri today, there were clear indications that the hold of the former Prime Minister, Mr. V.P. Singh on the Dal had become stronger than before. [sentence as published]

The rumour was set off by the failure of three of Mr. Singh's erstwhile Jan Morcha colleagues—Mr. Arun Nehru, Mr. Arif Mohammed Khan and Mr. Satyapal Mallik—to make it to the first convention which is being held 28 months after the party was born. These three Jan Morcha stalwarts have been for some time giving vent in private to their differences with Mr. Singh and have also called for some kind of national reconciliation.

While the absence of Mr. Nehru, Mr. Khan and Mr. Mallik caused some discomfiture to the other Janata Dal leaders, it is unlikely that this will deter them from going ahead with the restructuring of the Dal's organisational set-up.

Mr. Singh has mooted the idea of creating a politburo—a favourite expression with the Marxists—possibly in order to bring the Dal closer to its allies, the CPI(M) [Communist Party of India-Marxist] and other Left parties.

The executive's deliberations were over-shadowed by lengthy speeches by the Janata Dal president, Mr. S.R. Bommai, Mr. V.P. Singh and the Orissa Chief Minister, Mr. Biju Patnaik.

Most of what Mr. Bommai and Mr. Singh said was a recapitulation of the events of the past few months but there were straws in the wind. Both of them asked the members of the executive to ponder over the need for a fresh Lok Sabha election before long. The stress on the Lok Sabha elections was obviously intended to prepare the party members in the lower house of Parliament to the inevitability of a snap poll.

In their effort to persuade the executive members about the advantages of a general election in the near future, Mr. Singh and Mr. Bommai received unqualified support from Mr. Patnaik.

The manner in which the Janata Dal spokesman, Mr. S. Jaipal Reddy shared with correspondents the main parts in the speeches made by Mr. Singh, Mr. Bommai and Mr. Patnaik at the inaugural meeting of the executive indicated that Mr. Singh was quite optimistic that the Mandal card would pay ample dividends.

Mr. Singh not only drove home the point that his Government had done all it could to give a fair deal to weaker sections but also said the Dal's commitment to weaker sections should be reflected in the composition of the party hierarchy. The weaker sections should have adequate representation in key offices in the party.

Mr. Bommai also talked about the restructuring of the party setup. The posts of Chairman of Parliamentary Board and Secretary General vacant now, have acquired fresh importance now that the Janata Dal is once again girding up its loins for the hustings. If the indication given by Mr. Singh is any guide both these positions are likely to go to members of the weaker sections.

The national executive spent a good deal of time today discussing the war in the Gulf and its impact on India and the economic scenario in general. The resolutions would be released tomorrow.

Political Affairs Committee

91AS0684B Madras *THE HINDU* in English
9 Feb 91 p 9

[Text] Puri, Feb. 8—The Political Affairs Committee (PAC) of the Janata Dal [JD] met for a little over two hours here this morning with as many as six of the 14 members absent. Mr. Arun Nehru, among those who did not attend the PAC meeting, is also not expected to participate in the three-day convention which started today.

Dal spokesman, Mr. Jaipal Reddy, briefing presspersons after the PAC meeting said there were no differences among the Dal leaders. He said Mr. Nehru had some family function and therefore could not make it to the convention. Mr. Ajit Singh and Mr. George Fernandes

would be arriving in time to attend the national executive meeting, while Mr. I.K. Gujral and Mr. Ram Vilas Paswan were expected to arrive tomorrow. Mr. Reddy did not know why the other member of the PAC, Mr. Upendranath Brahma did not attend.

The PAC considered two draft resolutions and they would be taken up at the national executive meeting. While one resolution dealt with the political situation the other was on the economic situation.

Mr. Reddy said as time was limited, the PAC could not discuss the international crisis. But it would be taken up for discussion by the national executive.

Senior Dal member, Mr. Arif Mohammed Khan did not attend the meeting and when asked about his absence, Mr. Reddy said he had no information.

The venue of the meeting was a scene of utter confusion and blows were exchanged among the Dal workers. The Orissa Chief Minister had to shout at the party workers to restore order.

Mr. Patnaik had said that the national convention would be held with austerity and only the minimum number of vehicles would be used but he was proved wrong as the holy city was flooded with vehicles.

No crack: The Janata Dal President, Mr. S.R. Bommai, today asserted that there was crack in the party and they were ready to face election any time.

Talking to presspersons this morning, he said the National Front and left party combine was a new political polarisation and emerging as a major force.

Replying to questions he said the holding of elections depended on Mr. Rajiv Gandhi. "He is the master of the Government and is terribly scared to face the people."

He said the national convention of the Dal had nothing to do with preparation for election.

He criticised the JD(S) Government for its failures and said it was a disaster in all spheres. According to him, the Prime Minister, Mr. Chandra Shekhar's meeting with the arms dealer, Mr. Adnan Khashoggi had brought down the prestige of the PM's Office and that of the country.

Bommai's Presidential Address

91AS0684C Madras THE HINDU in English
10 Feb 91 p 2

[Text] Puri, Feb. 9—The Janata Dal President, Mr. S.R. Bommai, said here today that the BJP [Bharatiya Janata Party] and rightist forces were posing a danger to the integrity and progress of the country. He accused the Congress of destroying the democratic fabric of the country by following unprincipled policies for narrow political gains.

Mr. Bommai charged the BJP with whipping up communal frenzy on the Ram Janmabhumi-Babri Masjid dispute and sabotaging Government efforts to solve the issue.

In his presidential address at the party's annual convention, he alleged that the BJP, which got 86 seats in the present Lok Sabha, due to the anti-Congress(I) wave and liberal seat adjustment agreed upon by the Janata Dal, wanted to enlarge its base by changing its stand on the Ahodhya issue, on which the National Front Government chose to quit office. "I believe that October 22, when the Janata Dal Government decided to arrest Mr. L.K. Advani knowing fully well that the BJP would withdraw its support, was our Government's finest hour."

BJP stands exposed: Pointing to reports that compared the exit of the National Front Government with that of the Janata Government in 1979 he said the National Front Government was a minority Government which was not the case with the Janata Government. "Our Government fell because the BJP went back on its promise and withdrew its support. The Janata Government fell because of the split in the party. But our Government did not fall. We chose to go out of office rather than compromise with the BJP on a matter that involved the sanctity of the Constitution and enforcement of rule of law," he said. The BJP now stood exposed, isolated and condemned by the people. "Our trusted colleagues stabbed us in the back."

The Chandra Shekhar Government, he said, was ruling the country without a mandate, legitimacy and credibility. The feeling that the party would be in power only for a short while was prompting it to undermine all cherished values for its short-term gains as well as that of its mentor—the Congress(I). He felt that all this was taking the country to a point where its unity, integrity and sovereignty were threatened.

On political developments after the fall of the National Front Government, he said the basic line of conflict in the country's politics had changed and a new political polarisation was taking place. "We are witnessing the emergence of progressive, democratic, and secular forces under the National Front-Left alliance against the Congress(I)-BJP-Chandra Shekhar led status quo oriented, anti-people forces.

"The coming electoral battle will be on the issues of secularism, social justice, economic justice, democracy and decentralisation. The days of parties coming together on the plank of anti-Congress have gone. There can be no compromise on principles in these issues but it is not our intention to sharpen rifts and create rivalries and bitterness.

"Our aim is to take every one forward together in a spirit of unity, taking into account the legitimate needs and demands of the poor and the marginalised." Mr. Bommai appealed to the delegates to carry the message of social justice, secularism and power to the people.

The Janata Dal, during its regime, restored the fiscal, administrative and political autonomy of the States and decentralisation of power. "Our most important commitment was to the poor in general and to the Harijans and Adivasis and backward classes in particular. We promised to give them not just a better share in the benefits of development, but social justice. We promised above all to give them a share in decision making.

"The goal of the Janata Dal was to give the people what they had been seeking since Independence—a democratic centerist alternative to the Congress. I am glad to be able to report to you that despite our having been in power for only 11 months, we were able to live up to our promises in a larger measure. Some of the tasks we began remain incomplete. Others may not get the necessary follow up from the present Government. But no future Government can deviate from the course that we have charted," he said.

Necessary step: On the implementation of the Mandal Commission, which had sparked violent agitations in the country, he said on August 7 the National Front Government announced the reservation of 27 percent of the civil posts in Central Government and the public sector undertakings for the socially and educationally backward classes. It declared its intention to reserve an additional 5 to 10 percent of jobs for the poor of the forward castes. He, however, added that he was convinced that this was a necessary step not only on grounds of justice but also to knit the country more closely together by giving every one a share in power. This step had to be taken as the Congress violated with impunity for 40 years the constitutional mandate to improve the lot of the poor and oppressed.

Referring to foreign policy he said the National Front Government took over at a time when India's reputation as a good neighbour was at its lowest ebb and improving relations with the neighbours was given first priority in the National Front manifesto. However, within six months of the National Front Government coming to power, the country's relations with all neighbours except Pakistan were normalised. This enhanced the nation's international status.

Stand on Gulf war: In this context, he mentioned Mr. V.P. Singh's visit to the Soviet Union and the efforts made by the National Front Government to defuse the situation in the Gulf as a leading member of the non-aligned movement (NAM) and evacuation of Indians from Kuwait. He asserted that while his party favoured vacation of Kuwait by Iraqi forces, it also felt that the Israeli occupation of other countries and the problem of Palestine should not be overlooked. He argued for peaceful and amicable settlement of all West Asian issues.

On the Gulf war he said that this could have far-reaching impact on the country particularly when there were threats of the war turning into nuclear and bacteriological war. "It is in our interest that the world is saved from

a holocaust and all efforts must be made to stop the war immediately and all issues concerning West Asia should be settled peacefully under the auspices of the U.N."

About the party's plans, he said it was regrettable that despite best efforts it had not been able to build a sound structure so far because of the fact that before it was one year old the party had to concentrate on general elections. After that leaders attention was diverted to governance of the country and then there were dissensions. He said he was determined to complete the task of party building by the year end with an active cadre of 25 lakhs—five party activists working in each polling booth. For this, an enrolment drive would be launched immediately and efforts would be made to have elected party units at all levels. He hinted at holding training camps, forming study circles and seminars for the partymen.

V.P. Singh Speaks

91AS0684D New Delhi PATRIOT in English
11 Feb 91 p 1

[Quotation marks as published]

[Text] Salabeg Nagar (Puri), Feb 10 (UNI)—Janata Dal leader V.P. Singh today identified the Bharatiya Janata Party [BJP] as the number one political adversary and made a series of proposals that electrified the party's national convention.

Addressing the two-day convention on the concluding day, he proposed an 'income ceiling' for being eligible for party posts and application of the one-man-one-post principle in the party.

He also wanted that 60 percent appointments by the party hierarchy going to weaker sections, backward classes and minorities be made compulsory and grass-root workers be given preference in the organisational set up.

Thunderous applause greeted each proposal by Mr Singh and the 10,000 odd delegates rose on their feet, demanding their instant acceptance.

Outlining his political thinking Mr Singh said there was need for "two centrist alternatives" in the country, one of them was the Congress and the other could be the Janata Dal-National Front-Left front combine.

But, the BJP should be neither the number one or number two political force and must be kept out of power as well as the opposition, he said.

The vocal pressure for acceptance of Mr Singh's proposals was so intense that party president S.R. Bommai on the spot announced appointment of a seven-member committee headed by Mr. R.K. Hegde to go into them.

Another prompt response came from Orissa Chief Minister Biju Patnaik, who resigned as president of the State party unit. Mr Bommai announced appointment of Mr Ashok Das as his successor.

The convention was marked by the party's demand for an immediate Lok Sabha poll, its confidence in returning to power at the Centre in concert with its National Front and Left allies, and reaffirmation of the party's commitment to "social justice" and secularism.

It was abundantly clear from the political resolution adopted today after a two-day discussion and speeches made at the convention that the party is seeking polarisation of such political and social forces as might make its bid for power easier.

It was also certain that the party would bank heavily on mobilising the backward classes and Muslims on its side on the Mandal report and Ayodhya temple issues.

The convention adopted five resolutions on political, economic, and international situations and on social justice and the price rise.

The resolution on the international situation, moved by former Minister of State for External Affairs Hari Kishore Singh deplored the permission given for refueling of U.S. aircraft and asked the Government to stop the facility immediately.

It also took the 'Congress backed' Chandra Shekhar Government to task for what it called delinking the Palestine situation from Iraq's pullout from Kuwait.

The resolution on social justice, moved by former Labour Minister Ram Vilas Paswan demanded that the process of implementing the Mandal Commission report started by the National Front Government must be completed speedily.

It said the states where the lists of backward classes did not exist must compile them and provide job reservation to the concerned classes.

Orissa Janata Dal leader Srikanta Jena said the implementation of the Mandal report be taken up in his state 'first', since it had a large backward class population.

It was the first convention of the Janata Dal after the split and the second after its founding in Bangalore in 1988.

Resolutions Reported

91AS0684E Calcutta *THE TELEGRAPH* in English
10 Feb 91 p 7

[Text] Puri, Feb. 9—The Janata Dal has called for an early general election saying it is the "only way out" of the present political situation.

Calling for the elections, the party's political resolution, which was moved at the national convention today, said, "The party has to fashion itself into a people's instrument for radical social transformation and for building it on the vision of freedom, equality and fraternity bequeathed to the nation by the founding fathers of our republic."

The Dal national executive member, Mr Surendra Mohan, who briefed the Press, said the focus was on turning the party into a radical organisation that would strive for radical social changes.

The political resolution, moved by Mr Ramakrishna Hegde, called upon partymen to launch mass agitations jointly with the other National Front partners and the Left parties against "back-tracking by the (Janata Dal-S) government, the Congress(I) and the BJP [Bharatiya Janata Party] on the Mandal Commission recommendations and against the government's failure to stop atrocities on Scheduled Castes and Scheduled Tribes."

The resolution called for an other [as published] agitation against "surrender by the Janata Dal(S) and the Congress(I) to communal elements and the BJP's persistent attempts to communalise the situation to the utmost, and for strengthening the unity of all secular forces against communalism."

It demanded that Parliament pass the Panchayati Raj Bill, the Electoral Reforms Bill, the Reform of the Judiciary Bill and Workers Participation in Management Bill which were introduced by the National Front government.

The resolution said the Dal had, during its "turbulent times," strengthened ties with National Front partners and also received full cooperation from the Left. This maturing alliance, of lift [as published] and democratic forces had already achieved a "great victory" in the recent local elections in Kerala. The allies now would launch vigorous efforts for socio-economic transformation towards an egalitarian society, the resolution said.

Petroleum surcharge: In the draft economic resolution, the Dal demanded reduction in the Gulf surcharge on petroleum products in view of the international oil prices falling to "pre-crisis" level, add agencies.

Charging the Chandra Shekhar government with failing to check inflation, the resolution said it could not take shelter behind the Gulf war to explain the price spiral. It said under the pretext of the war, hoarders were reaping profits.

It also demanded elimination of corruption in high places and formulation of a comprehensive national policy on wages, incomes and wealth. The resolution urged for enactment of a Lok Pal Bill for prevention of corruption in high places.

Committees Appointed

91AS0684F Calcutta *THE TELEGRAPH* in English
11 Feb 91 p 4

[Article by S.P. Nanda: "Dal Confident of Sweeping Next Election"; quotation marks as published]

[Text] Puri, Feb. 10—The Janata Dal's three-day national convention ended here today with its leaders expressing "supreme confidence" about the party's

capacity to win the next elections by a convincing majority and return to power with the support of the National Front allies and Left parties.

The Dal considered the Congress(I) as its main electoral rival with the BJP [Bharatiya Janata Party] being "a poor third force." The Janata Dal(S) was dismissed by the party spokesman, Mr Jaipal Reddy, as a "negligible force."

Briefing newsmen, Mr Reddy said the political resolution of convention had given a "clarion call" for a fresh mandate through a mid-term election and had "sounded the bugle for the election battle."

The convention's message, Mr Reddy said, was for a "substantial share to the poor people and neglected social groups in political power. The party had renewed its commitment on such questions as the welfare of Harijans and tribals, a new deal to the other backward castes, the cause of a secular polity, a fair deal to farmers and an employment-oriented growth strategy," he said.

Asked when the Dal expected the next poll to take place, Mr Reddy said it was "inevitable in this calendar year."

The resolution on social justice moved by Mr Ram Vilas Paswan, called upon the states which had so far no lists of backward castes, to compile them urgently in order to provide reservations. Referring to Orissa, a Dal-ruled state, the resolution said the state, where such lists were available but reservations had not been made, should take speed up the implementation of quotas. [as published]

It wanted that all selection boards for government jobs must have one member each from the religious minorities Harijans and tribals. The draft of the law prepared by the National Front government for filling the backlog in reservations together with the provision that any 'dereliction of duty in this regard shall be made punishable by law,' should be presented before Parliament for adoption, the resolution demanded.

It said women must be provided 30 percent reservation in elections to the Panchayati Raj and municipal bodies. The resolution also called for an anti-riot force to control riots.

The Dal demanded that legislation be passed to ensure that the status of the religious places of worship as it was on Independence Day in 1947, was not altered.

Agencies add: The foreign policy resolution adopted by the convention called for an immediate stop to the refuelling facilities for U.S. Air Force planes in India and castigated the Chandra Shekhar government for "badly compromising" India's stand on world affairs by this move.

The resolution was moved by the former minister of state for external affairs minister, Mr Hari Kishore Singh, in the absence of Mr I.K. Gujral, who was indisposed.

Mr. V.P. Singh, commenting on the government's policy on the Gulf, said the liberation of Kuwait and Palestine were linked issues as there were UN resolutions regarding vacation of both the "occupied territories."

Students plan stir: The Orissa Samajawadi Yuva-Chhatra Janata, student and youth front of the Janata Dal(S), has threatened to resort to a mass stir and 'ajil bharo' agitation in protest against the alleged inefficiency of the Dal government.

Concluding Press Conference

91AS0684G Calcutta THE TELEGRAPH in English
11 Feb 91 p 4

[Text] Puri, Feb. 10—The Janata Dal party president, Mr S.R. Bommai, today announced the appointment of a seven-member committee headed by Mr Ramakrishna Hegde to go into Mr V.P. Singh's proposals of one-man-one vote and minority representation among other things for their inclusion in the party's constitution.

Mr Bommai said the committee would submit its report to the national executive whose decision would be placed before the next convention. Besides Mr Hegde, the other members of the committee are Mr Ajit Singh, Mr George Fernandes, Mr Surendra Mohan, Mufti Mohammed Sayeed, Mr Purushottam Kaushik and Mr Ram Vilas Paswan.

The party spokesman, Mr Jaipal Reddy told newsmen that the proposals were endorsed by the convention, but had to be considered by a committee since it involved the party contribution.

One of Mr V.P. Singh's suggestions was that partymen should continue in organisational posts for at least two years without aspiring to change over to a government position when the party formed a government. He said he was confident hold organisational posts "only for two years and not for life." [as published]

Agencies add: While putting forward his proposal Mr V.P. Singh suggested that since the workers who toiled for the party for "24 hours" were not getting due recognition, there must be a mechanism for bringing them up in the party hierarchy.

Mr Singh complimented Mr Bommai who, he said, faced a difficult situation in handling the crisis almost immediately after he took over presidentship of the party.

The former Prime Minister said a political polarisation was underway in the country and the poorer sections of the people were coming together. He emphasised the need to give the poor a place in the power structure, saying, "Give them a share in political power and they will look after themselves." This drew loud cheers from the audience.

Mr Singh denied that there had been a "split" in the front because of non-participation of some party stalwarts in the convention.

He was referring to the absence of Mr Arun Nehru, Mr Arif Mohammed Khan, Mr Satyapal Malik.

Punjab: Center Said Keen on Reaching Militants

91AS0643D Bangalore DECCAN HERALD in English
19 Feb 91 p 8

[Article by Surinder Khullar: "PM Keen on Dialogue with the Militants"]

[Text] Chandigarh—There are enough indications to believe the Prime Minister Chandra Shekhar is very keen to break the ice with the militants in Punjab, if not to resolve the Sikh problem, at least to start a dialogue with them.

No wonder, Mr Subodh Kant Sahay, his deputy in the Central Cabinet, went to and fro, aided by the secret agencies, to meet Mr Simranjit Singh Mann recently in Chandigarh, when the former came here to inquire about the condition of the injured Punjab DGP [Director-general of Police], Mr D.S. Mangat, in the Ludhiana Hospital and review the deteriorating law and order situation following the unprecedented kidnapping of 20 innocent persons from their houses by the militant.

According to sources, the meeting between Mr Sahay and Mr Mann was fixed up through the good offices of Mrs Daljit Kaur and Mr Harjinder Singh, sister and brother-in-law, respectively of Mr Mann. While a spokesman of the Akali Dal denied any such meeting, reports here said that Mr Sahay felt sorry for being late for the scheduled meeting and succeeded in talking to Mr Mann later in the night in Chandigarh. Sources said that Mr Sahay conveyed some message to Mr Mann and inquired about his progress in bringing round some militant groups for talks with the prime minister regarding their demands.

Mr Sahay has been saying that Mr Shekhar would not mind talking to the militants to end the bloodbath in the State.

It is also said that the militants, particularly the Panthic Committees of Dr Sohan Singh and Manochahal, have reiterated that the militants were ready to talk in pursuit of their demand for Khalistan in a definite peace zone at the Akal Takhat in Punjab, if not in Geneva (Switzerland) as announced earlier by them.

'A Traitor'

The Panthic Committees do not agree with Mr Mann's demand for the right to self-determination as the Sarbat Khalsa had announced that Khalistan was the goal of the Khalsa on 26 January 1986 at the Golden Temple in Amritsar. Anybody diluting the demand of Khalistan and trying to build bridges with the Delhi Government would meet the fate of a traitor, the committees have said time and again.

Reports reaching here said that Mr Mann had been exercised about winning the confidence of the Damdami

Taksal acting chief, Baba Thakur Singh, who has come to rule the Sikh psyche following the mysterious elimination of Sant Jarnail Singh Bhindranwale during Operation Blue Star in June 1984.

In fact, Mr Mann had first rushed to Chowk Mehta, the headquarters of the Damdami Taksal, to apprise Baba Thakur Singh about his talks with the prime minister last December. It is gathered that Baba Thakur Singh and his Taksal leaders had played an important part in forcing the Akali factions to make Mr Mann, the supreme leader of the Akalis.

Mr Mann tried to convince the militants that Mr Shekhar was the last hope for the Sikhs and that the community should not miss this opportunity.

But the militants have made it known very clearly that the Sikh struggle would go on till Khalistan was achieved and as such no group is likely to risk its image and support, by going to the negotiating table. Crossing the river Yamuna to talk would mean compromising the Sikh honour, an articulate young man retorted as he summed up the shape of the Sikh psyche had acquired in view of the grievances, discriminations and step-motherly treatment meted out to the Sikhs since 1947.

Mr Mann claims that the road to Khalistan or a sovereign Sikh State lies in the exercise of the right to self-determination by the Sikhs as demanded by him in his document-memorandum submitted to Prime Minister Chandra Shekhar. The militants who matter, however, want nothing less than Khalistan.

Meanwhile, the Punjab governor, General Malhotra, like his predecessors, strikes a positive note and talks of revising the grassroots democratic institutions, including the panchayats, block samitis, zilla parishads and municipal committees and the train of grievances committees, to involve the people in the anti-terrorist campaigns of the government to overcome the militants' depredations both in the countryside and the urban areas.

Gen Malhotra talks of more central investment, more industries, more sugar mills and more employment both in the civil and army departments.

Interestingly, while both the State and the militants vie with each other to gain the upper hand, the sufferers are the media persons. Both want their versions of the plans and programmes, whether relevant or not, to be printed.

Censorship

Meekly, Gen Malhotra, who is also the Administrator of the Union Territory of Chandigarh, imposed a partial press censorship on the newspapers published from here (THE TRIBUNE, the DAINIK TRIBUNE and PUNJABI TRIBUNE, the INDIAN EXPRESS and the JAN-SATTA), raided their offices twice during January and seized thousands of copies of the newspapers.

A fortnight ago, the same sections of the Cr.PC and TADA [Terrorists and Disruptionist Activities Act] were

imposed in Punjab for similar reason though with little success as some newspapers in Jullandhar continue to publish what is regarded as objectionable material.

Despite claims that the law and order situation has improved, the scenario in Punjab is as grim and volatile as before, as the writ of the militants has been practically taken for granted by the authorities. While school children dress as desired by the militants, they no longer sing the National Anthem. The National Flag is not to be seen anywhere. People contribute money to the Khalistan funds out of fear or sympathy and businessmen have bought peace from the militants by doing so lavishly.

What happened in the villages of Chur-Chak and Maina in Ludhiana District on 1 February when 29 persons were taken from their homes at midnight by the militants till they were released in the night of 3 February is a reflection on the over one-lakh strong police and paramilitary forces deployed in the state.

The kidnapping of 20 Hindus (nine were released because of their old age) shook the people of Punjab and exposed the claims of Gen Malhotra's administration about the strengthening of law and order arrangements following the kidnapping of influential persons from Ludhiana.

The explosion of bombs planted on a road along which the Punjab Director-General of Police, Mr Mangat, passed, in which he and Superintendent of Police (Security), Mr Sethi, were injured, the latter seriously, is another instance which shows the state of affairs which is actually prevailing, as it occurred within the municipal limits of Ludhiana and on the one of the busiest bridges there.

Papers Critical of 'Maneuvers' on Budget

Gandhi Interference Cited

91AS0701A *Calcutta THE TELEGRAPH in English*
22 Feb 91 p 6

[Editorial: "Hold Elections Soon and Rescue the Economy"]

[Text] Prime Minister Chandra Shekhar has been reduced to the position of a head of state without authority. Under his brief, the finance minister was giving the final touches to a "bold" Budget. Then came an intervention by Mr Rajiv Gandhi and all the hard labour put in by the government came to nought. The draft of Part B of the finance minister's Budget speech—which contains the tax proposals and which got the Prime Minister's nod—was consigned to the wastepaper basket. Now the finance minister will deliver only Part A of his speech, which gives an assessment of the economic situation and revised budgetary estimates of the current year and estimated expenditure for the next year. This, in technical language is called a "vote-on-account." Mr Chandra Shekhar, who has an abiding interest in economics, was hoping that the Budget would help him

make a political mark—something which he has been unable to achieve even after being in office for over 100 days. He could have done this by initiating a move to bring peace to the Gulf. But perhaps foreign policy is not his forte. He not only failed to provide an inspired lead, but, politically, his handling of the Gulf crisis hurt his image. It was, in fact, Mr Rajiv Gandhi who seized the initiative and forced Mr Chandra Shekhar to follow him. And now, after the Gulf imbroglio, comes the embarrassment of not being able to present a full Budget. The lacklustre address by the President to the joint session of Parliament perhaps reflects the Prime Minister's mood. As events are unfolding fast, it appears that Mr Chandra Shekhar may not now get an opportunity to use his prime ministership to make a political mark. This is because of the logic of a vote-on-account, which he has been forced to opt for. The Congress(I) had the presentation of a regular Budget postponed because of its high stakes in the Tamil Nadu Assembly elections which will be possible only after the month of Ramzan in mid-April. This means that the Tamil Nadu elections may be held by the end of April. If the result is favourable for the Congress(I), it will only be logical for Mr Rajiv Gandhi to precipitate parliamentary mid-term elections in order to capitalise on it. This would suggest that general elections may take place by the beginning of June.

Viewed against this scenario, it becomes clear why the Congress insisted on a vote-on-account. A vote-on-account, by convention, takes care of the normal expenditure of the government for three or four months after a financial year ends on 31 March. It is not possible to carry on with a vote-on-account till October or November when the elections could next be held in case they are not in early June due to the intervening monsoons. Moreover, the cost of postponing a regular Budget, which should aim at an over-all fiscal adjustment, would increase with each passing day. According to estimates made by the Prime Minister's economic advisory council, if fiscal adjustments are not made immediately, the rate of inflation in 1991-92 could be as high as 14 percent and the current accounts deficit could reach the staggering figure of Rs [rupees] 19,000 crores. This is on the assumption that the country may not be four-times lucky. After three consecutive good monsoons, the country should be prepared for a bad one this year. Needless to say, in the absence of fiscal adjustments, the IMF will not give any additional loan. And unless the IMF underwrites the credit-worthiness of India, no commercial bank will give a loan to this country either. In other words, India simply has no other means, other than an IMF loan, to finance the current accounts deficit. Without fiscal adjustments, India could face the prospect of external bankruptcy next year too. This would entail cutting down, even on essential imports which in turn would lead to a lowering of the industrial capacity for want of adequate imported input. The outer limit for presenting a regular Budget aiming at fiscal adjustments to prevent the collapse of the economy is perhaps July, when Parliament is to meet for its monsoon session. In this situation, the only appeal that

should be made to politicians is to hold elections at the earliest and, then, get on with the work of rescuing the country's economy.

'Unbecoming' Panic

91AS0701B Calcutta *THE STATESMAN* in English
5 Mar 91 p 6

[Text] The present Union Government has been using many of the constitutional provisions for collateral purposes, while the facility of a vote-on-account, available for a newly elected government to determine final allocations for expenditure on current and long-term outlays, has been misused for the narrow political purpose of avoiding adverse reactions to the hard options likely to be favoured by the Finance Minister to meet the present economic crisis. Whether or not the devious calculations behind postponing the full-fledged Budget are proved valid, there will be widespread disappointment among those who have to depend on the normal budgetary policies of the Government. The Centre has little right to disturb the finances of State governments that depend on the statutory devolution of Central revenues to them. Those who are entitled to other Plan or non-Plan grants or allocations for other public authorities will also be put to uncertainty. Priority items alone will not have to face any uncertainty and the present allocation of Rs [rupees] 16,000 crores for defence shows there will be no cut in this sphere.

The responsibility of pursuing a clear-cut and stable fiscal programme has become even more important in the present context of this country's obligations to fulfil the conditions agreed upon as part of the credit obtained from the IMF. Only the full Budget in May can disclose the true overall budgetary deficit which was expected to go beyond the Rs 13,000 crores incurred in 1990-91, but, happily, the Finance Minister has been able to bring it down to Rs 10,000 crores. This will decide the levels of liquidity in the economy and the resulting rate of inflation. The policy on subsidies for food and fertilizers was crucial to a disciplined expenditure policy and the reduction on this account by Rs 934 crores to Rs 8,616 crores shows that the influence of the farm lobby in the present Government is strong enough to prevent any realistic approach to the problem such as those earlier reported to be under consideration. The public is under no illusion that there can be a real tax-free Budget in the present circumstances even if no direct or indirect taxes have been imposed. In fact, it is only the idle hope of naive political leaders that they can fool the people some of the time to get their votes.

The kind of panic evident among Congress(I) leaders supporting the ruling Janata Dal(S) is wholly unbecoming of any political party which has to sustain itself on the favour of the electorate and try to survive in the midst of wide swings in public opinion. Any party or group which cannot do so is unfit to survive through petty manipulation of the rules of the game which is what the vote-on-account amounts to. The implication is

that this country lacks a sufficiently able administration which is capable of demonstrating the political will to take the decisions which alone can qualify for substantial external support. Until the grant of the last IMF credit in 1981 (before the Sixth Plan) India's credit-rating had improved to enable it to obtain substantial amounts of international credit, both commercial and institutional. That gain has unfortunately been lost because of the maladroit methods adopted by the present leadership. The hope is that some of the major outstanding problems will be tackled in the full-fledged Budget promised in May, but there are too many political uncertainties ahead for the Government to make this credible.

Blame With Congress-I

91AS0701C Calcutta *THE STATESMAN* in English
22 Feb 91 p 6

[Editorial: "Avoiding the Budget"]

[Text] However justifiable the "peculiar circumstances" that Mr Chandra Shekhar cites might be, his decision to put off presenting the general and railway budgets for 1991-92 can only be interpreted as surrender to the Congress(I). The damage to the Janata Dal(S) Government is on two counts. First, it will be seen not to be master in its own house so that even decisions that it takes on its own responsibility will henceforth be attributed to some devious Congress(I) stratagem. Secondly, the postponement will proclaim to the world that dire though India's economic plight might be, the present rulers in New Delhi are not able to come to grips with the problem and, therefore, do not deserve a helping hand. The blame for creating this ambivalent situation rests with the Congress(I) though it is not, of course, difficult to understand why Mr Rajiv Gandhi should have forced such humiliation on a Government that he helped to set up and which he is committed to supporting for the remainder of the full parliamentary term. However, all the evidence indicates that Mr Gandhi agreed to prop up Mr Chandra Shekhar only in the expectation that a lameduck incumbent would keep the seat warm for him.

Instead, he found himself confronted with a decisive Prime Minister who negotiated a Rs [rupees] 3,250-crore loan from the IMF, undertook courageously imaginative initiatives in respect of the Punjab, Kashmir and Assam problems, and threatened to discard outdated foreign policy postulations in favour of rational innovations designed to serve this country's future economic needs. Given this beginning, it may not be too far-fetched to suppose that, left to itself, the Janata Dal(S) Government would not have balked at the hard revenue-earning measures needed to reduce the budgetary deficit which now stands at something like 8.3 percent of the GDP [gross domestic produce] and to pay for all the impositions due to the Gulf war, especially on account of the loss of India's traditionally substantial trade with Iraq, Kuwait, the United Arab Emirates and Saudi Arabia. Indeed, Mr Yashwant Sinha, who combines political realism with administrative experience, was said to be

preparing a fiscal programme on these lines. Like his chief, the Union Finance Minister was reportedly ready to face up to the unavoidable instead of deferring the evil day by taking recourse to a vote on account.

No one can know for certain exactly what pressures Mr Gandhi used to twist the Government's arm, but it would seem that the Congress(I) leader had no hesitation about going back on his commitment to the President and threatening to vote against the Government if the budget was presented. As always, Mr Gandhi's concern is not with efficient administration or economic management but with mobilizing votes, and he probably felt that harsh budgetary measures would affect his party's prospects at the hustings. It is unfortunate that Mr Chandra Shekhar should have given in to this bullying. For even if he did so in the interests of stability and to avoid the trauma of another general election just now, the public will place the worst possible construction on the gesture. It will be seen at home and abroad as evidence of a lack of confidence that can only weaken the effectiveness of the Government's political initiatives and advise the IMF and donor countries that India is not able now to undertake the economic reforms that alone would justify the financial assistance we need so badly.

Congress-I 'Blackmail'

91AS0701D Madras THE HINDU in English
25 Feb 91 p 8

[Article by R. Krishnan]

[Text] Whatever the compulsion, the fact that the Congress(I) has decided to place political expediency above fiscal responsibility will go down as a landmark in India's post-independence history. The fiscal exercise for 1991-92 was expected to check inflation, control government expenditure and tackle the growing debt, internal and external.

Everything appeared to be going as per schedule with the Finance Minister, Mr Yashwant Sinha, even completing his customary discussions with the groups concerned. But suddenly the Congress (I) threw a bombshell that it would prefer the minority JD(S) Government securing a vote on account rather than a full budget as the prevailing circumstances (read elections to Tamil Nadu Assembly) necessitated such a course.

This decision of the Congress(I) which seemed more a blackmail has raised some important political and economic questions, and the explanations offered by the Congress(I) high command were anything but convincing.

The other day this correspondent, along with a few other journalists, had an opportunity to discuss the issue with the Congress(I) President, Mr Rajiv Gandhi, at a dinner hosted by Mr P. Chidambaram. Asked specifically why he had decided to prevent the Government from presenting a full budget, the former Prime Minister said his party did no such thing but one of the JD(S) Cabinet

Ministers had himself suggested a vote on account. But the subsequent argument of Mr Gandhi seemed to indicate that everything was perhaps stagemanaged. For instance, he said it would have been impossible for the Congress(I) to go along with F'JD(S) government during the 11 week budget session, as there would be voting on 28 occasions, including the budgets of five States under President's rule. Mr Gandhi also felt that in view of a major external repayment becoming due and also the ongoing negotiations with the IMF for a loan, any collapse of the government on the floor of the House would irreparably damage India's image its credit rating and the chances of getting the IMF loan. Thus it would be safer to go in for a vote on account now and postpone the actual budget by a few months. While Mr Gandhi was entitled to his 'legitimate fears,' the fact that even before a loan agreement was concluded India should start bowing before the multilateral lending institution was clearly indicative of the shape of things to come with the Union Budget for 1991-92 itself being the first casualty. The only silver lining in Mr Gandhi's argument was his belief that India just could not afford a soft budget now. But postponing it by four months cannot help either.

Politics aside, what does a vote on account in the absence of a regular budget mean in economic terms? Simply put, it would mean postponement of all hard decisions by four months (the period for which a vote on account is sought) and with each passing day the mounting loss of revenue the budget would have raised. According to the Provisional Collections of Taxes Act 1931, the moment a budget is presented, the indirect tax proposals take effect and they can be regularised within 75 days by passing the Finance Bill. That is not possible under a vote on account. Secondly, the Government will also not be in a position to levy direct taxes as that would mean a change in the principles of the Income Tax Act.

Now, taking even Mr Gandhi's argument that this was not the time for a soft budget, its postponement would mean that efforts to raise resources would be concentrated during the remaining seven months of 1991-92 against the normal 11 months. Thus, at least for a salaried person, his tax deducted at source would be based on the existing rates. But when the budget is finally passed after five months, the tax factor would be relatively higher, leaving lesser disposable income in his hands. On top of it, when the higher indirect tax rates also become effective, it would leave the salaried class with even less money as things would have become costlier.

A static tax rate would normally be welcome to industry. But it will not be so now because of the difficult nature of the economy. It may be recalled that both the Prime Minister and the Finance Minister had been repeating that the rich and the articles they consume will have to be taxed more. In view of such signals, at least the consumer durable sector has preferred to wait rather than take any serious investment decision. The industrial sector was already facing a recessionary trend, and

the growth rate fell from 15.8 percent in January-March 1990 to 12.9 percent in April-June 1990, 11.5 percent in July-September 1990 and down to 3 percent in October-December 1990. According to top industrialists much of the downturn during the last quarter of 1990 was due to the rise in crude oil prices and the heavy dose of taxation. If the budget had been presented on 28 February, it would have given an opportunity to the Government to raise excise/customs duties in areas facing excess demand and possibly reduce the rates for industrial units faced with a low demand depending on national priorities. The absence of a regular budget thus seriously jeopardises investment decisions of the corporate sector.

The third area likely to suffer is the Government itself, both in symbolic and substantive terms. Taking the latter, it means the loss of additional resources, difficulty in reducing the budgetary deficit and delays in finalising both the Annual Plan and the overall size of the Eighth Plan, of which two years would have passed by the time a regular budget is presented. A serious casualty would be the reallocation of resources. The Finance Minister, Mr Yashwant Sinha, had stated that the deficit as a percentage of the GDP [gross domestic product] would be brought down from the current 8.3 percent to 6.5 percent in 1991-92 and further to between 3 and 4 percent in the coming years. If the regular budget had been presented, the strategy would have been clear but in its absence no corrective action would be possible.

From a symbolic point of view, failure to present a regular budget could be construed as a political failure. If the Government wanted to go in for a vote on account, it could have said so immediately after the dissolution of the Tamil Nadu Assembly. It would not be out of place to ask the ruling political combine why, if it was bold enough to seek a vote on account from members of Parliament, it was not asking for a vote from the people themselves.

Senior but politically conscious bureaucrats noted that the vote on account in 1991 was strikingly different from the 1980 exercise or for that matter even 1989. When Mrs Gandhi returned to power in January 1980 with a massive majority, the economy was virtually in a shambles with a serious balance of payments crisis and raging inflation of over 20 percent. Her Government sought a vote on account and a full budget was presented in June that year. There was no uncertainty then, as now, because her government could not lose on the floor of the House. Similarly, when Mr V.P. Singh took over the reins of power in late 1989, the economy was in a bad shape (but much better than what it was in 1979) and he genuinely required a breather to accommodate the various populist programmes promised by his party to the electorate, including the farm loan waiver scheme. But he did not delay the budget exercise.

On top of it all, the observation of the recent currency and finance report of the RBI [Reserve Bank of India] has brought out another unpleasant reality. Both Mr

Dandavate and his successor, Mr Yashwant Sinha, had been trying to grapple with the problem of growing fiscal deficit and it was therefore rightly expected that the Government would delineate measures to contain it. But that would not be there because there would be (hopefully) no revenue raising exercise for at least another four to five months. Of course the Government can always raise excise and customs duties through notifications but will the Congress(I) allow that? The rising deficit was already reflected in a double digit inflation crossing 12 percent in early February. Depending upon the net RBI credit to the Government, it has been estimated that the deficit till 11 January 1991 would be over Rs [rupees] 15,000 crores. The RBI's observation that adjustment of the economy which will require in the first place the correction of fiscal imbalance is imperative if growth with stability is to be achieved over the medium term therefore could not have come at a more appropriate time than now. But who cares for either the RBI or the people of India?

Grave Consequences Expected

91AS0701E Bombay THE TIMES OF INDIA
in English 21 Feb 91 p 13

[Article by Tapan Dasgupta]

[Text] New Delhi, 20 February: Whatever are the political compulsions for a vote-on-account budget, there are no two opinions among economic analysts that it will have grave consequences for the economy. But it is the price the country has to pay for political instability.

The finance minister, Mr Yashwant Sinha, who was finalising the budget proposals for 1991-92, had been bold enough in giving advance notice that the budget would be hard. There were no soft options left to the government.

A decision to present a vote-on-account budget for the first three months of 1991-92 would really mean postponing the day of reckoning till that period, and allowing the present drift to continue. At the end of three months, the country may have to pay for this political expediency through a massive devaluation of the rupee.

Since a vote-on-account budget passed by Parliament merely accords sanction to the government to spend without fresh tax measures to increase revenue, there will be practically no corrective measures to reduce the fiscal deficit. Assuming that such a budget will be for three months, say till June, the government will lose additional indirect tax revenue for the period that otherwise would have been raised through fresh levies.

On the other hand, since businessmen have by now a fair idea of the items that are likely to be taxed higher, they will be making a beeline to import them during this interregnum and build up their inventories. This is also the time—the first quarter of the new financial year—when exports are the lowest. The pressure on balance of payments would therefore be very high.

And here is the rub. Even without likely additional pressure on the import bill, the Chandra Shekhar government had planned to seek the "upper tranche" loan of \$2 billion under the IMF's stand-by arrangement. In fact a high-level team of the IMF was to visit New Delhi in mid-March to negotiate the loan. Earlier this month IMF officials were here to discuss the various macro-economic issues with the finance ministry officials.

One primary condition of the IMF loan, which is desirable even otherwise, is a reduction in the fiscal deficit. Such an assurance had to be given even at the time of negotiating the two earlier loans totalling \$1.8 billion released last month. But the "upper tranche" loan would be negotiated only after the IMF ascertains that the promise has been kept, and the 1991-92 budget was to be the evidence.

A vote-on-account budget would mean that negotiations for the "upper tranche" loan to be spread over the next 15 to 18 months, would be started only after the presentation of the general budget in May-end or in June. Since negotiations would take another three to four months it implies that the first installment of the "upper tranche" is not likely to be released before October. This is not all.

The World Bank prepared the country report for an aid-India consortium meeting in June and takes the budget for the year into account. Without such a report, the members of the consortium may also feel reluctant to commit funds for 1991-92.

Meanwhile, the loan amount of \$1.8 billion (Rs [rupees] 3,200 crores) sanctioned last January would have been exhausted. There would be no recourse except to go in for commercial borrowings. But the adequate availability of funds from this source is also doubtful for foreign banks normally do not lend to countries facing political instability. And even if India manages to get some funds, it will be at a much higher interest rate than the 8.3 percent on the IMF loan.

The irony is that pressure on the external balance would be accompanied by an unrelenting rise in prices in the domestic economy. The general budget which was to bring down the fiscal deficit to 6.5 percent as against the present 8.3 percent and thereby trigger the process of deflation would not be operative. April to June are also the months when prices normally rise because of seasonal factors. With the fiscal deficit continuing on the present scale, it would result in a still higher rate of inflation, which is already over 13 percent. For, in a broad sense, fiscal deficit which is the gap between income and expenditure of the government, really represents the excess of aggregate demand over supply. The pity is that the government would be unable to undertake the supply side management as there would be no foreign exchange reserve to finance imports.

Under the circumstances, the government is most likely to go in for a substantial one time devaluation that would

make imports costlier overnight and exports cheaper. It would also be a measure that would be welcomed by the IMF.

It can be argued, as Mr Pranab Mukherjee, economic adviser to the Congress party does, that this is the price that the Indian people have to pay for "instability in the system." The very nature of the government shows that "the people have been let down by politicians."

With his experience as a former finance minister who dealt with the country's economy in 1982-84 (and as a minister of state for revenue and expenditure and banking from 1974-77) Mr Mukherjee says that only a stable government can take hard economic decisions. In 1974 when the inflation rate was nearly 30 percent, Mrs Indira Gandhi imposed a wage and dividend freeze, and within the next two years, inflation was controlled and the country's external trade almost balanced. She could do this as she was heading a stable and strong government.

In 1981, India took an IMF loan but in two years, the country had such comfortable reserves that it decided not to sue part of the loan. Economic stability is linked to political stability and the country has thus to pay an economic price for political instability, he said.

PAKISTAN

Politician Urges Nuclear Bomb Explosion

91AS0657D Karachi DAWN in English 21 Feb 91 p 11

[Article by Anis Mirza; italicized words as published]

[Excerpt] Islamabad—Kasur politician Sardar Asif Ali was the main speaker when the National Assembly resumed its debate on the Gulf situation. The attendance was poor and the ministerial benches were almost empty. Asif spoke in his proverbial urbane manner, his voice maintaining its even monotone. Professorial in style, his extended extempore address was delivered *sans* flashes *sans* emotion.

In the first phase of his oration, he urged Pakistanis not go overboard and call Saddam Husayn a hero, but view his dictatorial personality and his ruthless policies at home and abroad. In the second part of his analysis, Sardar Asif warned that it was time for Pakistan to redefine its foreign policy options and explode the nuclear bomb, "India has started on a weapons programme. Pakistan is left with no options but to have a nuclear test." Silence swept over the assembly hall. [passage omitted]

Muslim's View of Gulf Situation, Policy**Action Urged**

91AS0607A Islamabad THE MUSLIM in English
17 Feb 91 pp 1, 8

[Article by Prof. Dr. Farooq Hassan: "Gap Between Words and Deeds"]

[Text] This realisation is very painful that amongst our people of prominence, the quality least seen is an exhibition of conscience or courage. For the smallest gain we prefer to keep mum, even if it results in the most massive miscarriage of justice. Our present conception of wisdom stresses this much. Nevertheless, I must raise this question today, since I just heard on the BBC that a fifth front bencher in the Parliament had resigned from the British Labour benches, a woman this time, in protest against her party's endorsement of the use of utterly disproportionate force against Iraq. Earlier, three fairly known Labour politicians had voiced similar concerns, i.e., Prescott, Ruddock and Cook. Others of international note to have shown some spunk when utilitarian incentives clashed with pangs of conscience have been the French Defence Minister, the three top ranking Turkish Defence and Foreign Affairs officials and the Italian Naval Chief of Gulf operations.

There is, alas, no one who has done so here. Even these who yesterday passed the National Assembly unanimous resolution condemning the excesses committed by the United States do not seem to present a demurer in the form and in the forum where it will count; more importantly where it will have an impact...that is resignation from the government to emphasise one's dissociation with what our government has thus far done in this crisis.

The venerable Maulana Abdus Sattar Niazi seems to speak the truth even on this issue yet finds it perfectly proper to remain a part of the government whose Gulf policy he daily criticises. As a jurist of constitutional law, I find this very puzzling, since the conventions of the parliamentary system demand that cabinet ministers who do not support the government policy, either leave the administration or compromise their conscience. Yet even he has not done what others in other countries seem to be doing. This is the fundamental malaise of our body politic. No one seems to implement in practice what we preach verbally ad infinitum.

The strength of what I say can be judged by this fact alone that our Leader of the Opposition not only finds herself completely cut off from the rank and file of her own party, admittedly something unheard of for an acclaimed populist, but will be spending quite some time to come explaining how and why she endorsed President Bush's actions in the clearest language in an American morning talk show.

Win or lose, President Saddam Husayn has shaken citadels of many powerhouses in different Muslim countries, and people will look ahead with renewed expectations of what Islamic leaders are supposed to stand for. The entrenched position of many Arab regimes for over twenty years may suddenly collapse, and as many astute British analysts said at the outbreak of this war, dozens of leaders will now emerge to emulate what Saddam has accomplished by not yielding to the world's most powerful nation, plus some 27 more.

True Islamic renaissance may thus occur as a result of the tremendous sacrifice offered in this war by the brave Iraqi nation. This thought, I may add may serve as my epilogue to my evaluation yesterday that we are now amidst an intense Islamic civil war.

Above all, self-reliance will be vitally required now as the Soviets are no longer available to provide a balancing support to those who may dare to oppose the United States. If nothing else, the tragedy perpetrated on Iraq by this Anglo-American assault has established this much.

The most reverberating news today centred around an Iraqi UN Radio broadcast which said that Baghdad will accept UN Resolution 660, provided within a month of the ceasefire the Allied forces left the region, other actions taken against Iraq were cancelled. Israel left the occupied territories and Syria withdrew from Lebanon. Washington and London rejected this initiative straightaway saying there was nothing new in these ideas. However, the USSR welcomed this move and said it would await with eagerness the scheduled visit of Foreign Minister Tariq 'Aziz next Monday. Both Germany and Japan also proclaimed it as something very significant, as did Spain and Italy. The other non-European nations like Iran, Pakistan, India, Bangladesh, to name some, also considered it very encouraging for arriving at some negotiated settlement soon.

Since the Anglo-American alliance which spearheads this aggression against Iraq remains unmoved, the war, it seems will go on. It is indeed quite possible that to prevent an increase in the international pressure to have a ceasefire they may launch their land offensive even earlier than planned. But if the war now goes on, even without an examination of what this offer entails in diplomatic parlance, then as Jordan proclaimed this evening, it would become more clear that the aim of this war was the destruction of Baghdad and not the evacuation of Kuwait.

Support of this perspective came only too strongly when President Bush, perhaps impetuously, declared that the Iraqi army and the people of that country should overthrow Saddam Husayn! This statement is very damaging to the United States since it is totally unbecoming of heads of governments, much less that of a superpower, to publicly wish the removal of a particular head of another state! Sadly this endorses my account of yesterday that from the start it has been an American objective to

remove Saddam by any means whatsoever. Not surprisingly therefore Premier Shamir of Israel, sensing that perhaps hostilities may end quickly demanded that no peace will come until Saddam Husayn is removed! How big a testimony of true importance could any Arab leader ever get from an Israeli Prime Minister than this? It bespeaks volumes of what the Israelis think of all their other Arab adversaries put together and the solitary figure of President Saddam!

At the UN Security Council debate [which] lasted several hours and 11 ambassadors spoke, Dr. Ambari, the Iraqi Ambassador demanded that the United Nations first condemn the Allied killing of civilians in the bunker. Strong condemnations of the bunker massacre also came from two more alliance partners, Spain and Italy. They both demanded an end to the bombing of Iraqi cities, and an international inquiry if it was deliberately done by the Americans. Iranian Foreign Minister arrived in Moscow, and it is expected that he will prepare some groundwork for Tehran's peace efforts before the arrival of Mr. Tariq 'Aziz day after tomorrow.

Being a Friday massive protests were held in the length and breadth of the Muslim world against the killing of civilians in the bunker. There were also several terrorist attacks, including one in Karachi on the Saudi Airline offices. In Calcutta trucks carrying 50,000 bags of jute for the Americans for use as sandbags were forcibly taken off by the Dockworkers Union, who refused to load even the remaining seven-and-a-half million still to be shipped. Similar shipments were also stopped for the Australians as they would aid these countries' war efforts against Iraq.

Iraq announced that in the over hundred aerial attacks since yesterday, at least half had been over residential areas. They also claimed to have shot down six more planes. Allies admitted losing two, while acknowledging the sending of over 2,800 sorties. The Americans also admitted losing an electronic jamming plane near the Kuwaiti border. For the last three days, apparently, the Allies are bent upon shutting the sending of even radio messages abroad by Baghdad. The BBC analysts commenting on the Allied claims that they had destroyed over 1,400 Iraqi tanks, one-third of its vehicles, nearly all of its communication systems and fuel facilities, together with making its air force a non-factor, wondering then what prevented them from finishing Iraq quickly? It was suggested that obviously these claims were padded up to make their propaganda more impressive. As a matter of fact, the BBC and the Western Allies are as terrified of getting into a land battle with Iraq today, as they were over a month ago.

In late night news, Iraq attacked for the first time the Saudi city of Al Jubail with Scuds. Perhaps, it signified that Baghdad, while making an offer of peace was prepared for war. The diplomatic activity increased tremendously in Moscow, as in other late stories, Holland, Luxemburg and Italy decided to also send their

Foreign Ministers to the Soviet Union for urgent consultations. It is clear that the EC members wanted the Soviets to play a major role in effecting a peaceful solution to this crisis. Similarly, although the Iranian Foreign Minister is still in Moscow, it was announced that the Iranian President was sending a high-level delegation to Iraq.

In Cairo, where the eight Arab nations now actively involved in the war against Iraq were already meeting took all day to consider the Iraqi proposal. In the end through the Egyptian Foreign Minister they rejected it. If it needed any further stressing, President Bush, twice again in the same day, rejected the Iraqi proposal while making different public appearances.

In sum, the Anglo-American Alliance and its major Arab coalition partners insist on their proverbial pound of flesh. Without exception however, from everywhere else, particularly Moscow, the indications were that Iraq had made a significant move which could form the basis of a negotiated settlement.

Logic of Palestinian Linkage

91AS0607B Islamabad THE MUSLIM in English
17 Feb 91 p 4

[Text] One doesn't have to wait for any super or mini power's reaction or appraisal of Iraqi President Saddam Husayn's offer to withdraw from Kuwait to see that it is transparently positive and promises to fulfil the requirements of the United Nations Security Council's main, central and essential demand. The rest are peripheral or procedural details. The moment Saddam Husayn's promise to relinquish control of what he had begun foolishly to claim "the 19th province of Iraq," is accepted as genuine, haggling should end. You have punished Iraq with a demonic vengeance for military occupation of Kuwait. There are scores of UN Resolutions condemning Israel for doing just that. Why no action on those Resolutions? Why?

We have said all along that the United Nations cannot in good conscience punish Iraq so savagely and so promptly when it has nothing but appalling impotence in similar, indeed much worse, cases. There is every good reason for Iraq to demand the withdrawal of Israel from all Arab lands that are beyond the boundaries of Israel as envisaged in the UN Resolution setting up the Jewish state. The linkage is perfectly rational, legal and legitimate. We suspect that a vast body of public opinion all over the world, including the United States, is now just about sick and tired of the diplomatic terror through which Zionist money has held the world to ransom. The Zionist lobby on Capitol Hill and around the White House has led the United States, and up to a point also the British and French governments and pulls the strings. And these governments oblige, not without a consideration. The joke of the century is that Western powers are fighting a war to please the Zionists and the Arabs are being obliged to foot the bill.

When we see compelling logic in the demand for a simultaneous withdrawal of Iraqi, Israeli and all other troops from the soil where they do not belong, we are most certainly not condoning Iraq's intolerable transgression. What we insist upon is even-handed justice. All aggressors should be meted out identical punishment. But you cannot pamper one criminal and demand annihilation of another, can you? Saddam must withdraw from Kuwait. So must Israel from where it should never have been in the first place. And what's so wrong if the two processes should commence and be completed together?

Arab Differences Probed

91AS0607C Islamabad THE MUSLIM in English
17 Feb 91 p 4

[Text] The Syrian Foreign Minister Farouq Al-Shara has stated that any Arab-Israeli settlement would have to be based on the Jewish entity's withdrawal from all occupied Arab lands. He made no direct reference to a statement by West German Foreign Minister Hans-Dietrich Genscher that Syria, technically at war with Israel, was ready to make peace. Mr. Farouq made this statement at a joint news conference with Mr. Genscher at Damascus airport. The fact that the Syrian Foreign Minister did not come out with a flat denial is significant in that it points towards some such move being in the pipeline. Should it materialise, it will have serious ramifications for the Middle East.

In view of the developments in the Gulf and the ongoing war in the region, particularly with Syrian forces siding with the US-led allied forces, there could be more than a suspicion that a truce between Syria and Israel is something which the United States, Britain and Israel are actively working towards and which, when achieved, would be tantamount to diplomatic recognition of Israel by Syria. From there onwards, it would be easier for the United States and Britain to pressurise the Gulf Cooperation Council [GCC] States, led by Saudi Arabia, into also expeditiously emulating the Syrian action. In the event, Israel's position in the region would be one of great strength, one of the main objectives of the United States in attacking Iraq on the pretext of liberating Kuwait.

Most importantly, the recognition of the Zionist entity by no less than eight Arab countries would enable the United States to drive a further wedge in the already fragile Arab unity. It is another matter that it was intra-Arab differences to begin with that motivated the United States and its allies to undertake their military adventure in the Gulf. That apart, once Israel has been put into a position of immense power and with there being no signs of the Americans pulling out of the Gulf in a hurry even after the Gulf War, this splinter group of Arab nations would be reduced to nonentities, kowtowing to the United States, Britain, and their outlaw protegee Israel. The hegemonic designs of the Americans

in the Middle East would thus be fully realised. Additionally, it would ensure that their grand design of reducing the Muslim countries to a position where it can pose no threat to their world supremacy, would be eminently successful. Any Arab State, therefore, which recognises the Zionist entity, does so not only at peril to itself but the comity of Muslim countries worldwide.

POW: Laws Reviewed

91AS0607D Islamabad THE MUSLIM in English
17 Feb 91 pp 4-5

[Article by Mian Mohibullah Kakakhel: "The Law on POW's"]

[Text] With the alleged Iraqi design to shift the Allied prisoners of war to sensitive military installations to be used as a human shield against a potential U.S.-led alliance airforce attack and the U.S. President declaring the action taken by Iraq to be a violation of International Law coupled with the fact that one of the allied airforce pilots reportedly died during an air attack on Iraq with a counter-version by President Saddam Husayn declaring President Bush to be a war criminal and the expected arrest of thousands of combatants surrendering voluntarily or involuntarily from each side, a question begins lurking in the mind as to what is the law governing the arrest and detention of prisoners of war, soldiers wounded during active hostilities and the legal provisions dealing with war crimes and the trial of war criminals, especially when many Iraqi soldiers have also been taken prisoners?

We propose to deal here with the law relating to the prisoners of war. Needless to mention here that the law of war is the most important part of the law governing interstate relations. In modern times, even war from the point of view of a hostile relationship between two or more states belonging to the world community is to be fought within the parameters of the rules laid down by the law of nations. Not only the arrest and detention but escape and evasion of enemy troops is also not an exception to the general law of war. The enemy soldiers who surrender voluntarily or are captured after a bloody contest are technically called prisoners of war. The Geneva Convention of 1949 provides for the amelioration of the sick or wounded belligerents. Enemy soldiers indulging in guerrilla activities, including sabotage, and air piracy against their opponent State even in the States not party to the war shall, on arrest be treated as prisoners of war declared the Red Cross Geneva Convention. Enemy spies indulging in espionage will also be given the treatment of prisoners of war. However, they can be punished for the offence committed under the Hague Rules after affording them adequate opportunity to defend themselves.

The Hague Convention of 1907, though not for the first time in history, formally laid down certain rules with regard to the treatment of prisoners of war of the belligerent States. Another step for the betterment of the

law relating to the prisoners of war was taken at the Geneva Convention of 1929 after the world had witnessed the deadliest holocaust of its age, the First World War.

During the Second World War the law relating to the prisoners of war was atrociously violated. Not only that, very cruel treatment was meted out to the prisoners of war but thousands of unarmed enemy personnel were also done to death. During the entire period of the Second World War, the Axis forces ill-treated the prisoners of war by denying them adequate food, shelter, clothing and medical care. They were not only forced to labour in inhumane conditions but subjected to inhumane indignities and killing. The German government and the German High Command kept prisoners of war in various concentration camps where they were maltreated and killed by means of shooting, poisonous gases or physical torture. The officers and non-commissioned officers of the enemy were forced to double march to the concentration camps for as long as 800 kilometres without virtually any food and those staggering were shot dead.

Members of the armed forces of the countries with whom Germany was at war were frequently killed while in the act of surrendering, contrary to the law laid down, vide articles II, III, IV and VI of the Prisoners of War Convention of 1929 held at Geneva and articles 4, 5, 6, and 7 of the Hague Regulations 1907. The same crimes were committed in 1943, 1944 and 1945 when the occupants of certain camps were withdrawn before the Allied advance. The prisoners of war belonging to the Soviet Union were exterminated by starvation. There was no question of the survival of the hostages either. The hostages of Belgium were shot dead during the period from 1940 to 1944. In France hostages were executed either individually or collectively. Similarly, many thousands of hostages were shot dead in Holland and Yugoslavia, contrary to Article 50 of the Hague Regulations of 1907, the laws and customs of war, the general principles of criminal law as derived from the penal laws of all the civilised nations and the interned penal laws of the countries in which such crimes were committed.

The Geneva Convention of 1949 capitulating the prevalence of the above mentioned horrifying conditions added very exhaustive and elaborate rules to the International Law on prisoners of war catering for not only the enemy soldiers arrested during the declared wars but also the enemy personnel in any other armed conflict. The law laid down at the Convention will also apply in the case of an armed conflict in the territory of one of the contracting parties though it may not be of an international level. The rules laid down at the Geneva Convention regarding the prisoners of war may be summarised in the following sub-paragraphs:

(a) A prisoner of war is not to be tortured or forced into making a confession or to disclose the location of his unit and the number of persons comprising it.

(b) Prisoners of war cannot be put to forced labour.

(c) Prisoners of war are to be humanly treated. Any unlawful act or omission by the detaining power causing death or seriously endangering the health of prisoners of war is prohibited.

(d) Unlike the Axis practice, no prisoner of war may be subjected to medical or scientific experiments.

(e) Prisoners of war are to be provided with full medical facilities, food and water.

(f) Proper sanitation in the prisoners of war camps is essential.

(g) Measures of reprisal against prisoners of war are prohibited. They shall be entitled in all circumstances to respect and personal honour, their exhibition on television is a violation of International Law.

(h) According to Article 13 of the Geneva Convention, prisoners of war are to retain the full civil capacity which they enjoyed at the time of their capture. The detaining power may not restrict the exercise either within or without its territory of the rights which the Convention confers except insofar as the captivity requires.

(i) [not published]

(j) There shall be complete equality of treatment to the prisoners of war and no discrimination on the basis of race, nationality, religious belief or political opinions or any other distinction founded on similar criteria subject however to any privileged treatment which may be accorded to them by reason of their state of health, age or professional qualifications. This enactment was necessitated by the merciless killing of the Jews at the hands of German warriors. A heavy lot of mankind was killed by the Germans simply because of their religious belief.

(k) A POW has an obligation only to give his name and number to the enemy. He has a right to keep silent to the interrogatories by the detaining authority. No disadvantageous treatment is to be given to a POW who does not cooperate with the detaining authority. However, he is to maintain discipline and not to pose problems for the captor otherwise he may not get the facilities which he may otherwise be entitled to.

(l) All efforts and articles of personal use, except arms, horses, military equipment and military documents shall remain in their possession, likewise their metal helmets and gas-masks, like articles issued for personal protection.

(m) Prisoners of war shall be evacuated as soon as possible after their capture to camps situated in an area far enough from the combat zone for them to be out of danger.

(n) At no time should prisoners of war be without identity documents. The detaining power shall supply such documents to prisoners of war who possess none.

Badges of rank and nationality decorations and articles having above all, personal or sentimental value, may not be taken from the prisoners of war. The universally accepted principle of criminal law that no man is to be deprived of his life save in accordance with law equally applies to the prisoners of war.

There has been another problem needing serious consideration of the belligerent States as well as the world at large. The problem of the dead bodies and the injured members of the armed forces was considered in the Geneva Convention of 1864, Hague Conference of 1907, Geneva Conference of 1929 and the Geneva Conference of 1949 in which an International Law of paramount importance was laid down to the effect that the belligerent States shall have the right to take away the dead bodies of their armed forces after the end of active hostilities. It provided for the benevolent treatment of the sick, wounded and infirm persons at the hands of the seizing enemy power. The Geneva Conference of 1949 not only prohibited the launching of any attack on the injured members of the enemy forces but also banned the use of violence or methods of degradation against them.

Prisoners of war are normally exchanged by the belligerents on the eve of a declaration marking the end of war. However, those prisoners of war who are found guilty of war crimes are liable to stand trial under the rules of International Law but the trial of such criminals is to be held in a competent and duly authorised Court of Law.

'New Order' Seen Unfair to Arabs

91AS0607E Islamabad THE MUSLIM in English
17 Feb 91 p 5

[Article by Abbas Rashid: "The New Order"; quotation marks as published]

[Text] On the pretext of "reconstruction" the United States is attempting nothing less than to reformulate the equation of politics and power in the Middle East. The broad contours of this new order have been fairly candidly spelt out by the U.S. Secretary of State James Baker in recent testimony before the House Foreign Affairs Committee. Read together with the 'Post-War Agenda' outlined in an article by Henry Kissinger, Baker's testimony is indicative of the nature and extent of changes envisioned by the United States in this part of the world. Central to the new regional security arrangements proposed is the obviously pivotal role accorded to Saudi Arabia. In both Baker's as well as Kissinger's proposals the post-war scenario in the Gulf envisages a lead being taken by the countries of the Gulf Cooperation Council (GCC) in which the relatively small political entities of Qatar, Bahrain, United Arab Emirates, Oman and Kuwait come together with Saudi Arabia. While Kissinger has suggested that economic and social development in the region now proceed under the auspices of the GCC, Baker has made the picture even clearer by bringing in the issue of security directly. The GCC, he said, was expected to take the lead in "building a

reinforcing network of new and strengthened security ties" in the region. Baker also downgraded, relatively, the role of other 'moderates' (read U.S. client states or potentially so) such as Egypt not to mention Jordan and Syria. Even the latter two, in Kissinger's view could be salvaged after the war for some sort of a role in the new security enterprise. An appropriately diminished and closely monitored Iraq would be roped in and so also Iran perhaps for the simple reason that left outside the system, and to its own devices, it may eventually threaten the stability of the new order.

And in all this what about Palestine? Baker has certainly indicated a U.S. desire to end the Israeli-Palestinian dispute. But the key proviso is that, in effect, the parties most concerned should be willing to resolve it—and the United States will help. Given Israel's sustained intransigence on the issue, and the even closer U.S.-Israeli embrace as a consequence of the war, we know how much to expect out of that. Kissinger, of course, has been much more explicit on this score. He rules out an international peace conference as well as an independent State of Palestine anytime in the foreseeable future. Instead, he suggests a more or less 'in house' meeting with only the United States, Israel and the 'moderate' Arab countries participating to decide the issue. Given the savage assault on Kuwait by the United States, using the integrity of Palestine sovereignty and territorial integrity, it is interesting to find that these dimensions are virtually absent from his perception of the Palestinian issue. This he posits primarily as an obstacle that has in the past prevented moderates in the Arab World from cooperating with their supporters in the West denying to the Palestinians territory and sovereign status, in the form of a state, is clearly not a problem for Kissinger. All he sees is a 'never to recur' opportunity after Iraq is defeated and the PLO discredited, in which "the moderate Arab leaders as well as Israel should be able to moderate the peace process with confidence and authority." In other words, a recipe for a partnership between Israel and the moderates supervised by the United States. The objective is to keep the region 'safe' not for democracy and freedom but for oil, Israel and the 'moderate' friends of the United States. As for Kissinger's long drawn out scenarios involving trusteeship and demilitarisation of territories returned to Arab control by Israel, the latter is already making—its approach—in anticipation of the new order abundantly clear. In a move passing virtually without comment in the Western press, the Israeli Prime Minister Yitzhak Shamir has inducted into his governing coalition a political party that calls for the expulsion of all Arabs from the West Bank. The Moledet Party is led by retired General Rehavan Zeevi, who not only wants to retain the West Bank but also wants it without the Arabs! His induction in the cabinet clearly suggests that the Zionist hardliners, given the state of affairs, feel free to take an even harder line. Eventually, if things go according to plan, the United States seems set to accept the Israeli position that Jordan is the Palestinian State.

The United States may already be on its way to redefining its identity and role in the post-war new order. In an ominous move, drawing a protest from the United Nations Secretary General, U.S. aircraft bombed the road between Iraq and Jordan—killing at least six and reviving memories of the unsanctioned and illegal U.S. war against Cambodia when on the pretext of bombing the so-called Ho Chi Minh trail to Vietnam, nearly a million people were killed in that small and hapless country. Even if Jordan is violating United Nations sanctions, has the United Nations, or indeed the Congress authorised the U.S. administration to go to war against such a country.

Meanwhile the United States may now be faced with another major problem. Its honeymoon with the Soviet Union may be at an end.

There have been statements by Soviet spokesmen to the effect that the U.S.-led allied forces may be exceeding the mandate granted to them under Resolution 678 in bombing Iraqi cities and civilians. More indicative, however, may have been the announcement by Baker that he had recommended a delay in ratifying a major agreement between NATO and Warsaw Pact nations signed in Paris late last year, for a cut in conventional forces in Europe. Also significant in this context is the Soviet Prime Minister's accusation that the West had attempted to stage an economic coup in the Soviet Union by flooding the market with billions of rubles. If the Gulf War drags on, a less accommodating Soviet Union could have a significant bearing on U.S. plans in the region. Another upset could involve Iran which would almost certainly side with Iraq if Israel joins the war. Even if it does not Iran's role may become problematic for the United States. It has pronounced, for instance that in line with its neutral status the nearly 150 top line aircraft including Exocet armed Mirage fighters that have flown in from Iraq will remain grounded till the end of the war. But there is little doubt that if, in case of need, Iraq asks for their return, popular pressure in the country will force the Iranian government to release them. Meanwhile even though Iran and the Soviet Union have both had their proposals for a conditional ceasefire turned down by a consistently defiant Saddam, the two countries remain—separately or together—the most likely to come up with an acceptable peace package.

Policy Criticized

91AS0607F Islamabad THE MUSLIM in English
17 Feb 91 p 7

[Article by Anwar Sabir: "Government in a Fix Over Gulf Policy: Miraj"]

[Text] Sialkot, Feb. 16—Except for a handful of people, the whole country is in favour of Iraqi President Saddam Husayn. This was stated by former National Assembly [NA] Speaker Malik Miraj Khalid while talking to members of the District Bar Association here Saturday.

He said the IJI [Islamic Jamhoori Ittehad] government now looks to be in a fix over its Gulf policy which was quite contrary to the popular aspirations. He said hitherto its electronic media could brand the overwhelming popular concern as a little bickering by disgruntled elements but it certainly has no answer to the resolution adopted by the National Assembly where it has brute majority. He advised the Government to evaluate its Gulf policy in the light of the resolution.

He said masses throughout the globe were supporting Saddam ever since the aggression against Iraq began despite the fact that policies of their respective governments were otherwise. Now the scenario is fast changing as anti-Iraq governments are also giving second thought to their Gulf stance. The former NA Speaker said that so far Saddam Husayn has outwitted his much better equipped adversaries in not only war but also in diplomacy.

About Iraq's recent conditional offer to withdraw from Kuwait, he said it is the most opportune manoeuvre. He added that the coalition forces, particularly the main sponsors of aggression, are likely to reject the peace proposal which will raise Saddam's image diplomatically. Even otherwise, he said, Saddam is winner in case Israel withdraws from the Arab territories and Western allies from the Gulf.

Miraj Khalid said before the recent changes, the Soviet Union was a source of strength for weaker nations in situations like the one in the Gulf. Even now the Soviet Union is not a non-entity as the current session of the UN Security Council is the result of some change in the Soviet stance on Gulf, he concluded.

Sindh Said Ruled by Dacoits

91AS0657F Peshawar THE FRONTIER POST
in English 20 Feb 91 p 9

[Article by Hasan Mujtaba; quotation marks as published]

[Text] Kidnapping of citizens by the dacoits for ransom is supposed to be an "uncognisable" offence in Sindh. Neither the police nor other law enforcing agencies bother to move in for the return of abductees. This has never been a headache for the authorities, generally. So is the case with nine, mostly renowned political figures from the left in Sindh including QIP [Qaumi Inquilabi Party] leader Mir Thebo, Sajad Zaheer, the son of secretary-general of Communist Party of Pakistan (CPP) Jam Saqi, DSF [expansion not given] and Jeay Sindh activists Hafiz Dayo, Dr Hamid Soomro, Khalid Junejo and others, who were kidnapped from a marriage function at Garhi village of Mehar, Dadu district late Thursday night.

Dacoits after shooting a peasantcum-gunman, Makhan Junejo, kidnapped nine leftists. However, the host, Iqbal Malah, has blamed the big gun of the area, Abdul Hamid Jatoi, former MNA [Member of National Assembly], for

kidnapping of his comrades. According to statement of Iqbal Malah, president of DSF, Sindh University Jamshoro, appeared in Sindhi press the other day, the most powerful feudal lord of the area Abdul Hamid Jatoi got his comrades kidnapped because his brother Mashooq Malah, the young CPP leader, had stood against one of the powerful Jatois in October 1990 polls.

On the other hand, men from the leftist parties in Sindh have made contacts with powerful Jatois for safe return of the abductees. Jatois hold considerable influence in Dadu district, the worst hit area of dacoits activities in Sindh.

The other day, Senator Aijaz Jatoi, son of seasoned politician, Abdul Hamid Jatoi, in a statement, alleged that as a Senator he was ready to prove that Mehran Rangers, deployed for law and order duty in interior Sindh, supply arms and ammunition to the dacoits. He termed today's Sindh as "dacoits state."

Besides "wild west"—like dacoits activities across both banks of the River Indus, the acts on the part of police, rangers, and other law enforcing agencies doesn't count as lawbreaking. Their inter-mingling with the outlaws, fake encounters for promotion uphoria, picking and torturing the men, women and children in the name of "drive against dacoits," or without acknowledging the reasons, perhaps, remain unreported to the clipping of the president, the prime minister and the COAS [Chief of Army Staff], the troika at Islamabad, which had been fond of quoting the law and order situation in Sindh in the past. The Pakistan Information Department (PID), Sindh Information, or ISPR [Inter-Service Public Relations] officials do not care to cast a glance on newspaper reports which carry the woeful stories about torture, rapes and wrongful confinements on the part of police, rangers and other law-enforcing agencies.

At least 2,400 persons were kidnapped for ransom during the last 100 days from Sindh, but none of the men from top slot at Islamabad called for explanation of Sindh Chief Minister Jam Sadiq Ali, who once had said that he would resign if law and order situation at Sindh was not improved within 90 days. His deadline has already been passed.

In fact, from a SHO [Station House Officer] to Sindh chief minister no one consider himself to be accounted for. Even the triggerhappy DIG [Deputy Inspector General of Police] who is nowadays become the 'crownless king' of the police state at Hyderabad division.

No cop is responsible to his superior for maltreating Yugoslav national tourist Uri Hech Gaspar to promising Sindhi poet Hasan Dats.

Despite heavy contingents of police, army, rangers, Frontier Constabulary, Gazabad Scouts, Zhob Scouts, Balochistan Scouts, Maiwand Rifles and other law enforcing agencies deployed all over Sindh, the dacoits kidnap one person by every 45 minutes daily in the province.

The days are not too far when Sindh, 'in principle,' would be run by dacoits at the patron of Colombian cartels.

Thus, the kidnapping of nine prominent political figures doesn't seem to be matter in the eyes of provincial authorities. Like other cases of kidnapping Sindh as usual, police has nothing to do with these political have-nots. There remains two ways for the safe return of these hostages, either through local influentials or dacoits at their own.

The incident has jolted the political, social and literary circles at Sindh. Sindhi women including the mother and widow of legendary student leader Nazir Abbasi, tortured to death during Zia's regime, have appealed to the dacoits, influentials and politicians in Sindh for return of the abductees. About 130 men of Sindh letters and intellect have also appealed for recovery of the kidnapped comrades. There are reports of protests at educational institutions. While the leader of the opposition in National Assembly, Benazir Bhutto, termed the kidnappings total failure of Jam administration.

Dadu district wherefrom these nine leftists were kidnapped is one of dacoits' breeding areas in Sindh. Here the middle class white collar men are an easy victim at the hands of robbers. Even primary teachers are kidnapped and only returned on payment of ransom. This is an area where Pajero jeep of Benazir Bhutto was attacked and her haris were kidnapped during Gen Zia's regime. The incident had occurred near Saan, the native village of Sindhi aging politician G. M. Syed. Syed, then, had held the incident as master minded by a non-civilian official to get Sindhis pitted against each other if there had been Benazir in Pajero.

The dacoits had kidnapped a poor washer man from Dadu town who was freed on payment of Rs [rupees] 10,000 as ransom.

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