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## NEAR EAST/SOUTH ASIA REPORT

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ALGERIA

FOREIGN MINISTER IBRAHIMI: WE GAVE FUNDS TO PLO VIA USSR

Stockholm DAGENS NYHETER in Swedish 15 Jan 83 p 15

[Article by Sven Oste: "Algerian Foreign Minister: We Gave Soviets Money for Weapons for PLO"]

[Text] "We called in the Soviet Ambassador in Algiers at 4 am and gave him a check for 20 million dollars. That was for weapons which the Palestinians requested during the battle south of Beirut last summer. Several days later the weapons came via a Russian airlift.

"We gave the Palestinians everything they requested," emphasized Algeria's foreign minister, Dr Ahmed Taleb Ibrahimi in an interview.

He is visiting Stockholm to discuss the crisis in the Middle East with Olof Palme, among other things.

Algeria has been criticized for taking a lukewarm position toward the Palestinian fight during the months of the war in Lebanon last year. It is a criticism that the foreign minister now wants to refute by breaking the silence around Algerian contributions of last summer.

"We do not rise up and shout about what we are doing. During the Yom Kippur War in 1973 we helped Egypt with weapons worth 200 million dollars. But an entire year went by before we disclosed that contribution. This time also we decided to act without beating our own drum. But when silence causes the rest of the world to get an entirely erroneous picture, the facts must be brought out.

"When Israel attacked in Lebanon our president, Chadli Bendjedid was on a trip in southern Algeria. He returned to Algiers immediately and called the government together. We sent a delegation to Damascus, led by the second man in the party Mohamed Cherif Messadia to talk to the Syrians and the Palestinians. But we found only caution on the part of the Syrian leaders, no willingness to fight."

Check

"But several days later in Algiers we received a written request for help from Yassir Arafat. It was a detailed list of light weapons desired.

"We gathered around the president at 11 pm. After several hours of deliberation we called for the Soviet ambassador and delivered the check.

"We asked the Soviet government to send the weapons by airlift to Damascus. Several days later we received a report that the weapons had been delivered to the Palestinians at the front. Later there was a new request, and we sent two planeloads from Algeria directly to Lebanon.

"Militarily the Palestinians received everything they requested from us. Yes, it was 20 million dollars this time, against 200 million during the war against Israel in 1973. But that time it was heavy weapons, aircraft, etc. which were sent to Egypt.

"The Palestinians also asked us to intervene politically with the United States, the Soviet Union and France. At that time I was in New York for the UN disarmament conference. I first met the American vice president, George Bush.

"There was a long conversation with much hard criticism of the policy of the United States. By shutting their eyes to the rights of the Palestinian people the Americans were responsible for the tragedy in Lebanon. There can never be peace if the Palestinians do not get their rights, I emphasized. 'If you do not realize that, you are risking losing the support of all those whom you call your friends in the Arab World.'"

'Impotence'

"When I had my meeting with the Soviet foreign minister, Andrey Gromyko, he began with a long exposition about the disputes and splits among the Arab states, and the impotence of the whole Arab World. I answered that that is one of the tragedies we live with, another is that unlike Israel we do not have any great ally who supports us 100 percent."

The foreign minister related in great detail the attempts to quickly arrange an Arab summit meeting of heads of state.

"Finally, after several weeks, the Arab League reacted by calling a meeting in Tunis. But only of foreign ministers, not heads of state. That illustrated what Gromyko had said, it was a complete catastrophe, one of the most frightful experiences I have ever had. The divisions were total.

"We laid out a six-point plan. For example, we requested the Arab states to condemn United States support for Israel. We requested the Arab states to unite in dealing with all countries in accordance with each country's position toward the Palestinian struggle. But all that failed."

Then came the meeting of the nonaligned states on Cyprus. Delegations came from distant lands, such as Madagascar. But the ministers from 17 Arab states stayed away. Only Algeria, Syria and Jordan showed up.

Then later the Arab conference was to take place at the beginning of September in Fez, Morocco. This was a problem for Algeria because of the hard conflict between Algeria and Morocco. But Yassir Arafat appealed, and Algeria had to attend.

#### Pressure

"At that conference we and the Syrians exerted pressure. With great difficulty we put through the resolution that the nations should recognize the PLO as the 'only'--disagreement centered on that word--representative of the Palestinian people.

Dr Ibrahim pointed out a number of other occasions during the fall when Yassir Arafat appealed directly to Algeria for support among the Arab states.

"Negotiations are now going on with Jordan in a main role. The Palestinians must themselves decide on their goals, and how much they are ready to sacrifice. We have no right to criticize them. We can not be more Palestinian than the Palestinians themselves. Unlike other Arab states, we will not play one group of Palestinians against other Palestinian groups."

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CSO: 3650/100



## BUDGET PROPOSALS FOR 1983 ANALYZED

Algiers REVOLUTION AFRICAINE in French No 983, 24-30 Dec 82 pp 45-49

[Article by G. B.: "Priority to Social Action"]

[Text] Presenting the 1983 Budget to the National People's Assembly on 3 December 1982, Minister of Finance Benhamouda, member of the Political Bureau, who represented the government, noted that there has been sustained growth in both receipts and expenditures and that, despite an international situation unfavorable to hydrocarbon exports, the overall government budget remains positive in its closing projections for 1982. "Its growth will be maintained in 1983," he added. Projected receipts total 98,667,000,000 dinars (including 59,465,000,000 in oil taxes) and expenditures 98,667,000,000, distributed as follows: operating budget, 50,421,000,000; equipment budget (final aid from the government), 48,246,000,000.

Benhamouda said that the overall national budget for 1983 increasingly tends to allocate oil resources for investments (the government budget will use oil taxes for 26.92 instead of 33.3 percent of the share in 1982). It is aimed at a fairer tax system in order to ensure a better distribution of income (see the tax provisions of the 1983 Budget, REVOLUTION AFRICAINE, No 982) and at keeping within the limits of the budgetary resources expected from the financial effort needed for the fourth installment of the Fifth Development Plan.

Two-thirds of the expenses included in the operating budget are in fact earmarked for three main categories: personnel expenditures, social action and the public debt.

Personnel expenditures amount to 20,045,000,000 dinars (39.75 percent of the total). The 1983 Budget actually provides the means to face up to the financial effect of new measures linked to gradual application of the general labor code, fundamental education, health measures, professional training and culture, as well as social measures mainly benefiting veterans and their dependents and more generally, measures aimed at improving the standard of living of all citizens.

The 1983 Budget will take into consideration the reclassification of government employees, the operation of new structures, the startup of infrastructures set up as part of the plan, improvements in security and control services and price supports.

As for the credits proposed for education, professional training and education in general, they represent 25 percent of the government operating budget and total 12,479,000,000 dinars.

The government's spokesman also stated that social spending, including social security operations, government operations, public enterprises and local communities (11 billion dinars in 1980, 13.5 billion in 1980 and 18 billion in 1982) will go to 20 billion dinars in 1983, or nearly double the amount of spending in 1980.

Following the presentation of the government budget and in the light of the report presented by the Planning and Finance Commission of the National People's Assembly), the speeches by deputies telling of the concerns of the people, mainly dealt with the financial reorganization of enterprises, speculation and increasing prices, application of the General Labor Code and taxes.

Speaking at the close of debate, the government spokesman emphasized, with respect to taxes, the need to step up the inspection system in order to discover commercial and production activities which, by taking place secretly, evade taxation.

Concerning financial reorganization, Benhamouda said that a subcommittee has been set up within the General Organization Committee in charge of financial reorganization, following an examination of the files of companies and enterprises whose results will be submitted to the People's National Assembly.

Turning to the matter of prices, the minister emphasized the distinction to be made between prices in the public sector and those imposed by the private sector. Some prices "have not changed in 20 years," he said, "and must now be adjusted in order to keep up with economic development and changes in general." After recalling government support for prices on commodities such as wheat, coffee, sugar and oil, the government spokesman emphasized that efforts will continue in order to link prices to the standard of living.

"The private sector, the main cause of speculation, is now rigorously controlled," Benhamouda concluded.

From 9 to 20 December, deputies came together in a plenary session to examine the distribution of operating credits by ministry, as follows (in millions of dinars):

Distribution of Credits by Ministry

| <u>Ministry</u>         | <u>1982</u> | <u>1983</u> | <u>Variation<br/>Amount</u> | <u>%</u> |
|-------------------------|-------------|-------------|-----------------------------|----------|
| Office of the President | 316,175     | 329,839     | 13,664                      | 4.3      |
| National Defense        | 3,893,000   | 4,476,950   | 583,950                     | 15.0     |
| Finance                 | 650,800     | 548,800     | 98,000                      | 15.1     |
| Foreign Affairs         | 388,620     | 497,466     | 108,846                     | 28.0     |
| Interior                | 2,154,273   | 1,986,491   | -167,782                    | -7.8     |

(cont.)

|   |            |            |           |      |
|---|------------|------------|-----------|------|
| Justice   | 309,740    | 371,549    | 62,009    | 20.0 |
| Light Industries  | 130,254    | 137,900    | 7,646     | 5.9  |
| Tourism   | 39,851     | 43,837     | 3,986     | 10.0 |
| Agricultural and Agrarian Reform                        | 710,319    | 748,314    | 37,995    | 5.3  |
| Transportation and Fishing                              | 198,536    | 371,256    | 172,520   | 86.9 |
| Health  | 2,229,128  | 2,405,965  | 176,837   | 7.9  |
| Labor   | 69,463     | 74,268     | 4,805     | 6.9  |
| Housing and Urban Planning                              | 242,377    | 276,546    | 34,169    | 14.1 |
| Education and Basic Instruction                         | 6,981,599  | 7,154,987  | 173,388   | 2.5  |
| Education and Scientific Research                       | 2,060,166  | 2,386,796  | 242,430   | 11.0 |
| Energy and Petrochem. Industries                        | 181,920    | 189,340    | 7,417     | 4.1  |
| Hydraulics  | 380,190    | 398,535    | 18,345    | 4.8  |
| Planning and Territorial Management                     | 97,490     | 102,000    | 4,510     | 4.6  |
| Veterans  | 2,070,535  | 2,276,621  | 206,086   | 10.0 |
| Information   | 303,803    | 317,517    | 13,714    | 4.5  |
| Commerce  | 65,406     | 87,639     | 22,233    | 34.0 |
| Heavy Industry  | 75,840     | 89,000     | 13,160    | 17.4 |
| Youth and Sports  | 328,257    | 380,000    | 51,743    | 15.7 |
| Public Works  | 552,903    | 607,747    | 54,844    | 9.9  |
| Religious Affairs                                       | 241,500    | 275,490    | 34,190    | 14.1 |
| Professional Training                                   | 522,220    | 667,129    | 144,909   | 27.8 |
| Culture   | 110,517    | 125,303    | 14,786    | 13.4 |
| Sec. State Forests and MVT<br>[Territorial Development] | 240,013    | 249,805    | 9,792     | 4.1  |
| Sec. State Fishing and<br>Maritime Transportation       | 17,508     | 34,658     | 17,150    | 97.9 |
| Sec. State Sec.-Tech. Education                         | 1,347,340  | 1,589,770  | 242,430   | 18.0 |
| Sec. State Civil Service and<br>Administrative Reform   | 223,910    | 259,854    | 35,944    | 16.1 |
| Sec. State Foreign Trade                                | 18,298     | 19,315     | 1,017     | 5.6  |
| Sec. State Social Affairs                               | 431,671    | 461,688    | 30,017    | 7.0  |
| Subtotal  | 27,310,886 | 30,042,775 | 2,731,889 | 10.0 |
| Common Charges  | 14,927,363 | 20,378,210 | 5,450,847 | 36.5 |
| Total   | 42,238,249 | 50,421,000 | 8,182,751 | 19.3 |
| Post Office-Telecommunications<br>(Attached Budget)     | 1,794,000  | 2,022,000  | 307,000   | 13.6 |

The budget of the Office of President also covers the Office of Prime Minister, the Office of Secretary General of the Government and the Auditing Office (whose allocation is put at the same level as that of credits, or 32.3 million dinars). The General Civil Service Directorate (and therefore credits relating to its operation) are transferred to the new Office of Secretary of State for the Civil Service and Administrative Reform (8.5 million dinars).

## Strengthening Ministries

The increase proposed for the next fiscal year of 13,664,000,000 dinars is mainly aimed at covering an important recruiting program (452 budgetary items) and the effect of applying orders relating to minimum monthly wage levels (which also concerns all ministries and explains the gradual growth: an additional 14 percent in personnel expenditures).

Concerning the Ministry of Defense, the anticipated increase in credits (up 15 percent compared with 1982) is essentially due to the expansion in the participation of young people in the National Service, national construction tasks, particularly completion of the trans-Saharan road, which expresses the desire to develop South-South trade, completion of the Southern Railway, the Green Zone, and so on.

In addition, inasmuch as Algeria's volume of trade and prestige demand increased diplomatic presence, especially in Third World countries, and in order to give a tangible content to South-South trade, the budget of the Ministry of Foreign Affairs is increased 28 percent compared with the preceding year.

The 7.8-percent drop in credits proposed for the Ministry of Interior is mainly due to the transfer of the General Directorate for Training and Administrative Reform and certain training centers (National School of Administration, 31 administrative training centers) to the Office of Secretary of State for the Civil Service and Administrative Reform and to the transfer of certain social action credits to the Office of Secretary of State for Social Affairs. But it is also due to the elimination of a credit included in 1982 in order to meet accounts past due and the special subsidy granted in 1982 in order to organize legislative elections and come to the aid of disaster victims in Chlef.

But, the report of the Finance and Planning Commission of the National People's Assembly notes, the budget of the ministry actually shows an increase on the order of 170.24 million dinars (up 79.37 percent over 1982) if one excludes credits for the prementioned operations. A large part of the increase is absorbed by the increase in human and material means for national security and civil protection (an additional 500 guards will also be recruited by the Ministry of Justice).

The need to provide the communes with additional material means and competent trained personnel so that they might assume their role in development, by drawing up and carrying out communal development plans (PCD) has been taken up by deputies at length, who also pointed out that the wages granted by the APC's scarcely involves such trained personnel, whence the need to speed up application of the SGT [expansion unknown] to local collectives.

## Economic Sector: Increased Human Means

After reviewing the different ministries, deputies turned to the various budgetary proposals relating to ministries in the economic sector.

The increase in credits (up 15 percent over the 1982 budget) allocated to the Ministry of Finance goes mainly for more human and material means for the Customs Administration, which thus should be able to provide greater protection for the national economy (fight against the illegal exportation of subsidized products, fuels, livestock and products from the sea).

The report of the Commission also considers that there is inadequate staffing to fight tax evasion, which action should be stepped up. The report expresses concern over the stagnation in credits granted for training in the financial sectors, whose actions in this field have been extremely timid with respect to the tasks assigned (in particular, it recommends training courses and refresher courses for personnel already on the job).

The takeover of 50 percent of the proceeds from training (considered as an operating subsidy for reorganized domains that cannot yet tolerate such a burden), the recruiting of 160 technical assistants and the additional credit for operation of the professional agricultural training centers absorb most of the real increase (up 6.4 percent instead of the 5.3 percent mentioned, due to the fact that nearly 10 million dinars constituted credits for back accounts totally paid in 1982).

The report of the Finance and Planning Commission of the National People's Assembly notes that given its human and material means, the Ministry of Agriculture and Agrarian Reform has decided to give priority to getting abandoned fertile land back into production and taking responsibility for only expenses linked to the development of existing perimeters.

It questions the renewal of credits (5.5 million dinars) for literacy training (little used in 1981 and 1982) or the implementation of the second phase of the Agrarian Reform, which will be concluded at the end of 1982 (36.35 million dinars).

Finally, the Commission notes that fruit and vegetable packing centers have been transformed into farmers markets and ask that equivalent or even better packing capacities be provided.

The examination of proposed operating and planning budgets for three ministries: Heavy Industry, Light Industries, Energy and Petrochemical Industries, led to numerous remarks by deputies, who asked for clarifications on the socioeconomic usefulness of projected investments. They also brought up a number of questions relating to the mastery of the production tool and technologies used and expressed their concern over the application of an active decentralization of the activities of each sector.

The great concerns expressed by deputies mainly concern energy and the petrochemical industries, particularly the extension of electrification in rural areas and the improvement of the distribution of oil products through the transfer of activities outside the urban centers, plus the necessary diversification of hydrocarbon exports and an increase in oil products storage capacities.

Concerning the Ministry of Planning and Territorial Management, the increase in personnel and training charges, the Commission's report mainly recommends the strengthening of governorate planning directorates (in order to gather and process information and carry out socioeconomic studies), the drafting of a policy and a data processing development plan, and the drafting of a model of consumption that can serve as a reference for the evolution of prices and wages based on the country's economic situation.

As for credits allocated to the Ministry of Commerce (up 34 percent compared with 1982), their increase mainly results from the increase in personnel charges due to application of the SGT and the drafting of the operating chart for the central administration and the operating equipment of departments, as well as the operating subsidy allocated to governorate Chambers of Commerce established by decree in 1980 (the ministry also published yearbooks for economic and national production officials).

The examination of the operating budgets of the Ministries of Transport and Fishing, Housing and Urban Planning, Public Works and the Office of Secretary of State for Fishing and Maritime Transport obviously gave rise to many speeches by deputies, who brought up the following in particular: isolation, the isolation of certain rural populations in the south, methods of allocating housing, priorities to be respected, excessively high rent, illegal construction, superintendence of prefabricated construction, the need to develop maintenance, control of fishing during breeding periods, protection of that fauna, and so on.

The credits allocated to the Ministry of Transport and Fishing increase substantially in 1983 (up 86.9 percent over 1982), but this "increase will exclusively benefit the SNTF [National Railroad Transportation Company]," whose subsidy goes from 75.26 million dinars in 1982 to 264.15 million dinars in 1983, including 200 million reserved for maintenance of the rail system.

For his part, Minister Goudjil emphasized that the transportation rolling stock of the governorates have all the necessary equipment, that in two years, there will be more airports in the south than in the north, and that at present, 60 percent of the activity of the SNTR [sic] is reserved for the south.

The increase in the budget of the Office of Secretary of State for Fishing and Maritime Transport is also very consistent (up 97.9 percent) and is mainly explained by the attachment to this sector of the General Merchant Marine Directorate and by a subsidy of 9.5 million dinars to the Bou-Ismaïl Advanced Maritime Institute, which was under the Ministry of Transport.

In addition, 67 percent of the increase in the operating budget of the Ministry of Housing and Urban Planning (up 14.1 percent over 1982) will mainly go for the hiring of 652 upper-level personnel and technicians who completed their training and who will be assigned to the decentralized structures in order to help them carry out the collective housing programs.

The strengthening of governorate companies and communes with regard to transportation and construction was also discussed at length at the meeting devoted to them.

## Training Effort

The National People's Assembly continued its work by taking up the budgets of one of the most important sectors for the country's sociocultural development, that of education at its three different levels: education and basic instruction (up 2.5 percent), secondary and technical education (up 18 percent), higher education and scientific research (up 11 percent).

The size of the budget allocated to the Ministry of Education is explained by the growing number of students in school, which will reach 4.32 million in 1983. The drafting and reform of programs needed for basic instruction, the Planning and Finance Commission indicates in its report, require the training of skilled personnel, which requires that the ministry involved revise the training given at technical institutes and that teachers be given refresher courses.

Regarding secondary education, the number of students will increase to 285,000 in 1982-1983 (12,500 in 1979-1980).

In the space of 3 years, 90 schools have been built, but over the past year, given the shortage of 1,291 teachers (needs will reach 1,210 teachers in 1983), the Office of Secretary of State had to hire contractual teachers.

Some 34 million books were distributed in 1981-1982 for the primary, intermediate and secondary levels and 600,000 for the university level. The number of students has exceeded 100,000 and the teaching corps is 70-percent Arabized (although there is a shortage of certified teachers).

A major training effort will also be made by the Ministry of Religious Affairs (up 14.1 percent over 1982) through an increase in subsidies granted to the different training centers. The increase planned for the ministry's budget also aims to cover major operations, including the hiring of 616 religious teachers and the establishment of a publishing house. The Commission also notes that the increase in these credits will continue given the increase in the number of mosques (80,000 at present) and in its report, emphasizes the need to assure the imams of high-quality training, increase the number of training centers and increase the number of and diversify radio and television broadcasts devoted to religion.

A rich debate then began in the National People's Assembly on questions involving youth, the labor world and communes, within the context of the examination of the operating budgets of the Ministries of Labor, Youth and Sports and Professional Training.

The need to coordinate the action of the different ministries in charge of youth, of increasing the number of structures available to the young, draw up a precise program of action and endow mass sports with more equipment has been discussed by deputies. In response to their concerns, the minister of youth and sports emphasized that the year 1982 was a year devoted to youth (Second Congress of the UNJA [National Union of Algerian Youth], study of the youth dossier by the Central Committee, interest shown in youth by the

president in his last two speeches, and so on). One-fourth of the ministry's entire budget (an estimated 380 million total, or 15.7 percent more than in 1982) is allocated for training -- two institutes have been opened and three more will be in 1983. The ministry is in the process of working out a proposal for the training of advanced youth cadres, in cooperation with the Ministry of Higher Education and Scientific Research. In addition, three joint commissions have been instituted, one with the ministry, one with the Ministry of Education and the third with the UGTA [General Union of Algerian Workers].

A future high youth council will soon be set up.

A program to set up 100 youth centers has already been set in motion and more than 100 will be built of prefabricated elements. The government is now interested in a specific industry to make up for the lack of products for the young and the government will henceforth be in charge of top athletes.

The minister of professional training then said that the number of young people now being trained is three times higher than before 1981, adding that at the end of the 5-year plan, thanks to additional aid granted to his ministry, every commune will have a professional training center or at least an annex.

Finally, after examining the credits proposed for the sectors of information (up 1 percent over 1982), culture (up 28.4 percent) and tourism (up 10 percent), the deputies paid special attention to certain points concerning these three sectors. Noting that the increase in the operating budget of the Ministry of Information is low, they recalled the importance of this strategic, vital sector and emphasized the need to strengthen and consolidate it in order to face up to foreign penetration.

The deputies also emphasized the need to ensure reception of radio and television broadcasts throughout the territory (14 television stations now exist in the south and 20 more will be set up in 1983).

The speakers also stressed the need to supply the market with books and journals in order to meet the growing needs of readers. They also emphasized the need to control imported publications, given the dangers they might entail. The minister of culture then presented his ministry's program, particularly in the field of archeology and the restoration and conservation of historic sites, emphasizing the need to build a museum in every governorate.

He also noted that 200 titles are published annually in thousands of copies.

Finally, concerning the tourist sector, deputies emphasized the need to exploit all potential, to encourage the sector at the communal level and to create youth centers in the governorates in order to enable them to discover all the regions of the country.

The operating budgets of the Ministries of Health and Veterans remain to be examined.



Finally, the Finance and Planning Commission of the National People's Assembly will draw up an additional report, based on the recommendations and proposed amendments submitted by the deputies, which will in turn be submitted for the approval of the Assembly.

11,464

CSO: 4519/114

## ALGERIA

### DOMESTIC OPPOSITION, ISLAMIC CURRENT'S UPCOMING TRIAL DISCUSSED

London AL-DUSTUR in Arabic No 286, 10 Jan 83 pp 18-21

[Article: "Bendjedid: Story of Ben Bella's Trial; Algeria Is not Iran and I Am not Shah"]

[Text] Algiers--Special Dispatch--At the end of last November, the Algerian capital witnessed a tempestuous demonstration staged by several thousand persons, especially university students, which resulted in the arrest of numerous demonstrators. The demonstration was the straw which broke the camel's back in the security authorities' policy vis-a-vis the religious currents in Algeria. It was also the point at which Chadli Bendjedid could take no more in his position vis-a-vis the growing "religious opposition." So the Algerian president abandoned his silence to declare in an official address that the state will strike firmly the hands of those tampering with Algeria's future and will punish those manipulating religion for personal purposes. The speech was an official proclamation that the state would deal strictly with the "backward religious groups" and an assertion that Chadli Bendjedid's regime is not afraid of conducting public trials. The government then announced through the media that 23 persons, selected after intensive interrogations, will be referred to the State Security Court, promising that the trial will be open to the local and foreign press. The official media have been discussing the issue of trial of the religious current in a manner suggesting that the Algerian authorities intend "to uproot the malady" and that the situation which had been previously tackled with a degree of tolerance has reached the point where silence can be no longer maintained and where a strict and firm public measure is required.

But this firm and frank position taken by the Algerian authorities toward the demonstration organizers, the authorities' determination to present them for trial before the State Security Court which is convened for the first time to examine a case concerning the opposition and the open approach with which the authorities have tackled the issue of the "religious current" are not, in fact, due to reasons connected with the special approach of Chadli Bendjedid's regime in dealing with the internal issues--an approach different from that of banishment and imprisonment without trial which the late President Houari Boumediene had followed--but due, precisely, to reasons pertaining to the Algerian domestic situation and to this "religious current's" relations with the other parties and leaders of the Algerian opposition. Responsible Algerian circles have recently expressed the conviction that the issue goes beyond the "exploitation"

of religion by a small group for political purposes to bring up a deeper issue, namely that the Algerian society is threatened with internal division into two opposing sides: A fanatic side clinging to the veneer of religion and used by numerous internal and external parties to exert pressure on the Algerian regime and an indifferent side belonging to the "silent group" [sic] which has no position and is not embarrassed by the "religious current's" calls or by the regime's policy. In both cases, Chadli Bendjedid feels the danger of the political vacuum and of the loss of a popular base.

What is surprising in the issue of the Algerian religious current is that its early emergence coincided with the late President Houari Boumediene regime's official adoption of the Western Sahara and POLISARIO Front issue. At that time, i.e. in 1973, the first seeds of the presence of [religious] elements within the Algerian student movement emerged on the peripheries of the university activities, especially in the university quarter of Ben 'Aknun. Those radical elements, few as they were, were acting in reaction to the growing strength of the Socialist Vanguard Party (the Algerian Communist Party) in the wake of the dissolution of the National Algerian Students Federation. This party used the agricultural volunteering campaigns as a means to intensify its activity and to win the sympathy of Houari Boumediene who found a support for himself in this party. At that time also, the equation in the university circles was embodied in an unequal struggle between those weak radical elements and the alliance of the communist students and the National Liberation Front students. In 1974, the Algerian communists tried to penetrate "the working class" by way of the transportation company in Algiers, the capital. In the summer of that year, they organized a several-hour strike which affected only the line connecting the city center with the university quarter of Ben Aknun. Boumediene was angered and he banished 4 company workers to Hassi Messoud in the southern part of the country. He also summoned the Socialist Vanguard Party leaders to warn them that any similar action in the future will lead them to life-prison terms and would put an end to their semi-public activity. As a result, the Socialist Vanguard Party became more of a branch of the Algerian Liberation Front Party until Boumediene's death. This situation led to two results: The obvious disappearance or weakening of the communists' strength and the disappearance of their activity after Boumediene's death and, second, the growth of a different kind of student opposition embodied in particular in the Trotskites who issue AL-THAWRAH AL-'ARABIYAH [Arab Revolution] publication and the groups tied to the Algerian revolution's historical leaders, such as the Boudiaf group that issues AL-JARIDAH publication and some of whose leaders live in Paris and Morocco, the Ben Bella supporters group who operate under the name of the Underground Liberation Group and the Hocine Ait Ahmed group whose members are concentrated mainly in Tizi Ouzou, and

In the face of the solidarity established between the Socialist Vanguard Party and Boumediene's regime, the other groups proceeded, despite their differences and disputes, to form alliances either as a result of meetings or of common action without prior agreement. But what happened is that the alliance supporting Boumediene began to weaken as a result of the cumulative mistakes at the cultural and economic levels and because of the dissolution of the National Algerian Students Federation and its replacement by the Algerian Youth [organization] which is directly tied to the presidency, like the other popular organizations. This is in addition to the decline caused in the Liberation Front's bases by the Western Sahara issue.

On the other hand, the other opposition groups began to revive, working jointly at times and separately at others. When Boumediene presented the draft national charter for popular discussion, each of those parties found its chance to act and infiltrate the discussion groups. Thus developed the issue of women's liberation, the Qaba'il [tribes] issue and the accompanying incidents in Tizi Ouzou, the education problem and the other economic issues. Until that date, i.e. 1979, the "religious current" had not actually emerged and only some radical elements participated with the opposition groups in some activities and discussions. But the objective of all was to create the right atmosphere for the emergence of a movement opposing Boumediene's regime and to exploit the gaps in order to gain rostrums to convey the opinion to the people.

Before the onset of the second phase, represented in Chadli Bendjedid's regime and the post-Boumediene period which has witnessed the emergence of the religious current and the infiltration of this current by the various opposition groups, it must be said that Boumediene's era, and Ben Bella's era before it, prepared the substratum not only for the emergence of a radical religious current but also for the division of the Algerian society, not on a class basis, as some people had thought, but on a cultural and "affiliatory" basis. This substratum is embodied in several factors that must not be disregarded if what is taking place in Algeria at present is to be understood, namely that the Algerian revolution against colonialism, with all the new methods it brought to the lovers of guerrilla war and of city street wars, was founded on a religious and ideological basis--"independence from colonialism and Islam." The mujahid [freedom fighter] in the Liberation Front Party and the soldier in the Liberation Army existing before the independence were motivated to carry the rifle and ready to be martyred for the sake of an independent and Muslim Algeria. At the same time, that Algerian mujahid or soldier did not, until the recent past, differentiate between Islam and Arabism. Even now it is impossible to convince any Algerian, and the same applies to the Arab Maghreb countries, that Arab is different from Muslim and vice versa. Islam, in the popular mind, is identical to Arabism and belonging to Islam means necessarily belonging to Arabism. This is why Islam substituted for Arabism and Arabism for Islam in Algeria's positions at the beginning of independence. Ben Bella says that when he voiced his famous cry "I am Arab, I am Arab" he did not see any difference between Arabism and Islam. This background has made Islam and Arabism in Algeria indisputable given facts. Consequently, the emergence of a radical current calling for the application of Islam in Algeria can find no logical justification. On the contrary, this current may have exploited religious feelings for ends connected with political aspirations that probably have nothing to do with Islam.

The other factor in the substratum is embodied in the educational curricula that have split a generation into two parts: A part that commands nothing other than Arabic and another part that commands nothing but French. Consequently, the Algerian youth born after the independence have two contrasting cultures and each clings fanatically, by virtue of his interest and job future, to his culture. It is certain that the presence of two contrasting ends has generated among some people a kind of excess which has been exploited by the religious current and had made other people feel that they are treated unjustly, thus causing the reactions to be stronger than had been expected. What is surprising

is that most of the leaders of the Algerian religious current are French-educated. What is more, Ahmed Madani, the man currently projected as the official in charge of this current and who lived in Morocco for a period of time, has children who don't know Arabic and who study at the French (Descarte) Institute in Algiers, the capital. Consequently, Algeria's move toward Arabization and its faulty implementation of this Arabization has created an "inferiority complex" among a group that does not know Arabic and does not bear an Arab culture and this complex has made this group take an outwardly refuge in Islam in an exaggerated manner to cover up this inferiority complex. There is no better proof of this than the fact that Ahmed Ben Bella, who undoubtedly stands behind some of the religious movements in Algeria, still chooses to speak in French.

There was another factor helping the growth of a fanatic religious current--a factor embodied in the Boumediene era's economic policy which relied on heavy industry and neglected agriculture in a fundamentally agricultural society. This has resulted in the creation of an army of unemployed. According to the official statistics, Algeria's population has doubled in 20 years, which is a record growth rate. This population growth has been coupled with a record drop in production and in employment opportunities--a drop which has created an army of unemployed people seeking an outlet in the absence of democracy and under the domination of bureaucracy. This army has found its outlet in religious fanaticism as it found it in leftist radicalism in Tunisia and Morocco in the 1960's. Moreover, the transformation in government witnessed by Algeria from "self-management" under Ben Bella to strongly centralized individual power under Boumediene and to the "absence of a position" under Chadli Bendjedid has in turn led to liquidations within the Algerian authority apparatus. These internal liquidations and conflicts have resulted in the departure [ouster] of a number of the Algerian revolution leaders and government men from power. Some of them have chosen open opposition, such as Ait Ahmed, Boudiaf, Tahar Zbiri and, finally, Ahmed Ben Bella. Others have opted for moderate opposition, such as Kaid Ahmed and Bouteflika. Furthermore, the transformations have been followed by transformations in the privileges of one group or another, one segment or another. Under Ben Bella, the Liberation Front elements, especially the veterans, were in the forefront. Under Boumediene, the military controlled the economic life and the decision-making centers and the military man became both a soldier and real estate owner at the same time. Under Chadli Bendjedid, a part of the military has been removed and replaced by faces from the old Algerian aristocracy.

In a situation where the Liberation Front fully controls the government and where there is no outlet other than "rebellion," everything is possible, including religious radicalism which has found a climate helping it to emerge. This climate is represented in the fact that Algeria, especially under Chadli Bendjedid who is well-known for his religious devotion, has given Islam and Islamic enlightenment ample attention. Islam is taught at the barracks, the institutes and even the Military Academy in (Churchill) near Algiers, the capital. But instead of developing a spirit of tolerance and a true Islamic feeling, this climate has, on the contrary, created, because of the absence of recognition of the opposition and of failing to give the opposition the opportunity to express itself, a gap through which the opposition groups have infiltrated, depending on differentiation between Islam and another kind of

fanatic Islam which they advocate and on the mosques built by the official authorities to advocate different political inclinations. Consequently, the mosques have made up for the absence of opposition papers and parliamentary podiums which are banned to those with a counter opinion. This has inevitably led to further fanaticism and to a violent confrontation in the university quarters between the religious current and the government. The situation in Algeria has now reached the point where there are mosques inside apartments, car parks and public places where loudspeakers are used for occasion and for no occasion and where anybody can grab the microphone to speak, not about religious affairs but about unemployment, about the economic and living conditions and about all of society's problems. On the public streets, people pass through these voices indifferently and the street continues its usual clamor. But there are also crowds in front of these places where people discuss their concerns in the name of religion. It is circulated in Algiers, the capital, that Bouteflika, the ex-minister of foreign affairs, was seen near the city of (Blida) speaking at one of these gatherings. Moreover, some of the government men who have fallen out of favor are present in these gatherings as speakers or spectators in these unofficial mosques. Consequently, the issue is no longer so much a religious issue as it is an issue of an opposition seeking an outlet for self-expression at the same time when some religiously fanatic elements boost and supervise these podiums and, consequently, project the entire movement as if it were in their favor as a political current. It seems axiomatic that it is wrong to consider the movements being witnessed by Algeria in its entirety as religious movements motivated by an organized religious current similar to that existing in Egypt or Tunisia. The religious current in Algeria is not strong. Its strength lies in the expression outlets and podiums it has created for the other groups opposed to the regime in Algeria.

This is why by deciding to confront the religious tendency leaders, the Algerian authorities want at the same time to strike that organizational nucleus and strike the other opposition groups sympathetic to and exploiting the religious current, but without sharing its conviction. But because the Algerian authorities have failed to set this current apart from the other opposition groups when speaking of the current, they have committed a grave error embodied by motivating all to unite further. This is why many observers expect the trial to be a last chance for embarking on this differentiation and for setting the religious current apart from the other groups. After weeks of announcement of the arrests, the Algerian information media have begun to focus generally on the religious current's relationship with the outside world. The official AL-MUJAHID newspaper has gone as far as saying that it has been proven that the persons to be tried, numbering 23, have a relationship with a foreign country. While the official circles are keeping the name of this foreign country secret, the prevalent belief is that the country concerned is Iran, basing the belief on the strong resentment with which the Algerian authorities have faced the Tehran authorities' viewing of what happened in the Algerian capital as a "popular revolution," as depicted in the broad bannerlines of Iran's official papers. Some people close to President Bendjedid have quoted him as saying in comment on the Iranian position: These people don't know that Algeria is not Iran and that I am not the shah.

On the other hand, the Algerian authorities are inclined to believe that Ahmed Ben Bella stands behind the Islamic current's movements in Algeria. Gaston Defferre, the French minister of interior, recently sent an envoy to

Ahmed Ben Bella who lives in a Paris suburb to ask him to stop his political activity, especially his contacts with persons well known for their hostility to the Algerian Government. It seems that Gaston Defferre has done this in response to an official Algerian wish, which is something that brings up several questions regarding Chadli Bendjedid's position toward Ben Bella. There are those who say that referring the detainees to the State Security Court will give Chadli Bendjedid the opportunity to try Ben Bella in absentia and there are those who say that to the contrary, President Chadli Bendjedid seeks to exclude Ben Bella from any involvement in the issue even though there is evidence, embodied in cassette tapes and pamphlets, proving that Ben Bella has a connection with the religious current.

But it is certain that Algeria's relations with Iran are no longer what they were previously, especially during the period of Algeria's mediation in the issue of the U.S. Embassy hostages in Tehran and during the Iranian officials' visits to Algiers. Iran's position vis-a-vis what is happening inside Algeria has caused these relations to enter the stage of decline. Consequently, this could perhaps influence the pledge that Chadli Bendjedid had undertaken to conduct personally a mediation with the aim of ending the Iraq-Iran war. This pledge was taken during a tripartite summit between King Fahd, Yasir 'Arafat and the Algerian president.

For these reasons, observers are now awaiting the date of the trial which, it is said, will be conducted openly and in the presence of the press in the coming weeks. Will it be a trial of Ben Bella or of Iran, involving Iran in the Algerian internal affairs, or will it be a trial of both? In any case, the trial which will be witnessed by Algeria in the coming weeks will be no ordinary trial.

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CSO: 4504/156

MINISTER OF TRANSPORTATION POINTS UP NEED FOR BETTER ROAD SYSTEM

Nouakchott CHAAB in French 28 Nov 82 pp 14-17, 20

[Interview with Maj Gabriel Cimper, minister of equipment and transportation; date and place not given]

[Text] In the interview he granted us on the occasion of this special issue devoted to the 22d anniversary of our country's accession to independence, the minister of equipment and transportation, Maj Gabriel Cimper, speaks at length about the condition of our road infrastructure and the tireless efforts made by the National Directorate to protect it from deterioration while seeking to expand it.

Cimper also speaks of the difficulties encountered by our fellow countrymen in the field of transportation, despite improvements already made in the sector.

[Question] Mr Minister, your ministry represents the infrastructural backbone of the government. The areas under your responsibility are as diverse as they are sensitive.

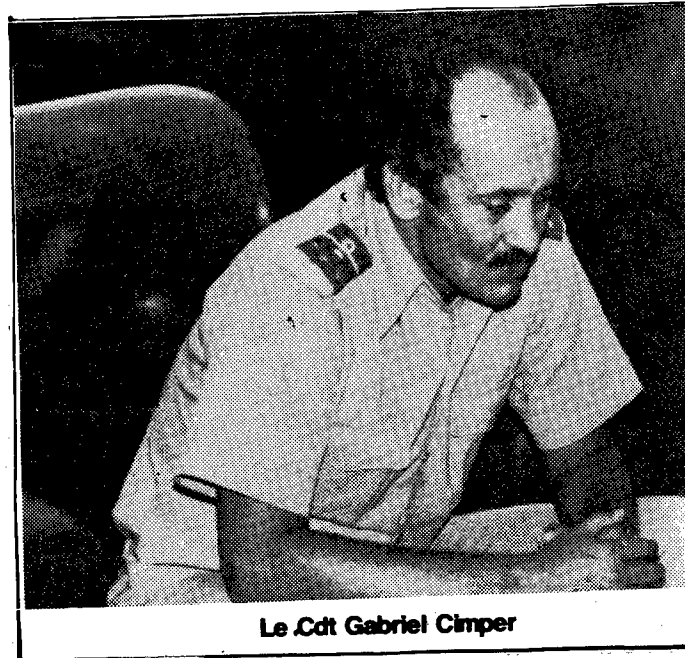
Can you draw us a general picture of your tasks and concerns?

[Answer] The Ministry of Equipment and Transportation, which plays an essential role in the country's economic and social development, is a technical department with complex and varied activities.

Those activities actually cover important and essential domains of national life such as the road, port and civil aeronautics infrastructures, topography and its corollary, the safety of air navigation, technical studies of soils and construction materials, as well as air and overland transport.

My concerns thus cover all these domains, in particular, the road, port and air infrastructures that make it possible to provide and haul goods, supply the people, and provide and transport the materials, equipment and all industrial products needed to carry out all projects essential to the country's economic and social development.





**Le Cdt Gabriel Cimper**

Maj Gabriel Cimper

My concerns are the corollary of my tasks. First of all, we must preserve what we have inherited, which represents an enormous capital, particularly with respect to the road system, which requires fabulous sums for its construction. At the present time, 1 kilometer of asphalted road costs from 15 to 18 million monetary units. It is therefore extremely important to avoid any deterioration of that patrimony and to preserve it so that it may render the services one has the right to expect from it.

Second, we must try to improve what we have and expand it, particularly with respect to roads, so as to serve regions that are still isolated and the people living in the most remote areas, thus improving their standard of living.

[Question] In your opinion, how does the road system look?

[Answer] We must distinguish the system of paved roads from the system of dirt roads and trails.

The paved roads mainly include two routes: Nouakchott-Nema and Rosso-Nouakchott-Akjoujt.

The Nouakchott-Nema road is quite recent. The first section from Nouakchott to Kiffa was totally put into service in June 1978.

The Nouakchott-Aleg section is experiencing serious difficulties with sand because of the drought and the gradual expansion of the desert.

The dunes cover the roadway in many places and we have to handle unexpected situations that go beyond our current capabilities.

Nevertheless, we are in the process of mobilizing the means we have, which are inadequate, in order to get the situation under control and repair the damage caused by a lack of continuing preventive maintenance.

The problems of the shoulders and the edges of the surfacing are also a matter of concern and we must find solutions to prevent greater deterioration.

The second portion of Aleg-Kiffa is also experiencing difficulties, but much less serious. Some engineering works seem inadequate and the draining of the roadbed must be completed in certain places threatened by water.

Studies to strengthen the double layer of surfacing will soon be made. Surfacing such as that between Boutilimit and Kiffa must be replaced every 5 years with preventive maintenance every year to prevent deterioration and destruction, as is the case on the Akjoujt road. Resurfacing the road costs about 3 to 4 million monetary units per kilometer, which means that in order to resurface 450 kilometers between Boutilimit and Kiffa, it would cost about 1.8 billion monetary units. One can therefore immediately see the problem this could pose and persons not aware of the enormous investments needed to maintain the roads cannot understand the current situation.

The second section of Kiffa-Nema will go into service in 1981. There are consequently fewer problems and we must also say that this section has benefited from the experience gained on the Nouakchott-Kiffa section. The width of the paved surface was extended to 6.5 meters, which even protects the shoulders and edges, inasmuch as trucks find it much easier to pass without going onto the shoulder.

The technique of submersible foundations for crossing the wadis has been improved and more widely used. In addition, road materials are of better quality along this section, which has made it possible to build foundation layers and more solid surfacing.

Except for a few problems with drainage, this section is now in good condition and poses no major maintenance difficulties.

The second road between Rosso, Nouakchott and Akjoujt experiences much worse difficulties stemming from the fact that this road was built 12 years ago and put into service in 1970. Consequently, it has to withstand much greater traffic. There is also the fact that it has not been maintained as it should have. The Nouakchott-Akjoujt section has been completely neglected for 10 years and has practically never been maintained. The current situation is the result, which would never have happened if there had been minimum maintenance every year, if only to fill potholes as they occurred.

At the present time, some 40 kilometers are in very bad condition. The surfacing has disappeared and the foundation is seriously damaged. Some 90 kilometers are in bad condition with many holes and depressions. These areas

are near Akjoujt in the portion of the double-layer surfacing that is the most fragile and that requires more frequent and more substantial preventive maintenance, as previously stated. The embedded portion from Nouakchott to Moutounsi has stood up better but all the holes must still be filled and we must protect the shoulders if we want to prevent greater damage.

We are in the process of studying all these problems and of planning maintenance and gradual repair with the means we have, which, once again, are very inadequate.

We are now working on the embedded portion between Nouakchott and Moutounsi. Some 80 kilometers have been done and work continues. Greater means will be needed to repair and improve the portion near Akjoujt, which requires total rebuilding of 40 kilometers.

The Nouakchott-Rosso section has also suffered greatly from the lack of maintenance. The embedded portion from Nouakchott to Tiguent has stood up better but the surfacing is full of cracks and we must make these cracks impermeable in order to prolong the life of the road. The portion near Rosso is full of holes, the shoulders are in poor condition, the foundation layer and the road base in sand have not withstood heavy traffic well, and we must repair all defective areas, which will be undertaken as soon as the financing project planned with the aid of the European Development Fund can be implemented.

The dirt road and trail system is also experiencing problems, especially on the more heavily traveled routes. Between Boghe and Kaedi, the earthwork must be redone and all drainage must be completed before being able to initiate serious work on the current fill and the roadway itself.

Improvement of the trail between M'Bout and Selibaby is underway with the help of the UNDP and UNSO [Office for the Sudanese-Sahelian Region], with construction of a real dirt road and all related engineering works.

The other trails are in fairly poor condition, particularly access to Moudjeria and Tidjikja, which also poses a serious problem of drifting sand that is difficult to resolve with the present means. A layout study must be made in order to find changes in routes providing easier access.

This brief picture shows the obstacles that must be overcome in order to keep the system in good condition and preserve our heritage. Above all, it points up the absolute need for regular and preventive maintenance, which is the most difficult task to carry out because road maintenance is difficult work.

This is mainly because of the thankless nature of the work to be done and the fact that such work must be done over extremely long distances and on a nearly nonexistent infrastructure, in most cases. Roads are subject to rapid deterioration because of the climate (sudden rains in the winter, the mediocre nature of the soil, sand, slab, mangrove swamps, nonexistent road materials).

Actually, a trail may look in excellent condition to the user immediately following passage by a roadgrader that has smoothed out the roadbed, but it

may look very poor a week later after the washboard appearance has returned and holes have reappeared as the result of traffic in places where the ground is not solid.

Likewise, a section of a trail may look very good after the winter season although following a tornado, it becomes impassable and when all the work done during the dry period has disappeared, washed away by the water or damaged by the vehicles which do not respect rain barriers, which is often the case.

Maintaining the trails is all the more difficult because the support infrastructure does not exist and the land crossed is mediocre, preventing one from using good-quality road materials. This is the case in sandy areas crossing the mountain dunes and in clayey areas (banco or mud in mangrove swamps), which rapidly become totally dusty and resemble flour, where vehicles can no longer circulate.

Road maintenance is a very thankless task. Every day, one has to do over again that which was done a week ago. There are no spectacular accomplishments, as in the case of a new building or new construction. The results are sometimes disappointing because of the above conditions, because of the enormity of the task and the rapid deterioration resulting from the increasingly heavy, intense traffic and difficult climatic conditions.

These explanations enable one to better understand the difficulties of the task to be done, which is nevertheless indispensable to the country's development.

[Question] How is work coming on the following projects? the Timbedra-Nema section, Aleg-Boghe, Nouakchott-Nouadhibou, Nema-Nara, Aioun-Nioro, M'Bout-Selibaby-Gouraye, Tiguent-Nimzat and Atar-Chinguetti?

[Answer] Timbedra-Nema

The final 106 kilometers on the Espoir road are being built between Timbedra and Nema. The work, costing 1.65 billion monetary units without any price revision, has been entrusted to the Enterprise Mendes Junior International Company and began in June 1982. At the present time, 30 percent of the earthwork is done.

Financing is from the Saudi Development Fund to the extent of 65 percent and the remaining 35 percent will be financed by the Islamic Development Bank or the Arab Economic and Social Development Fund.

Supervision of work on the Timbedra-Nema road is done by Setec International. This management is financed by the same backers as on the Kiffa-Timbedra road.

#### Aleg-Boghe Road

The Aleg-Boghe road, work on which began in September 1982 by the Colas-Satom-EGB-TP [expansion unknown] consortium, is being financed by a total amount of

486 million ouguiya, 40 percent from the European Development Fund and 60 percent from the Kreditanstalt (KFW). Work on the road has been delayed somewhat because of the inadequacy of equipment brought to the site by the contractors. However, the necessary effort was made to catch up, so that 40 kilometers of earthwork are finished and 22 kilometers of road are completed and ready to be surfaced. This work is to begin in December.

Supervision of work on this road, financed by the KFW, has been entrusted to the German consulting firm Beller Consult.

#### Nouakchott-Nouadhibou Road

The financing agreement for the feasibility study was signed on 7 June 1982 by the Aid and Cooperation Fund (FAC) and the Islamic Republic of Mauritania for a sum of 32 million ouguiyas. A survey has already been completed by a French consulting firm, accompanied by technicians from the Ministry of Equipment and Transportation. Consulting firms have already received the call for bids dossier. Bids must be submitted before 22 December 1982.

#### Nema-Nara-Aioun-Nioro Interstate Roads

The Ministry of Equipment and Transportation has already worked out joint financing applications for the Nema-Nara and Aioun-Nioro interstate roads. These financing applications have been transmitted officially to the Republic of Mali for remarks and suggestions before submission to financial backers, to wit, the Islamic Development Bank and the UNSO, which have already indicated their interest in participating in the financing of these two roads.

#### M'Bout-Selibaby-Gouraye Road

This road was begun within the framework of the Third Road Maintenance Program. It is one of the most important branches of the major Kaedi-Kiffa highway. Its financing, amounting to 458 million ouguiya, has been provided by: the UN Office for the Sudanese-Sahelian Region (UNSO), within the framework of the implementation of priority projects in the medium- and long-term recovery and development program of nations belonging to CILSS, for a sum of \$1.5 million; the UN Equipment Fund (FENU) for \$2.8 million; a contribution from the Islamic Republic of Mauritania for 2.78 million ouguiya. Financing for the Selibaby-Gouraye road, the complement of the M'Bout-Kaedi road, was obtained by the signing of a financing agreement on 30 September 1982 between USAID and the Islamic Republic of Mauritania for \$4.81 billion.

Work is being done and supervised by the contracting firm of the UNDO/OPE [expansion unknown]. The length of the initial project was 21 months and actual startup of the first 12-month phase did not take place until 1 April 1982. At the present time, 28 kilometers of road are totally finished and work has resumed the normal speed of 6 kilometers a month. Execution of the 56 kilometers constituting the first phase could be complete by the end of March 1983.

#### Tiguent-Nimjatt Road

This road, 51 kilometers long, was completed in 1982 by the Ministry of Equipment and Transportation without outside help. Work has been done for a month and the equipment that was at the site has been removed. It should be noted that completion of this dirt road now enables light vehicles to reach Nimjatt and has made it easier for visitors from Senegal to go there at the time of the El Virt festival.

#### Atar-Chinguetti Road

In response to the appeal of the president of the CMSN made on 24 April 1982, the Ministry of Equipment and Transportation made major human and material means available to the promoter of this project and will continue to follow up work on the road. Once completed, the project will shorten the current Atar-Chinguetti road by 37 kilometers and will facilitate access to the historic city of Chinguetti.

[Question] What do you intend to do with the Rosso-Nouakchott-Akjoujt road?

[Answer] I have already spoken of this road and of the problems it poses when speaking about the condition of the road system.

Repair of the Nouakchott-Rosso section is planned as part of a project financed by the European Development Fund (EDF). Work could begin as soon as the financing agreement is approved by the EDF.

The amount of the work to be done according to the agreement amounts to 300 million monetary units, which will make it possible to rebuild the worst portion between Tiguent and Rosso.

Contacts have been made with the Islamic Development Bank, which has manifested its interest in participating in the financing to rebuild the Nouakchott-Akjoujt road, which is in particularly bad condition, especially from Kilometer Marker 120 to Akjoujt.

Considering the amount of the investments made by the government in these paved roads, whose importance escapes no one, despite the very limited means our country has, it is essential to preserve such roads and prevent their destruction by marshaling the financial and material means ensuring their regular maintenance.

The ministry has just set up two crews to maintain these roads, handling the problems with drifting sand and road shoulders. In addition, it set up an asphaltting crew that has been on the job since 20 September 1982 on the Espoir road between Nouakchott and Kiffa. This crew fills potholes, repairs depressions and cracks and as soon as work on the Espoir road is completed, it will first go to the Nouakchott-Akjoujt road and then the Nouakchott-Rosso road.

[Question] How is the situation at the Friendship Port and the Nouakchott Wharf?

[Answer] Work at the site of the future Friendship Port is moving along satisfactorily, thanks to the good will and availability of our partners from the People's Republic of China, despite often difficult working conditions. Elements that will constitute the jetty are 70 percent in place. Actually, 732 meters of accessways and 130 meters of berthing piers are already completed. An overhead crane has been installed. Other infrastructures on land, including two emporiums, two 8,000-square-meter hangars, a garage and a waiting room are 95 percent finished.

Construction work on this important project will continue in 1983.

The Nouakchott Wharf is going through a difficult situation, mainly due to the following causes: the amount of the country's foreign and domestic debt; the amount of personnel expenditures; the blatant lack of handling equipment; the defective condition of existing equipment and facilities in the water; and the low rates charged compared with unloading expenditures and other expenses relating to certain products.

Measures have been taken to correct this situation in order to reduce personnel expenditures and a committee of experts has been set up to analyze the situation and propose a recovery plan.

A financing agreement is being worked out with the European Development Fund for the purchase of land and water handling equipment and the rehabilitation of facilities in the water.

#### Transportation

[Question] Despite the substantial improvement in the road system in the country, the transportation problem is still acute. Prices are not respected and the STPN [expansion unknown] remains limited in its action to cover the needs of a growing clientele. What plans do you have in this field to guarantee better socioeconomic development?

[Answer] The problem of transportation is indeed worrisome and a great deal has to be done to provide transportation at affordable prices and in sufficient quantities, although a substantial effort has been made by the STPN, despite its enormous financial and material difficulties.

Since November 1981, the STPN has put together a pool of new buses without awaiting the construction of maintenance means for the vehicles, which has clearly improved the situation.

But there is also the problem of roads and urban streets. Inside the city, these roads are generally in poor condition, except for the paved streets, and access to many districts is difficult.

An effort must therefore be made to improve the road system. The problem of the cost of transportation is also difficult to solve with the constantly rising cost of fuel, spare parts and vehicle maintenance.

We must definitely try to have the most affordable prices possible, based on the real operating costs of the vehicles, so that haulers will not be penalized.

Mass transportation must be developed, because not everyone can afford to take taxis every day.

We must therefore develop the STPN system and make its pool as profitable as possible, by improving new service.

[Question] In the city of Nouakchott, there are not enough taxis. What are the reasons for this and how can the problem be remedied?

[Answer] The problem of the shortage of taxis is due to the fact that, on the one hand, the vehicles are rather old and a number have to cease operations because of their poor condition, and also because of quite frequent accidents. Second, the vehicle pool is not replaced in proportion to deficiencies and in addition, operating costs have gone up considerably, especially the price of fuel, insurance, spare parts and vehicle maintenance. As a result, taxi profits have dropped considerably and there is consequently much less motivation to have a taxi.

On the one hand, the pool is reduced in number through the elimination of old vehicles or those in accidents and it is not replaced proportionately because of the high cost of cars. Second, profitability drops and there is no financial motivation to have a taxi. That is why there are increasingly scarce.

In order to improve the situation and encourage the profession to expand the number of autos, a fair price schedule must be set up so that taxis be fairly paid in terms of the real costs and criteria of use, thus permitting renewal of the vehicle pool through greater profitability.

It is obvious that if taxi owners derive nothing from their profession, there will be fewer and fewer taxis and more and more taxis in poor condition.

[Question] In the field of air transport, Air Mauritania has become an important company, capable of meeting the country's air transport needs. It had planned to buy Boeings. Government backing remains necessary in order to do so. It would appear that Air Africa does not want this. What is your opinion on this matter?

[Answer] Air Mauritania has in fact become a viable enterprise thanks to its good management and it has proved that it was capable of meeting the country's needs.

Concerning the problem of the Boeing, the guarantee of FOSIDEC [expansion unknown] was obtained and consequently, the Air Mauritania Company will be able to buy a Boeing 737.200 ADV as soon as the financing agreement is finalized.

I do not believe that Air Africa has objections to the purchase of that Boeing.



In fact, the two companies are not rivals, but complementary, and the development of Air Mauritania can only be beneficial to air transport and the development of Air Africa.

[Question] The OMVS seems more committed to its development process than ever. Can you tell us how the Diama and Manantali projects are coming?

[Answer] I must tell you, in response to that question, that since the laying of the cornerstone by our chiefs of state in November 1981 and June 1982, the Diama and Manantali dams have entered the actual construction phase.

With respect to Manantali, I must add that construction of the access road to the site is completed and the site itself is now the object of attention.

Diama has also had its access road completed. The site and compounds have already been set up.

In addition to these elements, drainage work and dikes on the left bank were finished during the second quarter of this year.

The third quarter witnessed continuation of earth packing for the spillway and the locks.

In general, work is proceeding normally according to the schedule set up and we are convinced that the delivery dates will be met.

It should also be noted that work began only 1 year ago for Diama and only 6 months ago for Manantali. We thus have every reason to be optimistic.

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GOVERNMENT PLANS BASIC IMPROVEMENTS IN COMMUNICATIONS

Nouakchott CHAAB in French 28 Nov 82 p 8

[Interview with Information Minister Mohamed El Mokhtar Ould Zamel; date and place not given]

[Text] What is the role of information in the task of recovery undertaken by the Military Committee for National Salvation (CMSN) and the government under the energetic, enlightened leadership of Lt Col Mohamed Khouna Ould Haidalla? What plans do information sector officials have for our organs of the written, spoken and soon, audiovisual, press? What measures are being taken and will be taken to relieve communications difficulties, both at home and abroad, difficulties constituting a major obstacle to our economic development?

Minister of Information Mohamed El Mokhtar O. Zamel touches upon all these questions, and many more, in the interview he granted us and which we are publishing below.

[Question] What is the role of information in the task of national recovery?

[Answer] The role of information in the phase of national recovery is a major one. As you know, it is first of all a matter of explaining to our people, confused and abused by years of demagoguery and hollow promises, the specific content of the program of the 10 July 1978 movement. It is a question of bringing about a real change in thinking, both among the masses and in the administration, of bringing the people to courageously take responsibility for their destiny, to defend their independence and work for progress. In short, it is a question of a whole program of development and emancipation whose contents and guarantee of success must be explained to our people, who will be its real artisans, and to international opinion.

It is up to information to play that role and to play it with all the more dedication and responsibility because our country is now engaged in the battle for national independence and trying to lay the foundations for a real democracy.

[Question] What are your plans so that the voice of Mauritania will be heard abroad?

[Answer] The answer to that question is our major concern. We are working on it on two levels:

At home, we must provide our press agency with the means needed to ensure international dissemination. We must also provide our radiobroadcasting system with transmitters that can reach out to the region and even go beyond.

Finally, our written press must be improved qualitatively and quantitatively and it must have a vast circulation in foreign countries.

Abroad, we must develop our relations with the international press, bring it to write about our country objectively. Action is being taken in that direction and we intend to intensify it and improve it.

[Question] Information coverage of national events is limited.

[Answer] It is true that coverage of national events leaves something to be desired, for different reasons, including the inadequacy of means of communication and generally, of professional means.

In addition, there is our joint responsibility, that of the administration and your own, that of the newsmen. We do not get the maximum out of the few means we have.

For its part, the ministry plans, in addition to its development of communications media, to improve the presence of press correspondents inside the country, both quantitatively and qualitatively. But in order for that effort to bear its fruit, those in communications must truly understand their role and properly measure their responsibility.

[Question] How is television doing and what difficulties has it encountered?

[Answer] The project financed by Iraq is proceeding normally. The first phase is completed. It is a matter of the installation of transmitters and a tower, in addition to a vehicle equipped with two magnetoscopes and two cameras. The training of technicians and other personnel (22 persons, including 4 engineers) is also completed.

This first phase also includes initial equipment and technical assistance supplied by France, already in place.

Consequently, experimental broadcasts will be able to be made as soon as we wish.

Regarding the second phase, technical equipment is finished and its reception is expected any day. This is the studio equipment, the microwave relay, maintenance equipment, and operations and production equipment for the station.

Difficulties have been encountered in civil engineering and resulted in a considerable delay. However, they have been overcome and we hope to be able to have the building before the end of 1983.



**M. Mohamed El Mokhtar Ould Zamel**

Mohamed El Mokhtar Ould Zamel

[Question] What are the reasons for the absence of Arabic in the postal service of telecommunications?

[Answer] I think it would be more appropriate to speak of inadequacy rather than absence. I also think it is more important to take up the remedies rather than the causes.

At the present time, we are working to introduce Arabic into that public service through the injection of cadres trained in Arabic at all levels.

Some have already returned and have been integrated. Others, now being trained in Arab countries, are awaited.

The short-term objective is to ensure the citizen his rightful access to that important public service.

[Question] Communications difficulties at home and abroad constitute a serious handicap for the country's development. Do you expect a rapid solution to the problem?

[Answer] It is true that our telecommunications infrastructure, both at home and abroad, is very inadequate.

Such a situation cannot last because it does incalculable harm. It is in fact unthinkable that our regions should remain isolated from each others and that our country should remain outside the major international communications circuits.

My ministry has therefore set as its prime objective the execution of a telecommunications program including the following:

Construction in 1975 of a type A earth station and an international transit center in Nouakchott. This station will be linked with the international telecommunications system by Intelsat.

Thus, our country will be hooked up to the entire world by automatic telephone, telex, radiobroadcasting and television.

Financing for this project has already been found, the technical studies completed, and we are in the phase of signing contracts for construction.

Three type B earth stations will be set up in Nouakchott, Nouadhibou and Zouerate. These stations will be financed by the FAOES [expansion unknown] and the Algerian People's Democratic Republic.

In that way, we shall be hooked up with the Arab telecommunications system ARABSAT and we shall connect our economic centers between themselves and with the world.

A microwave relay program will be carried out in the southern and southeastern regions of the country. It will connect Nouakchott and Selibaby, including Boutilimit, Aleg, Boghe and Kaedi. A microwave relay system will also connect Selibaby with Kiffa. Financing for a large share of this program has already been acquired and we are actively seeking the rest.

Our communications with Senegal will be automatic by 1983, those with France improved, and we shall open up a line with Spain.

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PLANNING MINISTRY SEEKS BALANCED DEVELOPMENT

Nouakchott CHAAB in French 28 Nov 82 pp 18-19

[Interview with Lt Col Anne Amadou Babaly, minister of planning and territorial management; date and place not given]

[Text] What are the objectives, achievements and main lines of the Fourth Economic and Social Development Plan promulgated a few months ago? What are the main lines of the national accounting plan recently set up? Has the statistics directorate been up to the tasks assigned to it?

These are essentially the questions which the minister of planning and territorial management, Lt Col Anne Amadou Babaly, takes up in this exclusive interview.

[Question] Mr Minister, the Ministry of Planning and Territorial Management is a new creation. What is its specific task and what is meant by territorial management?

[Answer] The Ministry of Planning and Territorial Management is in charge of drafting national plans and sectorial and regional development programs and of coordinating and overseeing the execution of plans. The ministry must seek out ways of financing government projects by managing the national financing capacity and by negotiating foreign aid.

By following the evolution of the national economy, the ministry must also propose to the government the corrections needed to solve bottlenecks hindering the normal development of the economy. In addition, as an instrument of government, the ministry coordinates and channels all government activities in order to ensure achievements of the objectives of national leaders with respect to economic and social development.

Territorial management means the search for balanced, thorough development aimed at meeting the basic needs of the people wherever they are, within the framework of a self-centered economy that does not aim at autarchy or any break with international cooperation.

Territorial management requires perfect knowledge and complete mastery of all our potential (human, physical and financial); effective decentralization

mainly manifested by the regionalization of the plan, which takes into consideration a conscious, responsible participation of the people in the identification and execution of development actions, thus expressing the principle that development does not come about for the people, but by the people, within the framework of optimum use of available resources, first of all. Foreign aid is thus considered as an addition to the national effort.

[Question] A few months ago, the Fourth Economic and Social Development Plan was coming out. What are the essential characteristics of that plan and of the overall development strategy adopted?

[Answer] On the eve of the Fourth Plan, our country's economic and social situation was characterized by a real structural imbalance in the national economy, manifested by a profound mutation in the economic basis of the primary sector (rural sector) to the tertiary sector. This "tertiarization" of the economy is the basis of the impoverishment of the rural population manifested by strong migration. Financially, we have experienced a structural deficit in the balance of payments and public finances.

The Fourth Economic and Social Development Plan is for the purpose of halting the deteriorating tendency, while at the same time, being the first medium-range step of a development strategy over a period of 20 years that we shall subsequently explain.

The Fourth Plan is therefore a transition plan and has three major themes: recovery, consolidation and reorganization. In order to follow the recovery, three main measures will make it possible: limited public spending; the establishment of a new government policy of public and semi-public enterprises; and renegotiation of the foreign debt.

At the same time, an effort to increase receipts is being undertaken. Better tax collection will be possible thanks to the establishment of the new tax code and better administration. Customs tariffs will be increased thanks to export efforts and measures will be taken to improve their collection and fight smuggling.

More generally, the broadening of the tax base due to increased economic activity should contribute to the increase.

It will set up conditions for consolidation, thanks to the continuation of projects already begun and the resumption of projects which the recovery plan had temporarily shelved. It is mainly toward replacement investments that the Fourth Plan will be oriented, updating of the technical machinery of public enterprises and maintaining the export capability, particularly for iron.

Promoting reorganization of the productive economic base of the nation does not solely correspond to an orientation of public investments. It is a matter of defining with precision the role in the economy:

Of the government in order to prevent its economic responsibility from involving budgetary burdens that are too heavy. This should result in the shelving

of projects not justified financially and economically, the limitation of unproductive projects financed by foreign loans, government prudence with respect to the granting of backing and foreign loan guarantees, better definition of plans to finance new projects and the rigorous management of public enterprises that should no longer constitute a burden for public finances;

Of the private sector, which is very important in the productive fields of agricultural production and livestock raising, fishing and a large section of the modern sector.

The flaws observed in recent years should be corrected through a reinvestment of surpluses in more profitable productive activities than in the past and by better use of foreign exchange earned by exports.

We must provide a more motivating framework, making individual and collective interest more compatible. This is linked to better utilization of tools of economic policy, including interest rates, financing and development mechanisms, and the reorganization of certain sectors such as fishing, with a view to the nation's reappropriation of its resources.

At the same time, the educational system must be rechanneled in order to remedy the lack of skilled and semi-skilled labor affecting the country.

Thus, through the restoration of financial balance, the drafting of measures of structural adjustment eventually making recovery of the public sector through an intensification of recovery measures, and the establishment of mechanisms for the management of the national economy, the country will be prepared for economic and social development.

For this Fourth Plan, we can thus retain the main practical recommendations as follows: promotion of an investment policy encouraging projects that use low-intensity capital and generate jobs; application of a policy for allocating investments that help sectors that are directly productive; limitation of foreign indebtedness to a level compatible with export receipts; reduction in the growth of the relative share of the tertiary sector in the GNP; through decentralization, an increase in participation by the people and the private sector in order to orient private savings toward productive activities; and rehabilitating the parapublic sector by strengthening its management.

Mobilization around the development strategy suited to our "projected society" will permit the national leap needed for our survival. Reorganization of the economic base of our country will aim at a substantial attenuation in macro-economic imbalances through an increase in domestic production and the adoption of the necessary auxiliary measures. In addition to the political consensus at the highest level, there must be a true mobilization of the nation's live forces.

Concerning the overall strategy for the period between 1981 and the year 2000, we consider the Fourth Plan for 1981 to 1985 as an interim period during which the Mauritanian economy will seek to establish the essential bases permitting a change in the development strategy previously followed. The



basic elements of the new medium-term strategy (1981-1985) are: 1) restoration of the country's financial equilibrium with the objective of attenuating the deficit in the regular budget and being scrupulously careful that the rate of indebtedness remain at an acceptable level; 2) the drafting of structural adjustment measures that will create an environment favorable to the economic recovery; 3) an intensification of recovery measures for enterprises in the parapublic sector, including the banking system, the most effective of which could be the establishment of contract-programs between enterprises and the government, spelling out the respective obligations of each of the two partners in order to allow better definition and better followup of the sector's recovery measures; 4) the establishment of a mechanisms for administration of the national economy; and 5) the implementation as rapidly as possible of development projects whose financing is assured, which implies a practical strengthening of institutions in charge of execution and followup. It should be recalled that most projects started during the Fourth Plan (1982-1985) should represent the final phase of a type of development with high capital density.

The long-term strategy (1986-2000) will aim at maximizing national production in order to meet the fundamental needs of the population and solve the unemployment problem. The volume of investments available will always remain dependent on the service on the foreign debt, under 20 percent of export receipts. The distribution of investments must help the development of national production thanks to projects which must essentially utilize little capital and create the maximum number of jobs.

Passage from a policy of investments using large amounts of capital to a policy of low-intensity capital generating jobs will require an institutional reform and a strengthening of planning organizations.

During the period from 1981 to 1985, the plan must manage projects already set up, attentively follow the evolution of the macroeconomic situation and plan new types of projects using little capital in order to meet the basic needs of the population in long-range terms.

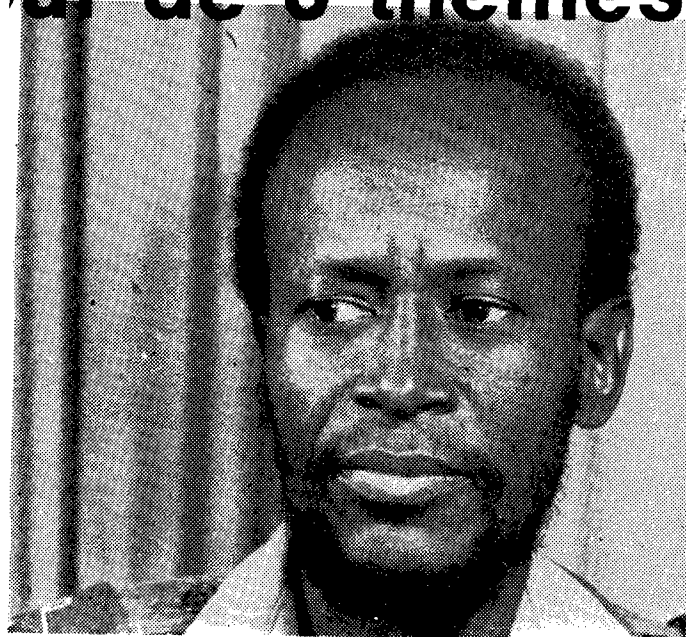
The Fourth Economic and Social Development Plan is the first medium-term phase of a development strategy stretching out over 20 years and it is above all a plan of recovery, consolidation and reorganization, aimed at setting up the structures, institutions and procedures for self-centered development.

[Question] Some say that the Fourth Plan is very ambitious. What is the true story?

[Answer] Those who consider that the Fourth Plan is ambitious always refer to the level of investments. Out of the 89.2 billion in the investment program contained in the Fourth Plan, 22.7 billion go for the Guelbs project, which is actually a replacement investment because it only prevents a drop in iron ore production, which is actually valid for the Nouakchott electric power plant project.

There are another 10 billion for private investment and finally, one must also bear in mind the fact that many projects are still in the idea stage and have not yet reached the feasibility study phase or the phase of execution requiring the search for finar

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**Le Lt-Colonel Anne Amadou Babaly**

In other words, the Fourth Plan is definitely ambitious, but not quantitatively -- that is, not with respect to the level of investments -- but rather, qualitatively, because it depends on the determination of national leaders, who must go after the structures, institutions and mentalities that are the source of the economic deterioration that we must change.

[Question] A national accounting plan has just been set up in recent weeks. What are its main lines?

[Answer] The national accounting plan is not managed by the Ministry of Planning and is now under the Ministry of Finance.

[Question] Statistics play a prime role in any developing country. Mr Minister, can you tell us what actions can be cited as positive steps by the statistics directorate?

[Answer] National statistics are entrusted to the Directorate of Statistics and National Accounting.

I agree with you on the cardinal importance for any country of having reliable statistics for planning and development needs, as well as in order to shed light on certain decisions.

As for the progress made by the statistics directorate, I can tell you that despite rudimentary means and a small staff, given the scope of the task, it conducted the first general population census, whose official results have just been made public in the form of documents that your readers can consult.

In addition, it carried out a study of fertility within the framework of a world program.

Regarding economic statistics, the aggregate figures of national accounting and the main socioeconomic indicators are published annually, along with a statistical yearbook and another on foreign trade.

Two family consumer price indexes for Nouakchott are also published monthly. Naturally, additional efforts must be undertaken and improving statistics and the collection of basic figures for analysis and publication is a constant concern.

[Question] What are the main projects of the Ministry of Planning and Territorial Management?

[Answer] The Ministry of Planning and Territorial Management is not an institution for the execution of development projects that are under the technical ministries. However, on behalf of the government, it must oversee, follow up and initiate development actions with the different ministries.

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CSO: 4519/106

GOVERNMENT WANTS TO MAKE WATER AVAILABLE TO EVERYONE

Nouakchott CHAAB in French 28 Nov 82 pp 4-5, 9-10

[Interview with Mahjoub Ould Boye, minister of water and housing; date and place not given]

[Text] In the interview he granted us, Minister of Water and Housing Mahjoub Ould Boye brought up such essential problems as the water shortage (both in rural areas and the city of Nouakchott), frequent electrical brownouts at the district level, the housing crisis, now of alarming proportions, and efforts now being made to provide adequate remedies.

[Question] Mr Minister, since the National Armed Forces took power, important progress has been made in the country's economic and social recovery effort. In the area of housing and water, what specifically has been accomplished?

[Answer] As you emphasized in the prelude to your question, the economic recovery initiated by the National Armed Forces since they came to power on 10 July 1978 has led to major progress which the national leadership intends to preserve, enrich and develop. Reconstruction of the national economy, in a state of collapse, is naturally a long-range task but one which, in order to have positive results, must begin on healthy foundations based on the country's situation and means. It is for that reason that our national leaders, turning their backs on complacency and easy solutions, are making individual efforts and sacrifice the backbone of the economic policy. With respect to the Ministry of Water and Housing, I must tell you that we are trying to insert our policy and action into such a framework. It is for that reason that we believe that basic principles must be set forth and that concrete achievements, however modest, must stem from a policy and obey a rationally planned program. From this standpoint, I believe that the options defined at the ministerial level constitute, if not the fundamental step, then at least the preliminary stage without which our action would be but a series of improvisations with no inherent logic.

I shall begin by tracing the main lines of our policy in the fields of water and housing and I shall then present some of the types of things we have accomplished.

The main guidelines of our sectorial policy are as follows:

#### Water

Covering the entire territory with a plan of action in water resources; encouraging the participation of people in the completion and management of projects; encouraging better adapted pumping systems (solar and wind energy); using our own technical means to complete studies that were customarily the privileged domain of foreign institutions; and mobilization of financing on new foundations based on the requirements of our policy, that is, the actual participation of our technical departments in the drafting of all studies and the completion of all projects.

#### Housing

Encouraging experimentation and the utilization of local materials; encouraging community housing; fighting urban anarchy; covering the main urban centers with a plan of action; a study for the conservation and maintenance of state property.

These are the main lines of our sectorial policy.

We are trying to express it in action through annual programs of action that we have been drafting since 1981.

Progress we have made within the framework of these programs can be summed up as follows:

#### 1. Water

1981: the outfitting and startup of 19 wells; the repair and deepening of 40 wells; the drilling of 10 new wells; and the drilling of 8 exploratory wells.

1982: the equipping of 10 wells; completion of 15 exploratory wells, 5 of which are productive; completion of 27 new wells and 33 repairs; the equipping of 18 wells with Vergnit pumps; and finally, the completion of 65 exploratory wells on the Timbedra-Nema road, within the framework of the operation on the Timbedra-Nema road.

The organization of 108 missions for the purpose of inspection and control in the interior.

Elsewhere and within the framework of the so-called project of the 36 wells, the 28 project stations were started up and turned over to the communities. Operators were trained by the ministry for the purpose and the result of the preceding market gardening season was satisfactory. Some 97.87 hectares were thus developed and the communities enjoyed 427 tons of potatoes, 250 tons of tomatoes, 550 tons of onions and 65 tons of carrots, in addition to the positive social effect which the project had on the communities benefiting from it.

## 2. Housing

1981

The year 1981 witnessed a resumption of projects and a special effort was made to get projects going that were financed by friendly, brother countries. The following projects got underway in 1981:

**Iraqi Project:** Three general education schools in Mederdra, M'Bout and Kimbedra; ten basic education schools in Nema, Chalata, Amourj, Koubeni, Moudjeria, Kiffa, Barkeol, Selibaby and MOUNGUEL. A 100-bed hospital in Kiffa; a general hospital in Nouakchott; three out-patient clinics in Bababe, Kenkousse and Magta-Lahjar; two health centers in Nouakchott; 10 veterinary clinics; and one headquarters for livestock raising officials.

**Saudi Program:** A hospital in Boutilimit and Timbedra; a clinic in Boghe; rehabilitation of 12 livestock-raising centers; Palace of Justice in Nouakchott; expansion of the ENS [presumably National Health School]; expansion of the ENFFVA [expansion unknown] in Kaedi.

**FAC Program:** expansion of the central pharmaceutical supply house; expansion of the CNERV [expansion unknown].

Specifications for all these projects were put together by the departments of the ministry, which is determined to follow up on inspection and supervision of sites.

Some 36 buildings maintenance wells were drilled in 1981 and 110 housing units of local materials were started.

1982

Study completed for reorganization of the Nouadhibou Master Plan; drafting of overall documents for Nouakchott Master Plan; establishment of an industrial zone in the fair sector in Nouakchott; Master Plan study of regional capitals and certain other towns in the interior; the reception of 12 major projects; inspection and supervision of 13 project sites; maintenance of housing and offices (the operation is underway); completion of 469 housing units in Nouakchott; the completion of 200 adobe houses in Rosso within the framework of the Adawa Project; the beginning of work on 100 high and medium-priced housing units for SOCOGIM [expansion unknown].

These are a few modest achievements obtained over the past 2 years, achievements that are minimal in view of our objectives and the tasks ahead. Through an effort of self-discipline, we hope to forge ahead at a surer, quicker speed. Results of the past two years encourage us to progress along the path taken, making changes whenever necessary and as dictated by experience or the situation at hand.

[Question] What are the Minister of Water and Housing's major projects? How far are you along with them?

[Answer] The ministry is very ambitious. It plans to carry out major projects in the field of water and housing as well. What we are trying to avoid is beginning projects whose profitability for the country is not certain, whence the concentration on studies. This also explains the interest of financial backers in certain important projects that we want to undertake. I shall mention only a few of these by way of illustration.

#### Water

A village and livestock grazing water project being completed within the framework of the CEA0 is aimed at solving the water problem in over 500 villages. The study for this project has just been submitted and financing has already been obtained.

A project to set up a drilling department: Within the scope of this project, the ministry has already financed the drillers already on the job at the different sites in the country's interior.

Sanitation project for the city of Nouakchott: As part of this project, we have already completed the connection of pipes from Ksar and the capital. Some 7.4 kilometers of pipeline and 105 inspection windows have been put in in Nouakchott within the framework of this project in recent months.

Other water projects will soon get underway, mainly the following:

The IBRD project (the water portion), for 110 million ouguiya, which provides for the drilling of 25 new wells and the repair of 100 wells, beginning in 1983-1984.

The EDF project, for 50 million monetary units, which provides for the drilling of 30 new wells, beginning in 1983.

The UNDP project, which provides for the drilling of 50 wells and which is being reevaluated, will get underway in 1983.

Other projects are also planned, some of which are already in advanced stages with friendly and brother countries.

The newest element of our approach to the project is the judicious distribution of projects so as to cover the entire territory with suitable action. The projects of which I have just spoken have been divided among our different regions based on the real needs of those same regions. But I want you to understand that no region has been neglected or forgotten.

I would add to these projects the water study underway aimed at achieving a better adapted and less costly pumping system. Experiments with wind pumps will get underway in the weeks ahead.

#### Housing

Much remains to be done in the field of housing and city planning, imposing some ordering of priorities. The resulting projects are the following:

Construction of low-cost housing in Nouakchott, but in the interior as well. Financing of 7 million [sic] has just been obtained.

Continuation of efforts regarding local materials. This involves a project supervised directly by the ministry, one that has had unprecedented success. The purpose of the project is to solve the problems of some communities in the interior.

The method used by the project consists of using local materials and solar energy for construction. In addition, the Adaua Project, under the aegis of SOCOGIM, is an experiment aimed at developing the use of local construction resources.

In the field of city planning, the ministry expects to carry out the following projects:

Completion of the master plan for regional capitals and some urban centers. The study for this project is already underway with a number of brother countries, mainly Algeria and France.

Establishment of a structure in charge of city planning for all regional capitals.

Establishment of a more effective system of urban control in Nouakchott and the interior of the country.

The adoption of a more authentic mode of architecture more in keeping with the specific context of the country.

I have mentioned here only those projects that will begin to shape up and whose completion is planned for this year or the near future. I must also tell you, before concluding my remarks, that one of our major projects, to wit, construction of a new power plant in Nouakchott, will soon take place. Actually, financing has nearly all been found and the backers are now working out the details of execution of that important project.

[Question] Mr Minister, no development can come about without total control of water. What efforts are being made by your ministry to express this situation in action and therefore, make water available to everyone?

[Answer] I totally agree with your analysis, which makes control of water the absolute condition for any development. In the long run, our policy is aimed at nothing other than making water available to everyone. You will say that that is a major challenge and obviously, mastery of water in a country that is nearly all desert and whose means are known to us is just that. In the final analysis, we are aware and convinced that the creative genius of the people and their will, sustained by determined action, have enabled others to overcome harder, more persistent obstacles. We have confidence in our people and in ourselves, for on a purely practical level, I can tell you that we have begun by planning total coverage of all regions with projects whose financing is already assured. Such coverage will make it possible to



touch all regions and I sincerely believe that if we succeed in carrying out all the projects planned, we will have taken a major step.

In addition, a commission for the water decade has just been set up. In cooperation with international agencies, the commission will take up the major water problems. We expect this commission to promote constructive exchanges with all organizations that play an important role in this field, based on the determination motivating the heads of such organizations and their constant concern for solving the problems of mankind. We especially intend to work hand in hand with these organizations in order to find viable, lasting solutions to water problems, for it is now currently accepted that the number of hospital beds available for the population is not nearly as important a ratio with respect to well-being and public health as the number of wells compared with the size of the population.

[Question] Has the project of the 36 wells begun over a year ago yielded concrete results? It would appear that the problem of spare parts and equipment maintenance is much more acute. How do you expect to resolve it?

[Answer] I would refer you to the answer to your first question and will allow you to judge for yourselves, based on the results obtained within the framework of the project. I must emphasize that in addition to market garden production, which compensated for the milk shortage during the dry season, substantially improving the health of the citizens, noteworthy social results have been achieved. As proof, one needs only the emulation at work and the production in certain communities formerly idle.

Furthermore, the existence of cooperatives around project wells constitutes a positive structural transformation that is manifested by the emergence of a representative body that will head the collective.

Regarding the problem of spare parts and maintenance, provisions have been taken in the ministry:

1 -- Operators from the collectives have been trained by the project and are the only persons empowered to handle project facilities.

2 -- Water is sold at low prices, but proceeds are frozen in an account in order to help the people maintain the facilities when the project expires in two years. We hope that by that time, the level of production will achieve a level making it possible to bear the costs of repairs and maintenance.

In the meantime, the project has a mobile action team with its mobile equipment and action has always been obtained within an acceptable length of time.

I would like to take this opportunity to make an appeal to communities benefiting from the projects to: 1) pay the symbolic price for the water, because it is from the proceeds that these facilities are one day to be taken over by the collectives; and 2) take care of existing wells, which are an indispensable backup in case the facilities break down.

[Question] The drinking water supply of Nouakchott risks being compromised by the amount of demand -- the system is saturated -- but also by exhaustion of the Idini water she-t, whose level is constantly dropping. Is there a solution in view for guaranteeing Nouakchott's water supply in a regular and effective manner?

[Answer] According to experts, the Idini sheet is not threatened because it can supply up to 6,000 cubic meters a day for 10 years, while it now supplies only 1,200 cubic meters a day. In order to solve this problem, which seems to worry you -- quite rightly, moreover -- solutions are already being drafted:

Short-term: Putting the Idini pipe under pressure. In order to solve this problem, we are working with our Chinese friends, who have thorough knowledge of the terrain and mastery of the suitable technology. We think that the problem will be solved with their determined assistance in the not-too-distant future. A team of Chinese experts is now working on that precise problem.

Medium-term: The Idini pipeline will be doubled and the water level will be aided by that of Tenadji, which will enable us to provide 100,000 cubic meters a day.

With regard to electricity, you know that SONELEC [National Electric Company] is facing serious difficulties: an accumulation of unpaid bills, high cost of energy, defective facilities, and so on.

The combination of these problems has led to a particularly difficult situation that we have seen in Nouakchott in particular, where frequent interruptions in water and electricity have nearly paralyzed life in our capital.

In the face of such a situation, we must take care of the most urgent problems, without neglecting the final solution. Consequently, SONELEC has overhauled generators 5 and 6, in addition to generator 9, which was recently added to the Ksar power plant.

You have certainly noted that brownouts due to load-shedding have been substantially reduced.

In addition, the project for the Nouakchott electrical power plant, with the transfer of electricity to Idini, has been resumed and financing is nearly obtained. Cost of that plant is an estimated 44.5 million. Its completion will make it possible to solve the electricity problem of Nouakchott once and for all.

[Question] Has the situation of SONELEC improved? On the technical level, have the frequent interruptions of water and electricity been halted?

[Answer] The situation is as I have just described it and I would leave it up to you to judge whether or not there is any improvement. I would simply say that we are aware of the problems posed by water and electricity and that our action will tend toward an improvement in the situation of SONELEC in order to make it the indispensable, effective tool it should be.

[Question] SOCOGIM was set up in order to solve the housing problem in Nouakchott, but in the interior as well. What efforts is it making to achieve that objective?

[Answer] SOCOGIM was set up in order, among other things, to help solve the housing problem and to fight real estate speculation. The nature of financing obtained by the company and internal management difficulties have thus far prevented it from attaining the social objective I have just outlined.

Our first concern has been to start the internal reorganization of the company and a study has already been undertaken for that purpose.

Other efforts have also been made this year in the field of housing, including: resumption of the 100-unit medium and high-cost housing project frozen for several years; construction of 469 low-income housing units in Nouakchott; and construction of 200 adobe houses within the framework of the Adawa Project.

[Question] How is SOCOGIM doing financially? What are its main projects?

[Answer] SOCOGIM has not been spared by the situation characterizing national companies in general (it is a joint venture, with the government holding 98 percent of the shares). This situation is made worse by the nature of financing obtained at high interest rates, which does not coincide with the vocation of this establishment.

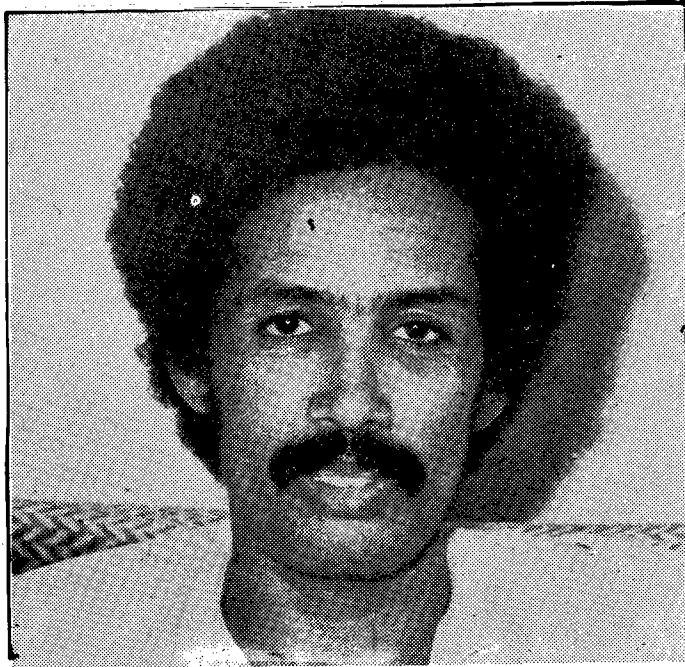
The plan of recovery being drafted proposes to improve the situation in order to bring the company closer to its initial purpose. Already, the internal austerity measures applied in 1982 have substantially reduced the burden compared with the previous year.

Concerning the company's main projects, I can tell you that an ambitious program to build housing in Nouakchott and in the interior has been financed by Kuwait, in addition to the program of low-cost housing using local materials already underway. Here, I must point out that this policy is part of our philosophy to fight the rural exodus because we believe that in order to keep the people in the interior, harmonious action is needed, linking the water and housing policies.

[Question] Are construction experiments using local materials: clay, plaster, and so on, conclusive?

[Answer] I have already spoken of a project supervised by the ministry, one that has already had unprecedented success.

We attribute prime importance to the problem of local materials and I believe that the promotion of these resources must be part of our policy of self-sufficiency and national independence. That is why we are stepping up our experiments in these fields. I can henceforth tell you that these experiments have been conclusive and we invite you to visit the houses built in Sattara. They are in no way inferior to those built of imported materials. In addition, the latter are more costly and are less well-adapted to the local context.



**M. Mahjoub Ould Boyé**

Mahjoub Ould Boye

There is also in Nouakchott a project involving 115 dwellings built of plaster, a prototype of which has already been completed. Fortunately, the gypsum content of the sand dunes surrounding us is over 90 percent. The process of dehydrating gypsum by solar energy has been tried, as I stated, as part of the Mau 004 Project. Finally, one should note that housing built in the interior of the country will be of local materials available in each of our governorates.

This new formula will certainly serve as an example for our people.

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EDUCATION EFFORT INCLUDES UNIVERSITY IN NOUAKCHOTT

Nouakchott CHAAB in French 28 Nov 82 pp 27-28, 33

[Interview with Yahya Ould Menkouss, minister of employment and administrative formation; date and place not given]

[Text] Three years after the offensive launched by national leaders to improve the performance of our administration, what is the image of that administration? How is one to explain that apparently contradictory phenomenon: unemployment, which in recent years has reached alarming proportions, while retired civil servants are managing to be recruited by our national services?

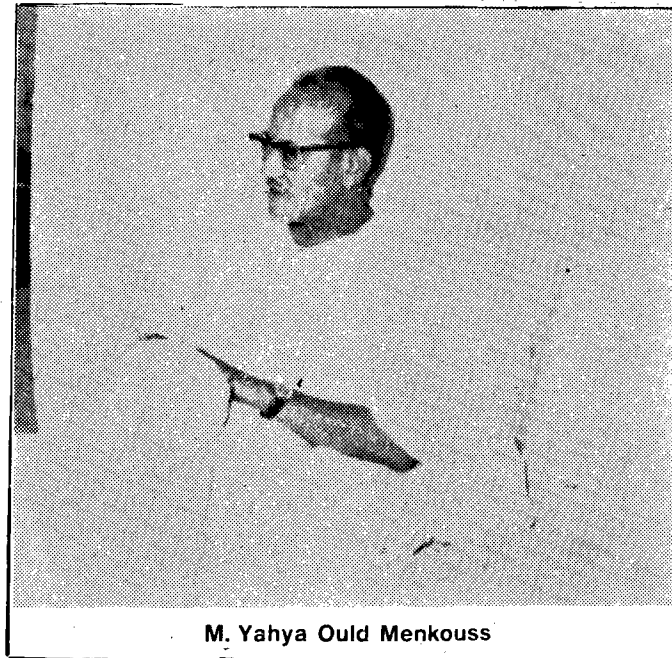
In the interview published below, the minister of employment and administrative formation answers these two questions posed by large population groups. Yahya Ould Menkouss responds to criticisms made of our authorities for not having a precise policy on cadre training. In addition, he tries to clear away doubts in some minds concerning the university that is to be opened in our capital.

[Question] On the occasion of 28 November, Mr Minister, can you draw up a balance sheet of the activities of your ministry for our readers?

[Answer] An exhaustive report is difficult to make and would take time and space. I therefore prefer to point out the salient aspects of our action, considering that they are after all the essential part. As you know, we are the Ministry of Employment (that is, Civil Service and Labor) and administration formation (that is, Higher Education and Technical and Professional Training). For each of these categories, I shall try to sketch the essential points.

Since 1979, the CMSN [Military Committee for National Salvation] has engaged our ministry in coherent, multifaceted action aimed at setting up our administration and giving it more effectiveness and more reliability of performance.

The following measures have been taken aimed at these objectives:



Yahya Ould Menkouss

A reform aimed at decentralizing the former competencies of the civil service benefiting other ministries. The obvious objective consists of: relieving the centralizing excesses of the civil service; giving ministries complete authority over personnel; making personnel management more flexible and faster; and facilitating sanctions or rewards and making them effective, and so on.

Along the same lines, other measures have been taken, such as the following: the possibility of delegating powers with respect to sanctions or rewards for department directors in order to strengthen their authority and make them participate in general action more actively.

The new order concerning the abandonment of one's post or the refusal to go one's post: This regulation is aimed at absenteeism and seeks to provide a rapid settlement for situations that were particularly difficult and where settlement was very ineffective. For example, an absence of one week can henceforth lead to a de facto resignation after a 3-day warning in writing or in the press.

Finally, there are the necessary auxiliary measures aimed at better controlling the action of the administration so as to ensure the civil servant's rights, while requiring that he honor his obligations. Other measures are being worked out. As for the terms of their application to parallel activities and private interests, for example, all are asked to declare their activities.

[Question] We are now in the third year of application of quite rigorous measures such as roll calls and penalties. Can one say that there has been an improvement?

[Answer] We are very strict about improvements. Since we constantly seek improvements, it would be difficult to say that we are satisfied, and yet, I do not believe that our administration is any worse than any other and I am sure that all the measures taken will bear fruit in the long run, when our administration finally comes to play the full role expected of it, mainly thanks to the determination of national leadership.

[Question] In recent years, unemployment has reached disturbing proportions in our country and yet, retired government employees are constantly recruited by our government agencies. How can one explain such a phenomenon? What measures have you taken to combat it?

[Answer] We naturally suffer from widespread unemployment, as do most developing countries. This situation stems from a set of conditions it would be useless to enumerate. As everyone knows, the hope of absorbing that unemployment is linked to an improvement in this difficult situation for all or nearly all countries in the world. All the action of the CMSN and the government in the economic domain is aimed at rectifying this situation.

In addition to getting the administration back on its feet, the CMSN and the government have done everything possible to rehabilitate all the economic skeletons left by the old regime, such as copper, the sugar and oil refineries, while starting up other important work sites such as Guelbs, Foun Gleita, the Aleg-Boghe road and the Boghe plain, without counting the major efforts made in the field of fishing, which constitutes one of our best hopes. All this, plus numerous other types of action, is aimed at revitalizing the economy and therefore, at improving the employment situation. However, it should be pointed out that unemployment is the result of many years of drought and that the labor now on the market as a consequence of it is unskilled. In other words, there is very little technical or skilled unemployment.

Concerning retired government employees allegedly recruited by the administration, I do not believe that there is such a large number that they would upset the job situation. Having said that much, it is improper to say that they are recruited by the administration because the government companies and autonomous public establishments are free to recruit the skills they need and I believe that here, it is essentially a search for skills.

[Question] The ceaselessly growing mass of unemployed workers in our country is essentially made up of rural people, therefore of unskilled labor. Mr Minister, can you tell us what measures you envisage in order to integrate this particular classification of workers?

[Answer] As I have just said, the largest category of unemployed workers is made up of unskilled rural people. All job sites opened up in the country have absorbed part of them but cannot handle the exodus caused by the drought. And yet, important prospects exist, some for the immediate future and others to be studied. Among the short-term possibilities, I would mention Manantali, which must absorb nearly 600 workers, the fishing projects, and certain projects in small-scale industries. As for other possibilities, they mainly

concern prospects opened up by the Arab Labor Organization, which can enable us to place a large share of our labor in the Arab world. The opportunity to use these possibilities remains to be studied by my departments. On the whole, the prospects are not bad, but the ever growing hope of seeing normal rainfall return must not be forgotten and must be part of our employment projections.

[Question] The problem of coordinating wages between the public and private sectors continues to exist, causing a clear bent of the civil servant for the private sector. What solution do you see to this delicate problem?

[Answer] Concerning the coordination of wages between the private and public sectors so greatly talked about of late, the notion must be examined closely. It is important to determine what one means by such coordination. Does it mean total equality for equal skills, or is it a matter of a relative coordination? If it is a matter of the former, which sector is to be brought into line with which? If the latter, what parameters then come into play?

As you can see, the question is not a very simple one and the answers given to it so far are mainly based on a relative coordination in order to take the different nature of these two sectors into account. Actually, the limitations, advantages and disadvantages, and the career benefits differ from one sector to another, whence the difference in salaries. It would be tiresome to enter into an enumeration or comparison here, but everyone has a fairly complete idea. In other words, while recognizing the need for coordination, one still has to take the time to do it with care and fairness. In addition, an initial survey has been made by the CMSN and the government in order to reduce gaps and that action, which is not only the province of my ministry, continues to attract the attention of the government.

As for the bent of government employees for the private sector, that is not necessarily verified. Sometimes the opposite tendency exists, because each one has to weigh the pros and the cons of the situations and then make a decision. Whatever the case, no sector is unimportant to the country and the essential thing is for each person to be comfortable wherever he is and to give the best performance in his own field.

[Question] Regarding the training of cadres, the country is criticized for not having a precise policy and for training its upper-level personnel only in terms of the admissions to foreign universities, not based on needs determined by state planning. What would you say about that?

[Answer] Planning the training of upper-level personnel is a complex domain and depends a great deal on the socio-histo-economic situation of every country, if I may be allowed to use such terminology. Regarding our own country, that planning, so satisfactory to the mind although sometimes stifling and difficult to achieve, has been lacking because of the enormity and variety of the needs for cadres and the near inexistence of native training structures. Over the first 15 years of independence, the effort was essentially aimed at basic and secondary education, which are the basic breeding grounds for our cadres. During that period, structures designed for higher education and



for professional and technical education were not set up, as much because of the lack of high school graduates as because of inadequate planning and the ease we had in placing our students (few in number) in the interior. That situation prevailed until the change of regimes in 1978 and continues to exist in some aspects.

To get back to planning, I repeat that the needs were so diverse and varied that practically no order of priority was set in a rigid, planned manner, which was, in a way of speaking, a kind of planning, being open to all options.

In the past 3 or 4 years, many things have changed in that picture. First of all, we have had a large increase in the number of high school graduates, whence the increasing difficulty in placing all of them in foreign universities, as well as higher costs.

In addition, our needs were met or nearly so in some sectors, such as general administration and finance and soon, secondary education. This is thanks to the action of the institutes of higher education set up in the country, such as the ENA [National School of Administration] and the ENS [presumably National School of Health]. But our needs for scientific and technical cadres remain unlimited and we do not yet have the structures needed to train them. Whence the need to continue to go to other countries for what they can offer us, whence our dependence on other countries and whence our difficulty of planning something we do not control. I would add that here again, we continue to be "buyers" for any technical or scientific cadre that we might have, following the same logic I used just a moment ago.

Having said that much, many conditions remain to be brought together in order to have rational, effective planning. First and foremost, we must have the training instruments and not always count on friends abroad, who have their own problems and who, despite their openness, could not fulfill all our needs. Next, we must have the means needed to pay costs and finally, be able to undertake the studies necessary to determine the country's real needs as closely as possible.

In the meantime, certain main lines are followed, based on a number of our conditions. First of all, the country has pledged to create and organize its own university in order to have its own sovereign education. Within the framework of that university, two "schools" and a center of advanced technical training have been opened. The center is intended to evolve with its enrollment and finally become a polytechnical institute.

The opening of these establishments has made it possible to keep many students at home that we could not have sent abroad by helping pay for their costs.

This situation has also made it possible to send abroad only those future scientific and technical cadres that we cannot train at home and which our country needs so badly. Despite this major reduction in our demand abroad, we still cannot place all of our students, which means that some of our graduates in mathematics and the sciences have to remain at home, whence the urgent need to set up other establishments which the country must build as

soon as possible. To sum it up, I would say that in order to plan according to the wishes of economists, one must have all the basic elements available, which does not prevent and has not prevented us from adopting a number of quite logical and realistic attitudes for arriving at results moving in the direction desired (at least grosso modo). That is what our country has done so far.

[Question] Despite the opening of some schools of the university in Nouakchott, there is still no university in our country. It is still a planned university that we are talking about, without buildings or equipment, except for that of the ENA and the ENS. Can you give us explanations on that subject?

[Answer] I just explained that we acted by setting up the University of Nouakchott because of the double pressure of students and our inability to send all those students abroad, which has long been the custom.

Having said that much, it is very natural for us to try to nationalize our education, taking our own affairs in hand.

This fits into the policy of independence followed by the CMSN and the government. There are no buildings, you say, and the university is in the planning stage. That is true, but you must realize that the university is only in its second year of existence. Although there is an urgent need to give it its own buildings, its students can find lodgings (temporary, naturally) that are suitable while waiting to study and while awaiting completion of a project that is very costly and complex. We continue to study the problems of education and financing and we have firm hope of completing the project before this provisional situation is made worse by the sheer weight of numbers.

[Question] The UNESM [expansion unknown] has now been set up. What do you expect of it and what type of relations do you expect to have with that trade union confederation?

[Answer] The CMSN and the government have helped and encouraged the establishment of the UDESM [sic] as a student trade union organization following the example of other organizations in the country. We hailed the birth of that organization which our students were never able to set up since independence. It must be one of the credits of the democratic and open action of the CMSN and the government.

As for our relations with that organization, they are good and we believe that they will remain so, for our final goal of allowing the masses to organize consists in letting them express themselves freely for the defense of their interests, within the framework of the country's laws and regulations.

[Question] Last year, you began the Arabization of the first years of technical schools. What are the results?

[Answer] As you know, Arabization is a problem that exists throughout the Arab world. For our country, it is an option aimed at enabling it to rediscover its origins and authenticity by training its children in Arabic and the other national languages. As for Arabization during the first years of technical education, it is taking place normally and we have not experienced any particular difficulties to date.

NEW INDUSTRIES MUST FACE FOREIGN COMPETITION, BECOME SELF-RELIANT

Nouakchott CHAAB in French 28 Nov 82 pp 13, 26

[Interview with Lt Col Mustapha Diop, minister of industry and commerce; date and place not given]

[Text] In the interview he granted us on the occasion of the 22d anniversary of our accession to sovereignty, Lt Col Mustapha Diop, minister of industry and commerce, spoke to us about the problems faced by our emerging industry. He mainly emphasized the price-quality relationship, the scarcity of skilled personnel in industry and the efforts undertaken since 1978 in the field of commerce.

The text of that important interview is published below:

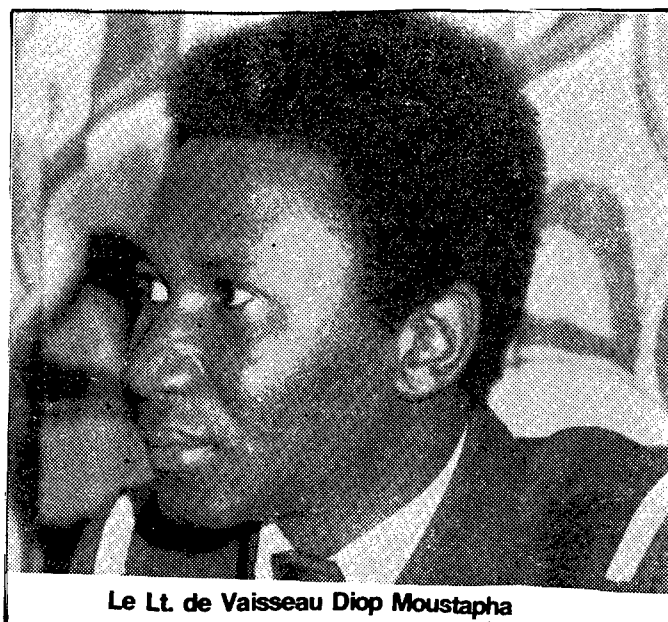
[Question] It would appear that our industrial units face a mortal risk because of foreign competition and especially fraud. Mr Minister, what do you plan for the protection of these units?

[Answer] First of all, we have to admit that any industrial unit that starts operations faced foreign competition. This is all the more true because the Mauritanian consumer has a tendency to make his choice on important industrial products before even being truly convinced of the existence of a similar product made locally. But thanks to the combined efforts of manufacturers and industrial officials, this painful situation is gradually disappearing.

Proof of this is the first exhibition of products from national industry held at the beginning of April and the exhibition of useful handicrafts is now being held. In other words, a serious effort has been made.

Nevertheless, we do belong to certain regional and subregional groupings and are therefore forced to submit to certain rules facilitating the admission of certain products.

[Question] At its last meeting, the national industrial commission asked for improvements in the investment code. Mr Minister, can you tell us about that code and its weaknesses?



Lt Col Mustapha Diop

[Answer] Indeed, the investment code promulgated in 1979 should be reviewed, if only with respect to some of its points that are either outdated given the current level of development of our industry or not very precise in their formulation.

These different points will be redrafted in order to be improved and adequate instructions have been issued in that direction.

[Question] Despite certain favors granted to our industrial units, their products are sometimes more expensive than those that are imported. Mr Minister, how do you explain that situation?

[Answer] Rarely can an industry just set up in a developing country be capable of achieving levels of efficiency, productivity and profitability during its early years. Now then, all our industrial units are young and you know that we have no experience, there is a lack of skilled labor and our market is small.

It is therefore difficult to make an article economically from the beginning.

This must be understood by consumers. Industrialization of a country is an option that has its price and for which sacrifices must be made on both sides.

On the other hand, the producer should make the effort needed to continually improve the price-quality relationship because it is absolutely impossible for us to continue to help these enterprises if they do not realize the scope of our action, for in the final analysis, it is the poor consumer at the end of the chain who pays the price and this cannot go on.

That is why I appeal to all our manufacturers to continue to make the effort asked of them, because protection is never eternal and for that reason, precautions must be taken.

[Question] You have often visited local industrial units. How does their situation look at present?

[Answer] I recently visited national industrial units as a whole and efforts remain to be made with respect to skilled administrative personnel for better management of equipment and for a proper definition of the distribution circuits for the products in question.

It serves no purpose to produce just for storage. If measures are not taken toward a good marketing policy making it possible to determine the strengths and weaknesses of the rival products, one can expect nothing from the industrial units.

[Question] Efforts have been made to rehabilitate the commercial sector, for for many, anarchy continues to reign in the sector. What solutions do you have in mind for the problem?

[Answer] To a certain extent, the press and radio seem to be aware of the intensive effort made since 1978 to reorganize commerce.

But to speak of anarchy at the same time is to underestimate the extent of the objectives pursued and therefore, of the time still needed to achieve them.

In the immediate future, our basic problem seems to be to gradually develop our current system of commerce, still highly traditional, so that it will become a more modern system involving greater openness to foreign markets, but also the various limitations which such openness implies.

In practice, this presumes the following: with respect to importers, accelerated specialization in a specific sector of products: construction materials, fabrics and clothing, energy products, and so on; with respect to distributors, better distribution between wholesale and retail sales.

In the long run, the specialization of importers will necessarily result in this improved distribution of sales and therefore, more generally, of distribution, not only in Nouakchott, but also in towns in the interior.

As you can understand, it is a matter of a profound modification of structures requiring, before its implementation, a substantial evolution in the commercial psychology of our economic operators.

Our action is always aimed in the same direction, but obviously, it is a long-range task whose successive phases may sometimes seem anarchic, seen from the outside.

Actually, this is not at all true and we are moving firmly toward the same objective.

[Question] Despite the establishment of an office of economic control, the consumer continues to suffer from illegal prices charged by some merchants. How do you expect to put an end to this situation?

[Answer] In order to do so, consumers must play their own role, that is, be potential watchmen by reporting any act of fraud.

This means that whatever the efforts of the office of economic control aimed at eliminating illegal prices, there can be no exemplary punishments for cheaters if the consumers do not themselves report incidents. Consequently, there must be a bitter struggle waged on both sides and by the office of economic control and consumers as well.

Consumers must realize that denouncing cheaters is not informing, but a patriotic act.

11,464

CSO: 4519/106

DOMESTIC SITUATION ANALYZED

Paris LE MONDE in French 28, 29 Dec 82

[Article by special correspondent Paul Balta: "Mauritania in Straited Circumstances"]

[28 Dec 82 pp 4-5]

[Text] I - Reorganization Attempt

Following his visit to Cameroon and Togo (LE MONDE, 26-27 December), Mr Claude Cheysson, minister of foreign relations, will stay in Mauritania from Wednesday 29 until Friday 31 December. Our correspondent, Paul Balta, who just visited Mauritania, is reviewing the situation in this country in two articles, the first of which is published below.

Nouakchott--"Seventy percent of our livestock is not going to survive unless we get some emergency aid... If international solidarity does not provide us with 125,000 tons of cereals, we may have a famine... There has been no such drought since 1972..." Capt Moulay Hachem, commissioner to food security, is not exaggerating in painting a black picture of the situation: two visits in the interior of the country have shown us that he is right.

In the Rosso area, "Mauritania's granary," the Senegal River looks anemic and has nothing more in common with the large and majestic river we saw last year at this time. Donor organizations report that the water shortage is 40-80 percent, depending on the region, the rainfall ranges from 30 to 380 mm. As a result, the harvest yielded only 20,000 tons, compared with 78,000 tons in 1981-1982.

"Unfortunately," a farmer told us, "there was another calamity: locusts. We counted up to 20 per ear. Ninety percent of the crops have been destroyed." In addition, milk and butter requirements have increased respectively from 8,000 to 18,000 tons and from 2,500 to 9,000 tons.

The Nouakchott-Nema roads goes through a region of pastures. At this time of the year, the desert is usually of a beautiful pale green--a sight which never

fails to surprise. This year, caught in a sandstorm which burns everything on its way, we shall not go beyond Boutilimit, and just reaching that town will prove very hard: a sand dune bars the road, and we must wait until bulldozers have pushed it aside. Everywhere, we can see the remains of yellowed pastures. The dunes are moving ahead like a steamroller: where they have passed, shrubs will not grow again...

"Mortality among acacias and gum trees is very high," Captain Hachem told us. In addition, in the few regions where pastures are left, they are invaded by herds, so that this potential for greenery will be destroyed within two months." The drought is a heartbreak; in the past 10 years, livestock farmers had reconstituted their herds: 800,000 heads of cattle, 500,000 camels and 5 million sheep and goats. It would take 240,000 tons of cattle feed to prevent the animals from dying.

#### Poor Iron Sales

The fatefulness of climate has been compounded by international economic conditions: iron, one of the country's major resources, is selling poorly. Yet, it is high-grade iron. SNIM (National Industrial and Mining Company) sold only about 7 million tons in 1982 instead of the 9 million expected; after making profits for 2 years, it will therefore show a deficit. This has prompted the chief of state, Lt Col Mohamed Khouna Ould Haidalla, to appeal to the country's major customers, especially France, Great-Britain and the FRG, to spare Mauritania should they reduce their purchases. Such a guarantee is vital to SNIM which is tenaciously pursuing the realization of its Guelbs project to replace nearly exhausted mines; operations will start in 1984.

Fishing, one of the country's resources with good future prospects, has not yielded the results anticipated either. Indeed, in view of the "shameless plundering" practiced essentially by Soviet, Japanese and Spanish trawlers, the government has defined a new policy. Even then, it should have been implemented vigorously: the minister in charge proved incompetent and was replaced at the time of the last reshuffle, on 13 July. It looks as if fishing will bring only 0.7 billion ouguiyas (1 ouguiya = 0.14 French franc) instead of the 2.7 billion anticipated.

In 1983, however, it is expected to provide 2.8 billion, and Mauritanian businessmen, clever and enterprising, have seen the advantage of the reform: out of 169 active ships in the national fleet, there were this year 50 deep-freeze ships and 20 ice ships. In addition, the Nouadhibou vocational training center which opened in January retrained 107 seamen out of the 240 enrolled. Many more improvements are required before this port, which is also used to ship iron, can become the economic capital of the country. Processing and canning plants are not enough. Mauritania needs an automatic telephone connection with the outside world. This will be accomplished by a satellite communications project to be started in 1983 with French cooperation.

More adverse circumstances: the loans made by the regime of President Ould Daddah, which was overthrown on 10 July 1978, are beginning to mature: as a result, Mauritania's debt should reach 52 billion Mauritanian ouguiyas by the



end of 1982, which amounts to 138 percent of the gross domestic product (36 billion) and close to 3 times all exported goods and services. Annual repayments amount to 2 billion Mauritanian ouguiyas, i.e. one tenth of the budget.

The Military Committee for National Salvation (CMSN) shows considerable energy in operating the country's economy which, through agriculture, iron mining, fishing and the foreign debt, is increasingly interwoven with the international system. Now, adding itself to economic difficulties, there is a burden which, for a long time to come, may weigh heavily on the country's future; it has to do with the problems affecting any traditional society when it is confronting the modern world.

A man of the desert imbued with the values of nomadic civilization, in which belonging to a tribe goes before everything, the Moor has an innate sense of freedom but not much sense of state. This behavior repeats itself among the Black African population. Finally, except for a few, the haratine (slaves, whether freed or not) which make up about one third of the population remain on the fringe of society: only two percent of them go to school, and they play no part in the modern production sector nor in government. Certainly, the CMSN has abolished slavery and measures are taken to implement this political decision, but it takes time to change social and mental structures. The freed slave leaving the master who fed and protected him is completely lost unless the state helps him. Also, following the war against Front POLISARIO and the drought, which caused society to break up and resulted in a terrible rural exodus--350,000 out of the 1 million who make up the country's population are now living in Nouakchott--the tribe can no longer play its traditional part in many sectors, and there again the state must take over.

#### "The Incorruptible" Facing Abuses

"I believe in the state," the new minister of finance, Mr Sidi Ould Ahmed Deya, told us straightaway. Few Mauritians will say that, and still fewer are prepared to bear the unpopularity that goes with defending the state, so powerful and ingrained in the mores are family relations networks and corrupt practices. Yet, the country cannot pull through without a modicum of public spiritedness and effectiveness. Now, the minister explained, "everybody wants to live at state's expenses," the state being seen as a milch cow. But no one cares about its needs.

There are many examples illustrating this phenomenon: "Sixty percent of the economy and 40 percent of imports evade taxation," the minister indicated, and added: "It may seem hard to believe, but Mauritania had no accounting plan. With UNDP [UN Development Program] aid, we are going to introduce it in 1983 in the public sector, and in 1984 in the private sector." In the past four years, the new regime has tried to bring some order and morality, although some in the army will take advantage of their position. In a country where everything gets known, this results in juicy inventories of all that the wife of such and such officer brought back from Las Palmas...

The results obtained give an idea of past deficiencies and of the privileges that still exist. For instance, the number of taxpayers on record was multiplied by 5, from 14,230 in 1979 to 72,300 in 1980. The number of land-owners paying real estate taxes increased from 2,000 to 11,000, and that of people receiving taxable salaries from 8,000 to 50,000. Out of 190 taxable enterprises and companies, 73 had no accounting whatsoever, and only 16 could submit a balance sheet and be taxed. Another example: "I know," the minister told us, "that 17,000 TV sets have been imported, but no customs declaration was filed..."

Nicknamed "the Incorruptible," Mr Ould Ahmed Deya was preceded by his reputation: already at the time of Ould Daddah, he had uncovered a scandal which had resulted in the arrest of two ministers. "From now on," he stated, "regulations will apply to all." Of course, there is no lack of cabals to get rid of this intruder. The chief of state and the prime minister, Col Ould Sid' Ahmed Taya, assured us that they would maintain him in his position so he could accomplish his mission of organization.

"The austerity plan," he said, "is rigorously applied. We cannot trim expenses any more, unless we stop everything. That leaves the receipts. Gifts are alienating and unreliable and we must have as little recourse to them as possible. Loans mortgage the future. Therefore, we must increase the country's own receipts." The 1982 budget amounts to close to 11.5 billion Mauritanian ouguiyas and the deficit, larger than expected, may well exceed 3 billion. However, for the first time, it will not be absorbed by gifts: it will be entirely borne by the state thanks to loans from international organizations who appreciate the efforts made for more rigorous management. The 1983 budget provides for 12 billion in expenditures and 10 billion in receipts, reducing the deficit to 2 billion; the budget is expected to be balanced by 1990.

During this year, the president issued two watchwords: Mauritania must first rely on itself; the Mauritaniens should not expect the state to provide for everything, but should learn how to get organized. Lt Cdr Moustapha Diop, minister of commerce and industry, and Mr Mahjoub Ould Boye, minister of water-supply and housing, have launched a series of projects to develop local raw materials.

#### Reducing Imports

For instance, "the fine Atar stone, less expensive than these horrible cement blocks, should be used in the North," and in the South people should build with earth. A plant burning agricultural waste (like rice straw) to save fuel will manufacture bricks with the local clay. Elsewhere, gypsum and Nouakchott shells and Tidjikja gravel will be used.

Similarly, to reduce imports, small factories have been or will be created to process iron (into nails, concrete-reinforcing bars, pipes) or to mine salt, which is abundant. In an attempt at modernization, a bill has been drafted to define the profession of industrialist--as was done before for crafts and tourism--and distinguish it from trade and the exercise of official responsibilities.

The efforts expended to struggle against adversity are real and sometimes effective, even though their effects are sometimes limited by the unavoidable sociological sluggishness. All the same, in spite of the clouds gathering over the economy, a detente is clearly perceptible on the political front: after much hesitation and a few convulsions, the regime appears to have entered a phase of stability which should confirm itself in 1983.

[29 Dec 82 p 5]

[Text] II - Educating the Masses

The new regime issued from the coup of 10 July 1978 is expending considerable effort to modernize the country, but it must reckon with economic difficulties, fatality and the sociological sluggishness inherent in an archaic society. Yet, in spite of the clouds gathering over the economy (LE MONDE, 28 Dec), a detente is clearly perceptible on the political front.

Nouakchott--In the VIP lounge at the airport, in ministries, governorates, prefectures, a large color portrait of Lt Col Mohamed Khouna Ould Haidalla, president of CMSN and chief of state, in the national costume, is replacing the small black and white photograph showing him in his officer's uniform; sometimes, the new portrait is simply hanged next to the old one, making the contrast all the more striking. Reduced copies of the new official portraits have even appeared in offices in the private sector, and even in some Nouakchott living rooms. This is a sign that does not deceive.

Not only has the chief of state compelled recognition through his strength of character, his rigor and integrity, but he is now accepted. Being the man who brought and maintained peace, and foiling two or three plots helped him. The Mauritaniens say he has "baraka" (a lucky star). This is of capital importance in a Muslim country. The toughest ordeal he has had to face was the attempted coup of 16 March 1981, the leaders of which were Lts Cols Mohamed Ould Abdel Kader and Ahmed Salem Ould Sidi, former CMSN members supported by Morocco. They also had contributed to the creation of the Alliance for a Democratic Mauritania [AMD], an opposition movement whose leaders live mainly in Paris and Rabat.

The failure of the putsch was a strong blow for AMD and the proponents of an alliance with Hassan II. Luck being decidedly on the side of the victor, the coming of the French left to power on 10 May 1981 further strengthened the regime whose relations with Mr Giscard d'Estaing had been marked by distrust and acrimony--mainly because of the latter's African affairs adviser, Mr Martin Kirsch, who did not conceal his dislike of Mauritania. The solemn promise to guarantee the country's territorial integrity, should it be threatened, and Mr Mitterrand's stopover visit in Nouakchott at the end of his African tour last May, caused "Franco-Mauritanian relations to be now marked by confidence," as President Haidalla confided to us.

The improvement in the relations between Paris and Algiers also had consequences: the Mauritanian government, while very cautious, obviously feels an

affinity for its "Sahraoui brothers" and no longer feels divided between France and Algeria. In addition, although neither flights nor diplomatic relations between Nouakchott and Rabat have been reestablished, the atmosphere between the two capitals is not as bad as it was, and they have discreetly resumed contacts a few weeks ago.

However, Mauritania remains on its guard and it has not reduced its troops--approximately 15,000 men--as it wished to do, so that the defense budget still amounts to approximately 3 billion Mauritanian ouguiyas, a heavy burden on the country's finances. But how could Mauritania ignore that, in the North, the Moroccan army is being increased from 165,000 to 200,000 men?

It is probably for all these reasons that the AMD no longer manifests itself abroad and that nothing is heard of it any more in Mauritania. Some of its leaders are even said to have written to President Haidalla, asking to come back, like some officers whom we met. There are other indications that the regime now feels stronger. For instance, a plot was nipped in the bud earlier this year. The first president of CMSN, Moustapha Ould Mohamed Salek, the former prime minister, Mr Sid Ahmed Bneiiara, and the former minister of the interior, Mr Ould Mohamed Lagdaf, who it seems wanted to regain power, were judged and sentenced to 10 years in prison.

A few weeks before the 22nd anniversary of independence, on 28 November, the authorities lifted the measures assigning forced residences to personalities of the former regime. Mr Ahmed Ould Daddah, brother of the overthrown president and former minister of finance, confirmed this himself when we visited him in his Boutilimit house.

#### An Ingenious System

We could not fail to notice the relaxed atmosphere prevailing on the political front. What a contrast with the past two years! Late in 1980, the CMSN had become aware of the malaise and had promised a return to democracy with obvious sincerity. A few months later, it realized that the country was not ripe for a western-type parliamentary system based on multipartyism, as it might revive tribal and racial conflicts. As a result, the government took advantage of the coup on 16 March to backtrack, thus also prolonging the "political vacuum" which had followed the military takeover on 10 July 1978.

Obviously, the people needed a framework in which they could express themselves. The government provided it through "mass-education structures." Even those who were skeptical at first recognize today that this is an ingenious and rather effective system, in spite of confrontations which, for instance, opposed two Tagant tribes, forcing a momentary suspension of operations in that region. In fact, it is a sort of civics school to encourage mass participation while enabling cadres of the former regime to be rehabilitated and work for the new government.

Capt Breika Ould M'Barek, commander of the sixth military region (Nouakchott) and chairman of the regional commission on mass-education structures, explained to us how they work. He is a hartani\* himself and finds himself in a

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\* Hartani (plural: haratine): name given to slaves, whether freed or not.

position of responsibility, which shows that CMSN intends to fight ancient taboos. Following a sensitization stage started in December 1981, the implementation stage started in the capital on 9 August. It was just completed there and should be completed in the country as a whole during the first quarter of 1983.

Cells are formed; they include 10 families living close to one another and who may belong to different tribes or ethnic groups or have different social status; they elect a leader. A district consists of 100 families who appoint a bureau with people in charge of organization, "vigilance" (which ranges from citizens' safety to price controls and the safeguard of national unity), supplies and hygiene. Departments and regions also appoint officials in charge of mass action, treasury and youth. Nationally, there are four executive secretariats: to orientation; to organization; to economy and volunteer service; to culture, Islamic morals and social action. These structures are topped by the CMSN permanent secretariat.

Cell meetings take place every day, district bureau meetings every week, zone bureau meetings every other week, department bureau meetings every month, and region bureau meetings every other month. Officials from different levels and one delegate for each 20 districts form a national conference which is chaired by the chief of state. The system is ingenious because the family is the basic unit both of the tribe and of the new structure, as it is in Islam. This is an element which is already familiar to the people and makes them feel secure. But the intermixing of people and the election of officials who are not necessarily traditional leaders are expected to break up tribalism. Much is at stake but it is of course too soon to say whether the operation will be a success. In the meanwhile, "the structures," as they say in short, are contributing to solve many daily problems, from the removal of household garbage to the equitable distribution of emergency food supplies.

The national holiday was celebrated under the sign of austerity and constituted a first full-scale test in the country and in the capital. Actually, the chief of state had made a series of appeals: to all Mauritians on 12 April, asking them to participate in mass structures; to all citizens on 24 April, inviting them to become self-reliant and "plant a tree, build a community or a maternity clinic, a classroom, drill a well, etc."; to all women on 23 June, asking them not to remain on the fringe of society. On 28 November, therefore, the traditional military parade did not take place and each district in Nouakchott organized its own festivities with its own means. Ambassadors, ministers and high officials were assigned to the various districts and mixed with the people to whom the day obviously belonged. "The state went to the people, and the people appreciated it," the minister of information, Mr Ould Zamel, told us.

At a meeting of "structure" officials, the discussion was lively. "Structures," someone said, "in Mauritania as in France, that means school teachers"; "we are," another said, "a collection of tribes; we must create the concept of nation and put it into practice"; "people in cities," a third one said, "must also understand that neighbors are more important than relatives." All hope that the structures will "give momentum to the administration" which, as the prime minister himself acknowledged, is "very sick," and revolutionize its

methods, especially with respect to planning, "by forcing it to consider the desires and actual needs of the people." We must say that the Mauritanian administration is a French creation without a tradition.

As years went by, it has tended to "pauperize itself," especially in the provinces, and the central government has little control over it. In the capital, it suffers from absenteeism: many government employees practice "part-time work for the state," in the words of one of them, arriving at 8 or 9 and leaving at noon although official hours are 7:30-14:00. This deterioration is due to difficulties in communicating with the interior--although the road network is markedly improving--to the poor quality of the telephone service, to the arrival of young administrators who are not as experienced as the older generation, and above all to the instability of the Ministry of Interior: there have been seven ministers since 10 July 1978.

In October, a simple circular letter sent by President Haidalla caused a real revolution: it forbade the ritual of tea in government services.

Each office in the administration had become, so to say, a place for social gathering, and the presidential circular was a headache to many officials who said they could not work under such conditions. The chief of state did not yield and two months later we could see that the guideline was scrupulously applied. If it still is one year from now, that will mean that an important change has taken place in Mauritania, for tea is only a symbol. It will show--especially if businessmen and all ministers also start paying their taxes--that the state exists and modernization is progressing.

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LEADER OF MUSLIM BROTHERHOOD CRITICIZES AL-TURABI

London AL-DUSTUR in Arabic No 200, 15 Nov 82 p 62

[Text] One of the Gulf newspapers arranged a long meeting this week with Sadiq 'Abdallah 'Abd-al-Majid, new leader of the Muslim Brotherhood in Sudan. At this meeting he disclosed the new organizational structure of the Brotherhood after the removal of Dr al-Turabi and his group, which is participating in the Nimeiri regime in the country.

Sadiq 'Abd-al-Majid attacked al-Turabi's methods. He said that the political position which he adopted, into which he was forced by the group new in power in Sudan, is a trend which goes against Islamic law and offers Islam and its principles as a sacrifice to existing political conditions. It has had a great effect on the path of Islamic action in general and on Islamic unity in particular. The deteriorating conditions in Sudanese society have forced the Islamic movement to confront them with boldness and responsibility to disavow them, correct the deviations, and come out openly with the truth, without becoming involved in the battles of an older framework which surrounds current conditions, takes one's breath away, and tarnishes the country's history and its present.

As to the excuses which "al-Turabi" has given for participating in the "May" authority, Sadiq 'abd-al-Majid said that these excuses were based on the principal of "the end justifies the means." In this lies a contradiction between the need to emphasize the dividing line between the goals and means of Islamic activity, on the one hand, and all of the lines cast in the arena by the political regime, on the other. Ties bind all freedom, and al-Turabi's views offend truth and fact. If we take into account the surprises of the future with all they entail in the way of actions, gestures and positions, when the bonds are broken and the siege lifted, the truth will be greater than this organization, viewpoint, and representation, and in turn the results of controlling Islamic action in general will have deep effects on the path of Islamic thought in the field of application and implementation, and even in control over men!!

As to the logic by which "al-Turabi" and his group say that their participation in the government "is not an indication that the Islamic movement believes in the current framework of the existing authority, but rather is an effort to move this framework toward Islam:" Sadiq 'Abd-al-Majid responds to that. He says, after looking at al-Turabi's failure to issue any Islamic legislation

over 5 years, "The person responsible for this justifying logic is now an enamored participant in the regime, promoting the trend of its positive laws with all of their negative effects. This logic does not convince anyone or offer any proof or relieve anyone from responsibility for the cowardice which silences tongues on the day of reckoning."

7587

CSO: 4504/107



## FAILURE OF AGRICULTURAL PROJECTS DISCUSSED

London AL-DUSTUR in Arabic No 260, 15 Nov 82 pp 62, 63

[Text] This is a continuation of our discussion of Sudanese agriculture and the projects undertaken in the Seventies with the goal of making Sudan the Arab breadbasket, most of which failed to achieve their goals!

We had discussed the al-Rahd agricultural project, and we stopped with an explanation of the Kinanah project. The Sudanese government has continued to put its money on this project, feeling that it will cover the shortfall in production of the "Khashim al-Qaryah" sugar factory and the "Junayd" sugar factory, with a surplus to be exported abroad. Great hopes were attached to this project, but for a number of reasons a production crisis has started to multiply at Kinanah, according to the reports of experts.

Foreign participants in the project want to sell sugar on the domestic market as a result of the failure of competition, on the condition that domestic prices would correspond to world prices. However, the Sudanese government, in its eagerness for foreign currency, preferred to sell the government's share of the sugar from Kinanah and the other projects at prices below cost so that foreign currency would be easily available, at a time when sugar has disappeared from the domestic market. Obtaining it requires special permits from the proper authorities, and any family in Sudan (unless they can produce sugar) will be able to obtain only 3 rotls of sugar a week in the urban areas. Those in the rural areas do not have the buying power to meet the prices.

The exorbitant cost of this project reached 330 million pounds in the shares of the participants, and with loans and additional financing it skyrocketed to hundreds of millions. The Sudanese authorities emerged from the failure of this project with a media solution to the problem, to the effect that technical complications of the project have affected its productivity. Also, Sudan has reached the limit in its use of the Nile waters under the 1959 agreement dividing the water with Egypt. When the Jonglei Canal in the south is completed it will make available to Sudan an estimated 4.2 billion cubic meters of water, and this will help to expand the Kinanah project and other irrigated projects.

### Where Is Situation Going?

Reports published by the FAO say that Sudan, although it is a country with enormous agricultural potential, is importing food supplies by grants and specific loans, while at the same time it is exporting the same commodities for the purpose of obtaining foreign currency.

Early this year, Sudan obtained a gift of wheat worth 30 million dollars from the U.S. to meet a shortage of food grain, and on 5 October it also obtained a Japanese grant worth 16 million dollars to purchase wheat.

In a report issued last month, the FAO announced that African states, including Sudan, are facing a severe shortage of second-class grain, and a near famine will prevail in the region if climatic conditions do not improve in some states or if production relations are not developed in others.

### Result:

Agricultural experts report that the new projects, instead of rescuing the al-Jazirah project from its prevailing circumstances of low productivity, have doubled its problems, especially by modernizing irrigation methods. The intervention of the World Bank after it loaned the project 65 million dollars and loaned a similar sum to the rest of the projects created a kind of grumbling among the farmers, since the bank and the government think it necessary to divide the project into agricultural estates controlled by the private sector and foreign capital.

The farmers union feels that production relations do not guarantee the farmer the use of his land or achieve for him a minimum standard of living in the face of an "explosive" escalation in the prices of basic commodities. Between 60 and 80 percent of farmers' children suffer from malaria and bilharzia. Most farmers with experience in managing land are over 60. The young men have left the land for the cities, which guarantee them a settled life.

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CSO: 4504/107

## BRIEFS

CATTLE DISEASE--Tens of thousands of cattle died in the Kordofan region, which had been considered one of the areas richest in this animal resource. Three diseases, including cattle plague, swept through the herds in a baffling manner, but some negligence is evident. Rather than investigating this matter in earnest to try to save the rest of these animals and prevent disease from spreading to other areas, officials in the region began to trade accusations with the Ministry of Agriculture, which is in charge of Nimeiri himself, about the small appropriations for the desired serum and the ministry's failure to send it with the speed expected in such cases. [Text] [London AL-DUSTUR in Arabic No 260, 15 Nov 82 p 63] 7587

SADIQ AL-MAHDI--Sadiq al-Mahdi has met with unlimited frustrations which have made him go into complete seclusion and refuse to receive the few who have had any contact with him since his return to Sudan. The reasons for that are attributable to his state of mind and his anger at the group that convinced him to return, with a promise from Nimeiri to take over a major post such as the single vice-president or prime minister. This led him to claim to some Arab circles when he was abroad that he was going to restore Sudan to the Arab ranks and rescue it from the talons of "Camp David." In several conversations after his return to Khartoum, he stated that he would make an effort to wrest Sudan from the arms of Egypt, but he was surprised by the political integration agreement between the two countries. Thus Sadiq has been bitten in Nimeiri's lair three times in a short period, all of them by claims of looking for a role. [Text] [London AL-DUSTUR in Arabic No 260, 15 Nov 82 p 63] 7587

REVOLUTIONARY GROUP IN ARMY --The imaginary conspiracies revealed periodically by the May regime have been left to cook by the security apparatus, SUNA, or Nimeiri personally. This time, however, there is a strange new twist, since the leader of the First Infantry Company, Maj Gen Sadiq al-Banna, announced that "his forces" had stumbled upon pamphlets urging Sudanese citizens to rebel against the regime. He followed that by saying that the pamphlets were signed by a group calling itself the "Sudanese Arab Revolutionary Committee." People's understanding of this statement, if it is true and not a lie, is that the work of this organization is concentrated within the ranks of the armed forces and that the pamphlets were found in the camps of the First Infantry Company. [Text] [London AL-DUSTUR in Arabic No 260, 15 Nov 82 p 63] 7587

POUND WEAKENS--The value of the Sudanese pound has fallen again, to 175 piasters against the American dollar. All attempts to control the fiscal situation have failed, including the "moneychangers" spread in all corners of the capital. The minister of finance tried to limit them, but the situation was settled in their favor although they are obtaining an ample forbidden profit at the expense of food commodities, whose prices are escalating whenever these "Moneychangers" compete with the Bank of Sudan in hunting down free currency in Sudan. The regime has agreed to establish a financial exchange, but this project is doomed to failure because such exchanges require a strong economy and a steady national income, while the Sudanese economy is being blown away by the wind. [Text] [London AL-Dustur in Arabic No 260, 15 Nov 82 p 63] 7587

CUSTOM DUTIES--Sudanese expatriates have seen their hopes dashed after being exposed to one of the regime's deceptions. The embassies lured them, and the authorities spoke of customs exemptions for them in exchange for the tax imposed on them to renew their passports or visas. After a number of them paid this tax, they were surprised to find that these exemptions applied only to their clothing and small gifts which they were carrying to Sudan, while the deceptive enticements had said that the exemption would include cars, household furnishings and other items on which they must pay a sizeable tax. [Text] [London AL-DUSTUR in Arabic No 260, 15 Nov 82 p 63] 7587

CSO: 4504/107

## TUNISIA

### MEMBERS OF NEW MARXIST OPPOSITION GROUP QUESTIONED

Paris LE MONDE in French 15 Jan 83 p 4

[Text] Tunis--At the present time, 30-40 persons are being interrogated by the National Security services in connection with 3 different cases of a political nature. On 5 January, 10 people, mostly secondary school teachers, were arrested in the Sfax area for distributing leaflets which, according to informed sources, called for violent opposition to the regime and which appealed to lycee students in particular. In recent weeks, the latter have shown some restlessness in several establishments in the governorate.

On the other hand, 7 or 8 other interrogations were also carried out in the Sfax area following meetings which were held for the establishment of a movement with a Marxist ideology, which is reported to have been named the "Tunisian Socialist Rally." Three members of this group had a connection with the distributors of the leaflets, a fact which is reported to have led to its discovery. Also involved in this affair are some teachers, one of whom, Ridha Zouari, is a member of the Secondary School Teachers' Union.

Finally, on Tuesday 11 January, 22 people, either members of or those close to the Islamic Tendency Movement, were apprehended for the purpose of interrogation about clandestine meetings which they were holding. Among them are 17 students and others, including a doctor and 2 engineers, who had harbored them.

At the present time, official services are showing great discretion on these matters and are restricting themselves to indicating that investigations are being made. In the trade-union circles to which several of the interrogated persons belong, great prudence is being shown; and it is pointed out that the national trade union is not directly concerned about the political activity of its members.

CSO: 4519/124

## PROGRESS OF PHOSPHATE PROCESSING INDUSTRY REVIEWED

Tunis DIALOGUE in French No 430, 29 Nov 82 p 26-28

[Article by Wajdi Saihi: "ICM's 10th Anniversary: 80 Percent of Tunisian Phosphate Turned to Profit"]

[Text] It was in 1972 that ICM [Maghreb Chemical Industries] arrived to consolidate the operation of upgrading the barely mediocre ore extracted from the Gafsa phosphate basin, thanks to processing methods conceived and worked up exclusively by Tunisian techniques. ICM in particular, and the southern chemical industry program in general, have gradually succeeded in improving, as to quantity, in processing four-fifths of the 5 million [tons] of raw ore extracted, and as to quality, in diversifying the range of products, as a result of processes and techniques derived from the latest technologies. The opening of the ICM 3 plants by President Bourguiba is related to the prospect of providing our exports with the reliability required in the domain of industry, and thus confirms the unshakeable concern for assuring technological transfer in the shortest possible time.

As fourth among the world's producers of raw phosphates, with about 5 million tons in 1980, Tunisia can be proud to be processing on site (at Sfax and Gabès) 70 percent of the output of its mines (of which there are eight). This percentage will be markedly improved thanks to the contribution of the new units that have just started up at Gabès and those which it is proposed to install on the ore mining sites at Gafsa.

The Tunisian phosphate processing industry offers in addition a full range of phosphate by-products. The range covers triple super-phosphate, concentrated phosphoric acid, 54 percent  $P_2O_5$ ; ammonium and mono-ammonium phosphate, bi-calcium phosphate, ammonium nitrate, 33 percent, and other products related to the manufacture of products for animals.

From another viewpoint, technological mastery is illustrated by the perfecting, by Tunisian engineers, of exclusive processes for the production of dilute phosphoric acid, known as SIAPE [Phosphoric Acid and Fertilizer Manufacturing Company] [as published]. These processes, incidentally, have earned worldwide recognition for their performance. They can be adapted for any quality of

phosphate, and also simplify mining, in addition to the relatively low cost of investment and maintenance. Used in all mines in the group, they have gone beyond the country's borders. Greece adopted them in 1966, and Turkey did so in 1973.

#### Four-fifths of Product Processed in Tunisia

It must be recalled that in 1970, only 25 percent of the output of the time was processed in Tunisia, and that it was only with the gradual establishment of the Gabès chemical group that the added value increased as years passed, and is still continuing with the same outlook.

The installation master plan provided for several stages of achievement, the first of which began 10 years ago with ICM 1, with a processing capacity of 400,000 tons.

The second stage, illustrated by the start-up of ICM group 3 in 1974, made it possible to raise the group's capacity to 1 million tons.

In 1978, a granulated TSP (Tri Super Phosphate) and DCP (bicalcium phosphate) plant was added, strengthening group production. Lastly, President Bourguiba recently inaugurated at Gabès the third important component of ICM group 3, which will raise ICM's processing capacity to 1.7 million tons.

Under the same scheme and within the framework of the Gabès program, SAEPA (Arab Phosphatic and Nitrogenous Fertilizer Company) is now processing 1.3 million tons of phosphate, which brings the full processing capacity of the southern phosphate-bearing area to 3 million tons.

This increase in production and the expansion of the processing plants have had a direct impact on employment. Thus the work force was increased from 250 jobs in 1972 to 600 in 1974. In 1979, with the start-up of SAEPA, the number of employees was 1,100, and with the start-up of ICM 3, will reach the 2,500 level. From another viewpoint, the Gabès chemical group has been behind the establishment of service enterprises such as Gabès Engineering Works, which employs 800 laborers, as well as other private enterprises (engineering, civil engineering, and supplying various services). Moreover, since the group is the nucleus of the entire industrial zone of Gannouch, it automatically contributes, directly or indirectly, to the vitalization of the economic life of the region.

#### Diversify the Range!

As concerns the evolution of the quality, and the diversification of the range of products, and with a view to increasing the value of a product of barely medium value in its raw state, ICM began, in 1972, with the production of sulphuric and phosphoric acid, which it doubled in 1974. The year 1976 was to witness the introduction of the new products, MAP (Mono-Ammonium Phosphate) and TSPP (Trisodium Polyphosphate) from locally produced phosphoric acid, and promoted respectively by the Gabès fertilizers and the "Al Kimia" Company. Two new products from phosphoric acid were started as of 1978: granulated TSP (Tri-super-phosphate) and DCP (Bicalcium phosphate). In 1979, there was a

contribution by SAEPA which made it possible, on the one hand, to double the previous production, and on the other, promoted manufacturing from phosphoric acid of a product much in demand on the world market: the substance in question is DAP (diammonium phosphate). And though the new ICM 3 plant will make it possible to increase very significantly the quantities of sulphuric and phosphoric acid, the start-up of SAEPA 2 in 1983 will solve the problem of the successive ammonium nitrate crises experienced by Tunisian agriculture. The latter fertilizer will be produced by SAEPA 2, and 40 percent of the products will be destined for the local market.

The organizational plan of the Tunisian chemical group generally, with SIAPE (in Sfax), ICM, SAEPA, the EG [expansion unknown], and Al Kamia [as published] (in Gabès) shows an organic independence, certainly as concerns output, but these industries market their finished products in common, domestically as well as internationally.

With respect to exports from the Gabès chemical program, it should be noted that they cover about 40 countries spread over 3 continents:

Africa: Algeria, Angola, Libya, Mozambique

Western Europe: England, Austria, Belgium, Cyprus, Denmark, Spain, France, Greece, Holland, Ireland, Italy, Malta, Portugal, FRG

Eastern Europe: Bulgaria, Hungary, Romania, Czechoslovakia, USSR, Yugoslavia

Middle and Near East: Abou-Dhabi, Egypt, Iran, Syria, Turkey, Kuwait

Asia: Bangladesh, Burma, China, India, Indonesia, Malaya, Sri Lanka.

#### Consolidating the Product

In terms of contingency, the fresh contribution of the ICM 3 units inaugurated by President Bourguiba on 12 November 1982 meets a dual goal: consolidation of employment and production.

The first ICM 3 project was entrusted to the ITACHI [expansion unknown] enterprise of Japan, and consisted of the installation of a sulphuric and phosphoric acid producing unit with a daily output capacity of 3,000 tons for the first acid and 500 tons for the second. The second part was entrusted to a French enterprise, the CGA (General Automation Company). The second portion involved the installation of water treatment structures for the production of distilled and mineralized [as published] water necessary for ICM 3 as a whole.

These two ICM 3 units were planned in such a way as to eliminate certain bottlenecks observed in the running of ICM 1 and ICM 2, and thus permit an increase in productivity.



## Expansion

In connection with expansion, the Gabès program proposes, among short-term plans, the expansion of the "Gabès Fertilizers" plant, by the construction of a new production unit for DAP and NPK [expansion unknown], made from the acid produced on site, imported ammonia, and the potassium that will be delivered by SDICS (Southern Chemical Industries Development Company in Zarzis). In addition, the group is participating, along with the Sfax chemical group in the installation of the Gafsa chemical industries by going ahead with the project studies and engineering. It must be specified that this is the first time in Tunisia that an exclusively Tunisian group of departments has taken on the origination of projects. Again with the same view to expansion, ICM was behind the construction of the "el Muezz" Company's furfural manufacturing plant at Mahdia; this chemical is used in the petroleum industry and is made from the residue from pressing olive oil.

## An Effective Social Policy

In social terms, as Ali Hamdi, director general of the plants, assured us, ICM follows a skilful, promotive, and humane policy. Thus, in terms of direct benefits, mention should be made of the free transportation of workers from the pick-up point in Gabès, as well as the distribution of free hot meals for all factory janitors, that is to say the three teams that are on duty every day in 8-hour shifts around the clock.

With respect to socio-cultural provisions, in addition to the health provision, coverage of all persons by group insurance and the constant presence of a supervising physician and a social worker, President Bourguiba has just laid the foundation stone of a socio-cultural complex which will comprise, in addition to sports fields and various halls, two swimming pools, one for children and one for adults.

As regards housing, Ali Hamdi told us that in addition to the 250 housing units acquired from SNPT [expansion unknown], ICM has contributed in various ways (loans and so on) to the purchase of AFH [Real Estate Housing Agency] sites at Gabès, and especially at Gannouch.

12149

CSO: 4519/96

EXPLOITABLE QUANTITIES OF URANIUM IN PHOSPHATE

Tunis DIALOGUE in French No 430, 29 Nov 82 p 29

[Article by Wajdi Saihi: "Uranium in Phosphate: Enough to Produce Country's Full Supply of Electricity"]

[Text] The energy problem is unquestionably one of the most debated issues of late. It is all the more acute in that on a country-wide scale it is directly connected with the economic future, being the very source of all progress.

The large industrialized countries were not in error in seeking solutions to the energy problem, since energy is the priority line of development, in adopting a revealing simplification: a country's economic independence is its energy independence.

And if one looks closely at all the conflicts battering more than one spot on the globe, control of natural resources, of energy sources (oil, uranium, etcetera) is frequently the actual cause of these conflicts.

A country like Tunisia does not escape the energy problem, and owes it to itself to assure its energy independence by prospecting for, locating, and extracting its natural resources from this standpoint.

Recently, the head of state, in a decision which made the front page in the nation's newspapers, gave the green light for mining the nation's uranium as an energy source, and for the establishment of a national nuclear research center. This decision was made in view of the technical reports made by ICM's [Maghreb Chemical Industries] experts.

Indeed, it is to be noted that the phosphate ore extracted from the mines in the Gafsa region shows in its composition, besides the small quantity of phosphoric oxide (about 28 percent), calcium oxide and various other oxides, other elements present in combined states in which we find significant traces of uranium (40 to 50 ppm, or parts per million). It must also be specified that Maghreb Chemical Industries and the Arab Phosphatic and Nitrogenous Fertilizer Company produce non-concentrated phosphoric acid (28 percent P2O5) by a Tunisian process known as "the SIAPE [Phosphoric Acid and Fertilizer Manufacturing Company] process."

In addition, through the use of appropriate solvents that have been and will continue to be subjected to consistently thorough research, it has proven possible to extract all the uranium contained in the prepared phosphoric acid, as well as the thorium (an element that is also of great importance for energy) and other elements also known as "rare clays," which are of equal importance, and are components of Tunisian phosphate. The presence of these "rare clays" is moreover relatively more important than that of uranium.

The analysis of the uranium extracted (in the form of a fluor combination) as well as the various other elements has made it possible to suggest the following figures:

Potential Annual Output:

| <u>Uranium</u> | <u>Thorium</u> | <u>Rare Clays</u> |
|----------------|----------------|-------------------|
| 114 Tons       | 34.2 Tons      | 22.8 Tons         |

Summary of the technology used: a high-technology process (the PUK [Pechiney-Ugine-Kuhlmann Company]-Gardinier process) in three successive stages, including the preparation of the phosphoric acid (daily output of 2,300 tons containing 37 to 49 parts per million of uranium), the extraction of the uranium (by means of appropriate solvents) and finally, the precipitation of the uranium as a fluor combination.

In addition, according to a study presented to us by Ali Hamadi [as published] director general of the ICM plants, the expected uranium production covered the equivalent in energy requirements for the production of all the electricity needed in Tunisia, thus enabling it to assure its energy independence for the decades to come.

We stress, however, that for there to be freedom from all dependence in this area, research ought to be continued in all domains, to diversify supplies in this field and not be dependent upon any one type of energy. Other types of energies are worth studying thoroughly, to have available several feasible areas of development with what nature has provided for us.

12149  
CSO: 4519/96

LEFTIST AGITATORS SAID PROVOKING SETTLERS

Tel Aviv YOMAN HASHAVU'A in Hebrew 12 Nov 82 pp 16-18

[Article by Efrayim Ganor: "Rightist Underground in the Settlements"]

[Text] Rumors spread among Israeli journalists turned on the red light in YOMAN HASHAVU'A. They referred to the organizing of a rightist underground in the settlements. The objectives of the underground are acts of terror against the Arabs in the short run, and preventing the dismantling of the settlements as a result of the autonomy talks in the long run. Names of those suspected of organizing the underground were given to the security forces and a few were arrested. The press has tried to link the detained residents of Kiryat Arba' to the attack on the Arab mayors.

YOMAN HASHAVU'A's investigation uncovers for the first time a major plot against the right. It shows that members of the left had infiltrated the settlements in order to stir up trouble in Judea and Samaria.

Events took place at high speed, like a suspense movie:

Hello, are you Yehuda Rieder? Yes, you are summoned by the military government in Hebron for an investigation.

Hello, are you Shalom Rosenthal? You are summoned by the military government in Hebron for an investigation.

Hello, are you Zeev Friedman? You are summoned by the military government in Hebron for an investigation.

Three questions, three short answers, and three Kiryat Arba' settlers detained on the morning of 10 October 1982.

Even now, two and a half weeks after the arrests, no one wishes to talk about it. The press has concocted the fiction that the three are members of a secret right-wing underground seeking to make sure Israel never leaves Judea and Samaria. It was reported that they were prepared to use arms if settlements in Judea and Samaria are dismantled, and that the Yamit affair would be repeated on a much larger scale.

In Nablus, Jerusalem, Tel Aviv and Ramallah, there are those who try to link the three to the attack on Karim Halaf and Basm al-Shaq'a, mayors of Ramallah and Nablus, which took place over 2 years ago. Among the supporters of Bir Zeit we found those who identified them as the commanders of the secret private army of Gush Emunim, linked to the counter-terrorist movement, associated with Kahane, who gathered a great deal of arms and ammunition in order to control Judea and Samaria the way Israel has been controlling Lebanon.

Thus, what seems to be a routine investigation, has become the most talked about topic in Israel, and in Kiryat Arba' the commotion continues. Even the fact that the three were freed after 24 hours on their own responsibility has not calmed the spirits in the town. "We must react immediately and not just go back to our daily affairs," the residents insist. But no complaint was made. The residents of Kiryat Arba' prefer to forget and go about their own business.

The three refuse to talk. Even after the left has tried to explain their silence as an admission of guilt they remain silent. It has been written about them:

"The arrests were intended to prevent various groups from organizing settlers in military and quasi-clandestine units for a different type of action on the Bank. Gush Emunim has considered the period after the war in Lebanon as the right time to impose a new order in the occupied territories in order to prevent a mass exodus and stop the autonomy."

No one can prove this accusation which may very well be false. The left, however, is not adverse to accuse the three albeit nothing is based on fact, documents or testimonies. The reports are largely imagined. Science fiction under the guise of journalistic reporting.

The town is being described as "a small development town made up of illegal houses surrounded and guarded by the army." Aharon Dumb, the assistant council head, is presented as "one of the armed men who is part of the town's private army, which operates as a military unit without control or supervision."

#### Suspicious and Venom

On 10 May a press conference takes place in which six IDF soldiers appear, led by First Lieutenant Beni Barabash, member of Peace Now. They give their own version about the arrests, and leftist parties' activists begin to feed false reports to foreign correspondents. Soon the world begins to talk about a fanatic rightist underground, belligerent, vengeful, going after Arab leaders.

Gush Emunim is stirred up. The members are resentful. They demand to be heard in the media. Kiryat Arba', however, remains silent. Some say thunderously silent. "Why do you remain silent?" I ask the new council head of Kiryat Arba'. "Is this the way to react to the arrest of three members? Is there really underground organizing by extremist groups who collect arms in order to terrorize the Arabs of Hebron and the surrounding villages? Is it true that Rosenthal and Friedman were involved in the attacks on the mayors? If not, why do you keep quiet?"

Shalom Wach does not budge, as though the town has taken a vow of silence.

"No comments," he replies. After a short hesitation he seems to break down: "We don't want to harm the security of the state and the image of the security forces who have made the arrests. We prefer to remain silent. This affair is more complicated than one may think, and we are concerned that if we talk we may shake up many people. We are not interested in doing such a thing, even if someone has made a mistake and committed injustice.

"The security of the state and people and the settlement of the land are precious to us. This is how we were brought up, and we pay the price by keeping silent, even if the public does not understand it. Anyone who looks for a loud answer from us should understand that it would not serve the interest of the state. Unlike Peace Now, we are not interested in undermining the security of Israel.

"Anyone who buys the story about the arrest as the result of suspicions of keeping explosives and gathering arms, believes in lies. In Kiryat Arba' there are residents who are close to the security forces and know about every move of the local people. They know every person and every stone. If there were any truth in the rumor, would it result in a 24 hour arrest?

"Besides, what does it mean to gather arms? Every local resident belongs to a unit in the area and forms part of the local defense. It is ludicrous to say that there are arms in Kiryat Arba'. Everyone knows it. This is how we live here.

"There are reasons for the arrest of the three which we prefer to keep to ourselves at this point. It is not important what they say about the arrest in Nablus, or in Ramallah, or in Tel Aviv or in Jerusalem, despite the fact that many of the residents and members of Gush Emunim suggest that we vigorously protest the arrest."

Question: To the best of your knowledge, is it true that extremist groups related to Rabbi Kahane are prepared to attack Arabs in Judea and Samaria?

Shalom Wach replies: "This is a distorted picture presented by leftist groups and by reporters connected with them. When I do reserve duty people in my unit ask me how I can take the cold winter on Mount Hebron, in tents and huts. Those people have no idea what Kiryat Arba' is all about. The Kahane people, for example, may number 30 out of 4800 residents, and their latest attempt to introduce their representative to the town council has failed. Some of those associated with Kahane have left and have settled in Har-Manoah nearby after the NAHAL group had settled there. The fact is that the Kahane group is divided and their power and influence are zero, and if one or two of them misbehaves it should not be construed that we have extremist elements in Kiryat Arba'. Aren't there people in Tel Aviv, Haifa and Jerusalem who do not behave according to accepted norms? Why doesn't anyone talk, for instance, about the converts to Judaism that have become perfectly acclimated in Kiryat Arba'. Does anyone in Israel know that a former priest who became a Jew lives here?

Or a retired general, who became a strictly observant Jew? Or entire families, that have converted and have become loyal residents of the state. No one seems to be interested in this..."

Aharon Dumb, his assistant, is deeply insulted by what was written about him in an afternoon paper. He says, pointing at his picture in the paper: "Look what this woman reporter who was here last week wrote about me. I have no college degree and all I can do as assistant to the council head is give ideas how to outsmart the Arabs. As if this is my specialty and I have nothing else to worry about..."

Dumb takes me to his home in the Jewish quarter of Hebron, where several Jewish families live. A neighbor of Rabbi Levinger, Dumb, age 31, is married and father of two. After working as a local guide, he decided to settle in this place, where the Jews of Hebron were massacred in 1929. "Here, in this house, the cab driver of Kiriat Arba' was born. His name is Ben Hebron. When he comes here, as do other old residents of Hebron, there is great excitement, a feeling of homecoming." He adds, "If you want to find out about our relations with the Arabs you have to go out to the street."

In the wholesale market near the quarter we meet the greengrocers who are sorting out their wares for the next day. A short chat with those local Arabs reveals good neighbor relations. "Here, some good guavas, take them for your children," the old guard says to Dumb, and begins to make coffee for us without first asking if we want any. Dumb adds: "Once a Jewish child began to bite into an unwashed fruit, and an Arab who saw it came over and quickly took it away from him..."

Dumb is convinced that the problems in the area between Jews and Arabs are the result of leftist agitation which distorts the true picture. "I am convinced that we have people who are associated with extremist leftist elements, and I happen to know that there are those who are in constant touch with Shulamit Aloni." When it comes to objectivity about the settlements, on one has Knesset Member Aloni in mind.

If there is provocative organizing in the area, it is that of the Muslim Waqaf. East of Kiryat Arba' a beautiful mosque is being build, covered with expensive marble. The construction has been going on for 10 years. An Arab marble expert is doing it by hand. The magestic carving of the edifice facing Kiryat Arba' is breathtaking. But the beautiful facade is funded by Saudi sources. Some say PLO funds are being used, and the purpose is to stop Kiryat Arba's from growing eastward.

There is a proof: A picture of the mosque has appeared in an Arab paper in East Jerusalem with the caption, "This mosque will stop the expansion of the Jews in Kiryat Arba'."

Before the storm around the arrest of the three local residents could calm down, it became known that a member of Peace Now was spying on the local community while doing reserve duty in the infirmary as a medic. He would give a

daily report to leftist extremists on activities he considered politically objectionable. One local resident who became aware of it alerted the military police who investigated the case.

There are those in Kiryat Arba' who suspect that leftist elements have infiltrated the community in order to agitate and polarize relations between Jews and Arabs. Their purpose is presumed to be to show to the world that Jews cannot live in peace with Arabs in Judea and Samaria. Those elements spread false rumors about a rightist underground in Judea and Samaria which has led to the arrest of the three.

They further maintain that the left is not done stirring up the community, and that in the future there will be more allegations about the right.

I have spent many hours walking around in Kiryat Arba'. I met the local people, spoke to government people and read all the reports in the press about the rightist underground. Anyone who is looking for a rightist underground in Kiryat Arba' will be disappointed. No doubt, the rumors about such underground are part of a leftist campaign against the right in general and against the settlers in particular. This time the left did not hesitate to defame three innocent people and spread false accusations against them.

A similar thing happened when the Sinai was returned to Egypt, when rumors were spread about a rightist underground about to attack the IDF soldiers who would come to evacuate the settlers. "Blood will be spilled in Yamit," the left predicted. But as usual, this rumor proved false. The right was against the evacuation, but it was only a demonstrative and passive resistance. Not one drop of blood was spilled, and no underground fought the IDF.

Anyone who visits the settlements of Judea and Samaria these days sees how life is flourishing in this place. There are 30,000 Jews living here, and the government plans to settle, as the first phase, some 100,000. It appears that the left seeks to undermine this settlement operation, and the false accusation against Kiryat Arba' is part of this subversive activity.

9565

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PROPOSED ELECTIONS LAW AMENDMENTS DETAILED

Kuwait AL-SIYASAH in Arabic 4 Dec 82 p 3

[Article: "Text of Bill to Amend Law on Election of National Assembly Members; Bill, Proposed by Five Deputies, Replaces Article 12 of Current Law by New Provisions; Amendment Deals With Procedures for Registration in Election Lists and Decisions on Appeals and Requests for Voiding Election"]

[Text] The Parliamentary Internal and Defense Affairs Committee has begun to study the proposed bill presented by deputies Ahmad al-Sa'dun, Jasim al-Saqr, Salih al-Fudalah, Badr al-Mudaf and Dr Khalid al-Wasmi. The bill concerns amending some provisions of law No 35 of 1962 on electing the National Assembly members.

The bill had been presented to the Legislative and Legal Committee which found that it is not in conflict with the constitutional provisions and that it is acceptable in the legal format in which it is presented. This committee rephrased some parts of the bill and then referred it to the specialized committee.

Al-SIYASAH publishes in the following the articles of the proposed bill:

Article One

The provisions of articles 4, 6, 7, 9, 11, 12, 14, 15, 20, 36, 39 and 41 of law No 35 of 1962 on the election of the National Assembly members shall be replaced by the following provisions:

Article 4:

Each voter shall exercise his election rights personally in the election district of his residence. The election residence is the place where the individual lives actually and permanently. In the case of multiple residency, the voter shall define the place of residence where he wishes to exercise his election rights.

Should the voter change his place of residence, he shall notify the Ministry of Interior of the change in writing so that it may introduce the necessary change into the election list on schedule and in accordance with the procedures stated in this law and with the form issued by the Ministry of Interior.

In January every year, the Ministry of Planning shall send to the Ministry of Interior a list of the names of resident Kuwaitis in the various districts who have reached the legal age to exercise their election rights and who are entitled to be included in the voters' lists. The Ministry of Interior shall include these names in the election list on the legal date and in accordance with the procedures and conditions set by this law.

#### Article 6:

Every election district shall have one or more permanent election lists prepared by committees comprised of a chairman nominated by the minister of justice from among the men of the judiciary or the public prosecution and 2 members selected by the minister of interior, one of these two members being the district mukhtar. The committees shall be formed and distributed and their headquarters shall be determined on a decree by the minister of interior.

#### Article 7:

The election list shall include the name of every Kuwaiti residing in the election district and meeting on 1 February of every year the conditions required for exercising the voting rights. The list shall include the citizen's surname [laqab], profession, birth date, number of citizenship [passport] and his residence place and address.

The list shall be written in 2 copies, arranged in alphabetical order and shall be signed by the committee chairman and its 2 members. One of the two copies shall be kept at the police station in the election district and the other copy at the National Assembly's General Secretariat.

Before including the name of any individual in the voters' list, the committee must make sure that this individual meets all the conditions required for his exercising his voting rights and must ask him to present the proof of his qualification. A decree shall be issued by the minister of interior no later than the end of January of each year to define the documents and alternative documents that must be presented to the registration committees as proof of the presence of these conditions.

#### Article 9:

The voters' list of every election district, listing the names in alphabetical order, shall be posted in a prominent place at the police stations and the other public places determined by the minister of interior. It shall also be published in the Official Gazette in the period from 1-15 March of every year.

Article 11:

The registration committee shall decide on the inclusion or omission requests stipulated in the previous article no later than 5 April. The committee shall hear the statements of the applicant and of the individual against whom the application is made. The committee shall also be entitled to conduct any questioning or investigation it deems necessary.

Article 12:

The committee's decisions shall be posted in the places referred to in article 9 of this law from 6-15 April and shall be published in the Official Gazette during this period.

Article 14:

The appeals mentioned in the preceding article shall be decided upon by a judge of the Higher Court [mahkamah kulliyah] appointed by the court chairman within 30 days of the date on which the appeal is presented to the court. A number of judges may be appointed and the workload may be divided among them according to the election districts. The judge's decision may be appealed to the Upper Court through a written petition -deposited with the court office within 7 days of the issuance of the decision.

The court shall decide on the appeal within 30 days of deposition of the written petition and its decision shall be final.

Article 15:

The voters' lists shall be amended in accordance with the final decisions issued in implementation of the preceding articles. The amendments shall be published in the Official Gazette within 15 days of the date on which the decisions on the amendments become final.

Article 20:

The applications for candidacy shall be submitted in writing to the police station at the headquarters of the election district during the official work hours in the first 10 days following publication of the decree or the call for election. The candidacy applications shall be registered in a special book according to the time of their delivery and receipts shall be given for them. Every voter may check the candidacy book. The list of candidates for every district shall be prepared and posted in the places stipulated in article 9 of this law. It shall also be published in the Official Gazette within 2 weeks of closing the door of nomination.

rticle 36:

The subcommittees shall run the election in accordance with the above-mentioned procedures until conclusion of the election process. Each subcommittee shall then seal the ballot boxes with red wax and write a report to the effect signed by the subcommittee chairman and attending members. The box and the papers, accompanied by the committee chairman, the Ministry of Interior representative and at least 3 representatives of the candidates, chosen by agreement among themselves or by draw if no agreement is reached, shall be transported to the headquarters of the main committee which shall open all the ballot boxes in the district, shall sort out the votes by reading them aloud with the participation of at least 3 representatives of the candidates chosen in the same manner and in the presence of all chairmen and members of the main committee and subcommittees, headed by the chairman of the main committee.

Article 39:

The National Assembly member shall be elected by the relative majority of the valid votes cast. Should 2 or more candidates get an equal number of valid votes, the committee shall draw a lot among them and whoever wins the draw shall be declared the winning member.

The committee chairman shall declare the name of the elected member and shall sign, along with the other committee members, an election report consisting of an original and a copy. The original shall be sent to the Ministry of Interior and the copy, along with the vote papers which shall be returned to their boxes that shall be sealed with red wax, shall be sent to the National Assembly's General Secretariat to be kept available there for any request by the Constitutional Court until a decision is made on all the election appeals. They shall be then returned to the Ministry of Interior.

Article 41:

Every voter may request voiding the election held in his election district and every candidate may do the same in the district where he runs.

The request shall be submitted in accordance with the provisions and procedures and on the dates stipulated in article 5 of law No 14 of 1973 establishing the Constitutional Court and articles 6 & 10 of the decree issued on 6 May 1974 on the bylaws of the said court.

Article Two

Article 52 of law No 35 of 1962 concerning election of the National Assembly members shall be abolished.

### Article Three

The ministers, each within his jurisdiction, shall implement this law which shall go into effect as of the date of its publication in the Official Gazette. The minister of interior shall issue the decrees necessary for its implementation.

The Amir of Kuwait

Jabir al-Ahmad

### Explanatory Memorandum

The explanatory memorandum on the bill states the following:

Since its issuance, law No 35 of 1962 on election of the National Assembly members has been subjected to several successive amendments. For various reasons, the following laws have been issued on these amendments: Law No 11 of 1963, law No 67 of 1966, Laws Nos 19 & 20 of 1970, law No 2 of 1972 and decree by law No 64 of 1980. Each of these laws has provided a partial cure to deal with a shortcoming or a flaw in this extremely important legislation to insure a sound election process for membership of the National Assembly and of the Municipal Council and to regulate the rules and procedures for this process by virtue of its being a bridge toward assuming the job of popular representation and an instrument to select the representative elements truly reflecting the will of the voter who is the backbone of the upright and stable parliamentary life.

The motive for each of the limited amendments covered by these laws was the shortcomings--which evoked complaint at one time and criticism in the previous sessions of the National Assembly at other times--exposed by the practical application of this old election law. Proposals have been made and wishes expressed by the people with opinion on these shortcomings. But this law is still unable to respond to these proposals and wishes and to keep up with the legislative development in the country which has had its impact on many provisions of the law. In view of this, it has become necessary to deal with the articles of the said law with a broader touch of amendment emanating from an awareness of the practical reality and insuring completion of the desired aspects of reform in the law.

Decree by law No 64 of 1980 previously amended article 4 of the election law in a manner which dealt with the issue of voting residence, defining precisely the meaning of such residence and of the change of residence in order to prevent exploitation of the old provision which permitted amassing voters and gathering their votes in one area with the aim of enabling a certain candidate to win. As a further precaution to insure the sound application of the provisions of this amendment, to make more certain of the fact of the presence of a residence in the election district where the individual [voter] actually lives and to reduce the chances of an error leading to the registration of individuals in an election district while lacking the aforementioned residence qualifications--to do all this,

the Ministry of Planning, which has all the data on the citizens' legal status, has been assigned to sent in January of every year to the Ministry of Interior, which is in charge of preparing the voter lists, an annually renewable list containing the names of residents in the various districts who have reached the legal age to exercise their voting rights and who are entitled to be registered in the voter lists, provided that the Ministry of Interior include their names in the voter lists for the voting districts in which they reside on the legal date and in accordance with the conditions set by this law so as to leave no chance for circumvention or for unjustifiably neglecting the inclusion of a name in the lists. The voter lists will be scrutinized carefully.

In its present form, article 6 of the law stipulates that the permanent voter lists be prepared by committees formed, distributed and with their headquarters set by a decree issued by the minister of interior. Each committee consists of a chairman and 2 members. However, the text falls short of defining the characteristics and conditions required in the chairman or the members. It is necessary to close this gap with a provision containing an effective guarantee by assigning the committee chairmanship to a judge or a member of the public prosecution to insure neutrality and the correct preparation of the lists, especially since the committee may encounter problems of a legal nature which, to be settled, require a degree of knowledge of the legal principles and information. Moreover, the presence of a legal element at the head of the committee may contribute to finding the proper solutions to these problems. The mukhtar's participation in the committee provides an undeniable benefit because of the mukhtar's awareness of the district's conditions and his knowledge of its inhabitants and the truth of their residence, all of which makes the permanent voter lists more correct and less liable to error. Needless to say that in case there is more than one mukhtar in the district, the minister of interior who issues the administrative decree forming the committees, including both chairman and members, selects the mukhtar to be included in the committee. This is intended to unify the administration forming the committees, even though the minister of justice selects the chairmen of these committees and nominates them to the minister of interior to issue the necessary decree.

The amendment on article 7 provided for by decree by Law No 64 of 1980 is confined to paragraph 2 of the article. The last paragraph of this article remains unchanged with its provision empowering the committee to ask any individual to prove any of the requirements he needs to exercise his voting rights. This makes this provision voluntary and up to the committee's evaluation, depending on its suspicion of the requirements it wants to make sure of. Consequently, the provision opens the door for strictness at one time and tolerance at another. This makes it necessary to settle this aspect with a uniform regulation applied to all equally and committing the committee to make sure that the individual concerned meets all the conditions required for him to exercise his election rights before including his name in the voter lists. The committee must demand that the individual present the proof, and the only proof acceptable in this regard must be the documents or similar things defined by a decree from the minister of interior in order to prevent any interpretation or argument.

There is no doubt that it is beneficial to the citizen to know without any difficulty all that pertains to the various phases of preparation for the election process, whether in terms of voter lists for every election district--lists in which the voters' names are included in alphabetical order to make it easy to look for them--of the registration committee decisions, of amendment in the voter lists or in terms of the lists of candidates for every district. The best means to convey this information to the people and the easiest for them is publication in the Official Gazette. This is what is called for by the amendment included in the current bill for articles 9, 12, 15 and 20 of the existing election law.

Even though part two of article 11 of the said law states that the registration committee may hear the statements of the applicant and of the person against whom the application is made and may conduct whatever interrogation and investigation it deems necessary in this regard, the provision empowers the committee to a voluntary right which it may use or not, depending on an evaluation subject to its absolute will and on criteria that may vary from one committee to another, and even within the same committee from one case to another. In view of the fact that the fairness of a regulation is only achieved through its equal application in a manner that guarantees equal opportunities and commitments to all those affected by it and to its being valid to all of them without exception, the mandatory and compulsory application of such a regulation to make its implementation general is more likely to lead to sound results and to provide a stronger guarantee for the action involved and to the people concerned. This is why the bill includes an amendment to the aforementioned article 11 responding to this objective of hearing the statements of the applicant and of the person against whom the application is made. This is certain to guarantee fairness in the omission or inclusion decisions stipulated in article 10 of the law. This is even more behooving and essential if the individual concerned requests to hear these statements. As for conducting the interrogation and investigation deemed necessary, this is left up to the evaluation of the committee according to the circumstances of each case.

It is worth noting that article 14 of the present law stipulates that the final decision on the appeals mentioned in article 13 be made by a judge of the Higher Court appointed by the court chairman for this purpose without spelling out whether this decision is made by a sentence, or order or a decree. Even though article 15 of the law states that the final decisions issued in implementation of the previous articles, including article 14, especially appeals, are presented to the appointed judge not in accordance with litigation pursued through the customary channels for litigation but through an administrative reference from the police station concerned to the higher court concerned, this article does not spell out if the court is to be held to examine a lawsuit in the acknowledged legal sense, how the lawsuit is to be conducted and who are the parties to this lawsuit. In view of this ambiguity, in accordance with the litigation rules and in response to the customary rules concerning judiciary sentences, decision and orders and the methods to appeal them, the bill has adopted the concept of the non-finality of the decisions on the appeals referred

to in the article on the basis that their value is not determined, thus permitting the decision issued by the appointed judge on such cases to be appealed to the Higher Court in order to achieve the benefits of both degrees and to facilitate the measures for appealing, making it possible to deposit the petition with the court office no later than 7 days after issuance of the decision on the complaint involved without the need for a statement declaring the customary procedures for suing. The appointed judge is to decide on the appeal within 30 days of the date of presentation of the petition by the administrative authority to the court and the Higher Court is to examine the complaint within 30 days of the date on which the petition is deposited with the court office. The court's decision will be final. All this is to be done at a date no later than the end of June, as stipulated by paragraph two of the existing article 14, and before the start of the judiciary vacation.

To provide greater guarantees to insure the soundness of the procedures for managing the elections and for the orderly work of the main and sub-committees in charge of the elections from the start to the end of the election process, to bolster the confidence in the correctness of the vote counting process, to make this process more accurate and easier, to eliminate the causes for appeals against the process and to keep it free of error, the bill has drawn up in the amendment it introduces to article 36 of the present law extremely precise procedures to insure the accomplishment of this goal.

To further safeguard the soundness of the election process and its procedures until the final phase after which matters may be transferred to the judiciary insofar as complaints against the correctness of membership or a request for voiding the election taking place in a certain district are concerned, the amendment introduced by the bill to paragraph two of article 39 of the existing election law calls for the election report to consist of an original and a copy signed by the committee chairman and all its members. The original is sent to the Ministry of Interior and the copy, along with the vote boxes in which the vote papers are re-deposited after the vote count and which are locked and sealed with red wax, are sent to the National Assembly's General Secretariat where they remain temporarily at the disposal of the Constitutional Court until a decision is made on all the election complaints. They are then sent to the Ministry of Interior.

The promulgation of law No 14 of 1973 establishing the Constitutional Court and the issuance of the said court's bylaws on 6 May 1974 required amendment of paragraph two of article 41 of the law which concerns the procedures for submitting the requests for voiding an election in a manner compatible with the new conditions set by article 5 of the said law and article 9 & 10 of the decree issued on the Constitutional Court's bylaws.

Considering that there is no longer reason to keep the temporary provision included in article 52 of the law which has exhausted its purpose, it has become necessary to abolish the article containing this provision.

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CSO: 4404/134



## AFGHANISTAN

### MOSCOW'S STRATEGY WITH KARMAL REGIME STUDIED

Paris EST ET OUEST in French No 669, Dec 82 pp 19-22

/Article by Andre Tong/

/Excerpts/ The war in Afghanistan is one the West wants to forget, with the excuse that burning questions of the day dominate the thoughts of leaders and the media. Unless responsible statesmen have but a poor understanding of world developments, we are pretending to ignore that the Afghan question is part of the short or long term strategy of the Soviet Union to impose communism on the world.

#### Moscow's Strategy

The Soviet invasion of December 1979 was but the climax of a long and patient strategy which amounts to absorption--slowly or rapidly according to the development of the situation. Soviet plans have existed since the early 1950s and have been constantly updated.

The Soviet Union's role in the recent history of Afghanistan has been re-traced in an amply documented French brochure entitled "The Afghan People in the Face of Invasion." It analyzes the meticulous manner in which Moscow prepared and carried out the revolution in three stages from 1973 to 1979.

#### The Struggle for Independence

Despite the regime of terror imposed by the leaders in Kabul at the orders of their Soviet "advisers," resistance has constantly grown more organized and effective.

Last summer military activity by the Mojahedin did not cease in Kabul or in the country as a whole, with a battle in the Panjshir valley, attacks on convoys, ambushes, and executions of government agents who had infiltrated certain "freedom fighter" units, as at Faryah in the far northwest. According to the official Czech agency Ceteka, the city of Mazar-e-Sharif was attacked by resistants on 31 August. The dispatch admitted the fact, without referring to losses, and confined itself to stating that the Mojahedin had set fire to a printing plant and caused damages of about Fr 12,000.

Also in August, on the outskirts of Kabul, 20 Soviet soldiers were killed by Mojahedinian in an attack on a munitions depot. The list of resistant actions on all fronts constantly grows, and during the same period desertions from the government's forces increased by 10 to 15 daily. Moreover, rivalry between the two factions of the Afghan Communist Party, the Khalq and the Parchamis, has steadily worsened.

General Wodud, a Khalq, commanding the Kabul garrison, was killed 29 September, his body riddled with bullets. A month before, the presidential palace in Kabul was the scene of an exchange of rifle fire between Parchamis and Khalq followers of General Gul-Aqua, who had been relieved as army political commissar. That bloody incident was disclosed 10 September in Islamabad by Colonel Habibullah Hidayat, former spokesman for Kabul's prime minister, who had just joined the resistance. According to that officer the fusillade resulted in "at least six deaths and many wounded."

In an attempt to reduce the intensity of guerrilla warfare in Kabul the Soviet-Afghan forces early in October hammered a great many villages north and west of the capital by artillery fire and air strikes, destroying houses and crops of the population in a position to aid the Mojahedin. Such scorched earth tactics were used over a three-week period.

In other parts of the country the Soviets did not hesitate to engage in chemical warfare. Not only was irrefutable testimony gathered, but cases full of ampoules were taken with Soviet materiel captured and photographed. The cases bore in Cyrillic characters not only the product name but its date of preemption: Iprit (September 1984); Zarin and Zoman (March 1981); Fogen (Phosgene) and Difogen (Diphosgene), October 1983.

#### The Battle of the Panjshir

The Panjshir (or Panchir) valley, 125 km long, is of vital military importance, for it opens on to the strategic axis of the Salang, the highway leading from Kabul to the USSR. Seven times since 1980, Soviet-Afghan forces have launched large scale offensives without achieving any final result.

For the Mojahedin, the Panjshir valley has become a high point of the resistance, for it has shown that the Soviet army is not invincible.

Following the spring offensive of 1982, in which the Soviet-Afghan forces committed 8,000 men, the summer offensive was still larger, with 12,000 men, hundreds of armored vehicles and trucks, dozens of MIG-23s, SU-24s and helicopters attempting to reduce 4,000 Mojahedin.

According to such foreign journalists as Dowel or Edward Girarded, special correspondent of the CHRISTIAN SCIENCE MONITOR, and to the testimony of two French women doctors, Capucine de Bretagne and Laurence Laumonier, the offensive began with massive Soviet air bombardments aimed even at field hospitals with red crosses painted on the roofs. The hilly terrain, however, did much to limit the ravages of Soviet explosives--25 kg rockets and 250 kg bombs---dropped onto the valley.

Tanks and armored troop carriers then advanced along the road on the valley floor. The Soviets set up a base 2 km south of the village of Onaway, with tents, sheet metal barracks, and sheds to shelter BM-21s ("Stalin's organs"), and giant mortars.

From the start of the offensive the Mojahedin withdrew to the ridges, allowing the armor to move in along the road in Indian file. The resistance then opened fire with its mortars and RPG-7 rocket launchers.

According to a Mojahedin commander in that sector "We let them come and pile up at the end of the valley. From there our fighters fired on them at rifle range. Soviet parachutists gave us a lot of trouble. They are good soldiers who climbed the slopes as fast as our warriors--courageous men. But they made many mistakes, like setting up huge sleeping tents. That allowed us to kill many soldiers, but 400 of ours will never celebrate our victories."

The Soviets pulled back to Rofha, only a third of the way into the valley from its entrance, after setting up other positions at Ahawa and Bazarak, the latter being the farthest north in the valley. They also had to give up establishing a local administration in the Panjshir, particularly since the district commissioner, a high Afghan Communist official, had been executed by resistants a week after his installation in the first days of the offensive. That offensive cost the Soviet army 4,000 men killed or put out of action in June, July, and August. In Kabul tents had to be set up in the courtyard of Vazir Akbar Khan hospital to receive the wounded, and the coffin factory built in 1980 is running at capacity.

Because of the speed of Mojahedine operations and the nature of the terrain, losses among resistance fighters were relatively light, barely reaching 10 percent for a three-months battle. Remarkably led by a commander of 26, Mas'ud Ahmad Shah, the Mojahedin of Panjshir became an example for other fighters. Thus over a thousand Mojahedin belonging to other ethnic groups ignored ideological and tribal differences to come and take part in the battle of the Panjshir side by side with Massoud's fighters.

In closing his account of the summer offensive Edward Girardet wrote: "It seems the Soviets are having trouble shedding their old habits, and that as yet they have hardly learned how to fight the Mojahedin. Indeed, they persist in trying to bludgeon the resistance with tanks and aircraft designed to wage war in the low lying plains of Europe, but totally ineffective in the rugged Afghan mountains."

The Soviet-Afghan fall offensive was not a success for the attackers, for on 9 October Soviet artillery and armor pulled back. Positions at Rokha and Unaba, ringed by minefields, are held by Afghan troops but are under growing pressure by Mojahedin who are better armed than in the preceding offensive, having more rocket launchers. In a counterattack, Mojahedin surrounded the positions held by the Sepah-e Engelab or "Army of the Revolution"--actually the government militia--in the northern part of the valley.

## The New Ethnic Policy

At the seventh plenum of the central committee of the PDPA [Popular Democratic Party of Afghanistan] in December 1981 Babrak Karmal presented what he called his "new ethnic policy," which he considers one of the pillars of his political program. The resolution offered by Karmal was naturally adopted without argument by the plenum. It recognizes equal political rights for all Afghan nationalities and tribes, and pursuant to that resolution the party wishes to associate all those nationalities and tribes with the process of revolutionary transformations.

Karmal did not in fact make any innovation. He reinvoked and improved the decision by Taraki ordering a population census indicating native languages of the various ethnic groups. This new ethnic policy has but one aim: to allow the Kabul government to divide the opposition, thus facilitating control over Afghan regions beyond the reach of its power. Afghan Communist leaders present this new policy as an "initiative taken for the first time in the history of the country." Actually, it is but a copy of the old Soviet principle formerly applied by Lenin after the October revolution, which allowed him to weaken Moslem solidarity.

The ministry of tribal and ethnic affairs in Kabul comprises two departments: that of ethnic groups, which concerns such peoples as the Tadjiks--30 percent of the population--Uzbeks, Nuristani, and Turkmen; and that of tribes, which is primarily responsible for the Pathans, the dominant ethnic group in Afghanistan with 60 percent of the population, who themselves are divided into several subtribes.

The Karmal regime intends to create a Pathan province, probably along the Pakistani-Afghan border. The future province would then be divided into several subregions drawn along tribal lines. This attempt to break Pathan cohesion is fiercely resisted by Afghan warriors in the region. High officials in Kabul, moreover, are not eager to become district commissioners or province chiefs, for such posts are clearly dangerous. Nevertheless, by his servile application of Moscow's instructions, Karmal strives to reduce the opposition by dividing it through clever infiltration of ethnic minorities. Karmal knows how the Bolshevik regime divided the central Asian zone of Russia into five republics, each of them the supposed fief of a particular ethnic group: Uzbeks, Kirghiz, Turkmen, etc. Actually, Moscow kept control of those regions by entrusting all key posts in those republics to Russians.

That alignment of Karmal with Moscow was underscored by the head of the Afghan communist party in his report to the national conference of the PDPA evoking the "fraternal relations" of his country with the Soviet Union: "That friendship and cooperation are the cornerstones of the new Afghanistan, a vitally important factor in defending our homeland and the victories of the April revolution." His words echoed Leonid Brezhnev's declaration to the 26th CPSU congress: "Imperialism has loosed an actual undeclared war against the Afghan revolution." And the Information Bulletin went beyond

that: "In view of the fact that the conflict was continuing, the dispatch of a limited military contingent to Afghanistan had become the major condition to allow the Afghan people to determine its own destiny despite the use of force and external threats of force."

Afghan patriots joined together in the resistance have already given their answer in the field, and the delegation of resistance chiefs which came to Europe in March 1982 clearly made known the supreme goal of their struggle: the independence of their country. Those fighters for liberty hardly appreciated being taken in hand by the Socialist international during their mission to western Europe. One member of the Afghan delegation, Major Mansour, did not disguise his thoughts when he declared, in France on 12 April, that "we fight so that our country, once liberated, shall choose its future and shape it according to its will. We refuse to accept that others should choose for us or, on the pretext of aiding us should wish to impose their ideology on us. In any case we reject socialism as well as communism, for by parallel paths each leads to the same end."

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CSO: 4619/13

## GANDHI SPEECH AT MILITARY ACADEMY CELEBRATION REPORTED

New Delhi PATRIOT in English 11 Dec 82 p 5

[Text] DEHRADUN, Dec 10 (PTI)

PRIME Minister Indira Gandhi today called upon the armed forces to keep abreast of the rapid induction of science and technology in the armed forces.

Speaking at the Golden Jubilee celebrations of the Indian Military Academy, Mrs Gandhi said that training at the academy must ensure all round development and adaptability to change.

Keeping pace with the times was the condition precedent to progress in any sphere of human activity, even more so in defence matters, Mrs Gandhi said.

Mrs Gandhi said that India believed in avoiding war and solving differences through negotiations, but it did not mean any slackness in defence preparations.

Mrs Gandhi said India's policy still continued to be of friendship, cooperation and peace.

She praised the armed forces for fulfilling the role of national integration, which was the most vital ingredient for building a strong nation.

Mrs Gandhi, who arrived here this morning along with son, Mr Rajiv Gandhi, MP took the salute at the impressive parade by 500 cadets of top rated world mili-

tary training Institution and watched by a galaxy of dignitaries from home and abroad and military attaches of several countries.

Among them were Defence Minister R Venkataraman, Communications Minister, A P Sharma, UP Governor C P N Singh and Chief Minister Sripati Mishra, the army chief Gen K V Krishna Rao, Penelope Betjeman and daughter of Sir Philip Chetwode, who founded the academy.

Mrs Betjeman flew in here specially from England to attend the golden jubilee celebrations.

The cadets who had passed from this academy had provided leadership of high quality on the battlefield. Many had won gallantry awards for their courage and several sacrificed their lives in the best traditions of the Indian Army.

Praising the role of the armed forces, Mrs Gandhi said the Indian Army, even under British officers, had a reputation for its large-heartedness in the two World Wars.

Since independence led and manned by our own people the army has earned world's respect by its conduct in repulsing invasion and facing enormous challenges in times of natural cala-

mities like floods and cyclones the army has always come forward to mitigate the sufferings of countrymen and set for others an example to follow.

At other important junctures, Mrs Gandhi said, the army had been in the forefront of various national activities, as demonstrated during the recent Asian Games in Delhi.

The Prime Minister pointed out that in an age of all-pervasive democracy, officers were not a privileged class. Such dichotomy had ruined many fighting machines. Discipline, obedience, chain of command are essential in any service, but the defence forces must be actuated by a spirit of sharing and comradeship, mutual regard and mutual obligation.

The higher one rose in a hierarchy heavier was the responsibility and the more hard the work the greater the sacrifice expected, she said.

At the end of her speech gentlemen cadets of the academy presented a brilliant Golden Jubilee parade carrying the Chief of the Army Staff banner.

The majestic building of IMA reverberated with echoes of "Indira Gandhi ki jai" slogans raised by the cadets.

CSO: 4600/1468

INDIA

## REPORTAGE ON GANDHI SPEECHES IN ELECTION CAMPAIGN

### Warning Against Regionalism

Bombay THE TIMES OF INDIA in English 17 Dec 82 p 1

[Text] Kakinada, December 16.

The Prime Minister said here today that regionalism and casteism were the twin threats that endangered the integrity of the nation more than external aggression.

Referring obviously to Telugu Desam, without naming it, Mrs. Gandhi said it was dangerous to support parties which only aimed at taking advantage of regional sentiments to gain power.

Addressing a public meeting, she asked the state governments to take stricter measures to forestall communal violence and protect minorities.

India, she asserted, was the only country which undertook the uplift of the weaker sections on such a gigantic scale. The 20-point programme was aimed at accomplishing this and also increasing farm and industrial productivity.

The non-communist parties which entered into electoral alliances with the left parties were strengthening Naxalism, she said, and appealed to the electorate to return the Congress (I) to power to ensure the stability and progress of the country and also democracy.

PTI adds: Mrs. Gandhi deprecated separatist and communal forces whipping up regional feelings and warned that this would retard the country's economic development. "The slogan of regionalism is a dangerous one," she added.

Campaigning in the coastal areas of Andhra Pradesh on the second day of her whirlwind tour of the state, Mrs. Gandhi said the economic situation in India and practically in all the countries had become "grave".

"If we do not have national pride and get bogged down in regionalism and communalism, we cannot implement the programmes for the upliftment of the poor," she told a series of public meetings at Amalpuram, Peddapuram, Kakinada and Tadepalligudem towns.

Addressing about 18 meetings in the coastal region of Andhra Pradesh, Mrs. Gandhi said while the country was facing external dangers, the separatist and fissiparous and communal forces were raising their heads. Politically motivated demands were being made in the name of religion. The worst of all was provocation of regionalism by some people. The slogans for regionalism were fraught with dangers, she warned.

Mrs. Gandhi also spoke of the grave economic situation not only in India but also in other poor and rich countries of the world. She hit out at the extreme right parties like BJP, which was an off-shoot of the Jana Sangh and the RSS and also at the leftist parties.

The opposition, she added, had neither been able to understand nor solve the country's problems. The Congress party alone could tackle people's problems and hold the country together, she said. Her government had also taken positive steps to banish poverty, she added.

Mrs. Gandhi in her tour of the coastal region spoke in English and her speeches were translated into Telugu by the external affairs minister, Mr. P. V. Narasimha Rao. He and the chief minister of Andhra Pradesh, Mr. Vijayabhaskara Reddy, accompanied Mrs. Gandhi.

In all her election speeches, Mrs. Gandhi spoke at great length about the 20-point economic programme. This programme had been formulated to improve the lot of Adivasis, Harijans, women and other weaker sections, she said. The implementation of the programme was being monitored at the Centre and corrective steps taken, she added.

#### Communist Parties Scored

New Delhi PATRIOT in English 18 Dec 82 p 1

[Text]

HYDERABAD, Dec 17—Prime Minister Indira Gandhi today attacked the Communist Parties at her poll meetings in Nalgonda district, one-time stronghold of the Communist movement and today the main rivals in the district, while rounding off the first leg, of her three-day tour of Andhra Pradesh.

At four places in Nalgonda district—Devarkonda, Nalgonda, Kodad and Suryapet—Mrs Gandhi said the Communists were having an unholy alliance with the right reaction only to defeat her. In Nalgonda proper, Mrs Gandhi lashed out at the Bharatiya Janata Party.

She said that the Communists who talk about the danger to Indian independence through US imperialism did never hesitate to align with their friends internally for

narrow political gains. This apart, she said, it was for the people of Andhra Pradesh to decide whether they would like to have a party in power to provide stability or otherwise.

She said that the BJP was nothing but the old Jana Sangh controlled by the communal RSS. Their main aim too is to throw me out of power,' she said.

External Affairs Minister P V Narasimha Rao, Chief Minister K Vijaya Bhaskara Reddy, PCC-I president G Venkataswamy accompanied her. Mr Narasimha Rao translated her speeches into Telugu.

Unlike the coastal districts, the gatherings at Nalgonda, Kodad and Suryapet were poor. She was an hour behind schedule everywhere though she was using a helicopter.

Interestingly Mrs Gandhi did not criticise Telugu Desam in areas where Communists were her party's main rivals. In areas where Telugu Desam was the main rival, she concentrated her attack on regional parties and appealed to the voters to elect the Congress-I to power to provide stability and cooperate with the Centre in solving inter-State problems.

Mrs Gandhi covered about 50 constituencies in three days in coastal Andhra and Telengana districts before leaving for Karnataka. She will be campaigning again next week for the second time, before she concludes her electioneering in the State on 2 January.

In between Mr Rajiv Gandhi, M.P. will be campaigning for the Congress-I.



## Karnataka Tour

New Delhi PATRIOT in English 19 Dec 82 pp 1, 7

[Text] Bangalore, Dec 18 (PTI).

Prime Minister, Indira Gandhi, opened her election tour of Karnataka with the assurance to the electorate that her party which stood for 'national integration' would continue to wage war against poverty and work for the country's progress.

Continuing her tirade against the opposition parties whom she accused of fanning regionalism, communalism and casteism, the Prime Minister said under the present circumstances when India was facing a great threat from neighbouring countries with their alarming growth of armament, the need of the hour was unity and discipline.

Admitting that there was economic disparity in the country, the Prime Minister said her party had been fighting it through the five-year plans and particularly through the 20-point economic programme. There was special emphasis on improving the lot of the weaker sections.

The Prime Minister again criticised the CPI and CPI-M which claimed to be 'progressive and secular', to have joined hands with such a 'retrograde party' as BJP.

She harped on this theme in a series of meetings at Mangalore, Udupi, Shimoga, Chickmagalur, Hassan and Mysore, saying their understanding with the extreme right party was 'unprincipled'.

### BJP Exposed

She repudiated BJP president Atal Behari Vajpayee's charge that the Congress-I had not fulfilled its promise.

'I am not the one who makes false promises', she asserted at her first election meeting at Mangalore.

Mrs Gandhi also rebutted Mr Vajpayee's claim as reported in a section of the press that the BJP was a secular party.

Describing it as 'ridiculous', she said she had seen the functioning of the RSS at the time of country's partition. One of their young men had assassinated Mahatma Gandhi. The RSS and erstwhile Jana Sangh, and now BJP, had not changed since then. One had to just look at the speeches of RSS leaders to bear testimony to this fact.

The Prime Minister also said the RSS leaders, now composing BJP, were against India's independence.

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Unlike the coastal districts, the gatherings at Nalgonda, Kodad and Suryapet were poor. She was an hour behind schedule everywhere though she was using a helicopter.

Interestingly Mrs Gandhi did not criticise Telugu Desam in areas where Communists were her party's main rivals. In areas where Telugu Desam was the main rival, she concentrated her attack on regional parties and appealed to the voters to elect the Congress-I to power to provide stability and cooperate with the Centre in solving inter-State problems.

Mrs Gandhi covered about 50 constituencies in three days in coastal Andhra and Telengana districts before leaving for Karnataka. She will be campaigning again next week for the second time, before she concludes her electioneering in the State on 2 January.

#### Second Day in Karnataka

Calcutta THE STATESMAN in English 20 Dec 82 pp 1, 9

[Text] Hunsur (Mysore), Dec. 19.--Mrs Gandhi began her second day's poll campaign in Karnataka here today with an attack on extremist parties in the country, reports PTI. She said the splinter groups of the Congress (I) were only helping the extremists like the BJP and Communists by splitting the Congress (I) votes.

The Prime Minister accused the Opposition of coming in the way of development through false propaganda and unhealthy criticism. "They do not spare even Mahatma Gandhi and Pandit Jawaharlal Nehru who sacrificed their lives for the country".

She did not mind Opposition criticism. Their job was to oppose but the criticism should be responsible. They should not obstruct constructive policies and programmes like the 20-point programme, meant for improving the lot of the poor Mrs Gandhi added.

The Prime Minister charged the Left Front Government in West Bengal with removing Tagore's writing from the school curricula.

"This is one example of the party's disrespect to tradition-bound Bengali people and their culture", she said and added that the Marxists were against democratic principles.

The Prime Minister began her campaign this morning at Hunsur, the home constituency of Devaraj Urs, attacking the BJP and Leftist parties. The BJP was a rank communal party and even today it did not understand the policy of self-reliance or the policy of non-alignment. "Marxist parties supported socialist and non-aligned policies but their methods are not what we want in this country".

Mrs Gandhi said the BJP had its roots in the RSS, which opposed even the people struggle for independence. They did not want us to be self-reliant, she added.

(According to UNI, Mrs Gandhi said the regional parties were a threat to national unity and asked the people to look at their problems in the larger national perspective.)

Mrs Gandhi addressed election meetings at Mercara and Somwarpet, Kadur, Chennagiri and Davangere. At Somwarpet from where the Chief Minister, Mr R. Gundu Rao, is seeking re-election to the State Assembly, she said her Government was engaged in the task of implementing the 20-point programme to remove poverty.

India's achievements in the development sphere had been acknowledged by the international institutions. "But we are not satisfied. More concerted efforts are required in this direction."

She disputed the view of affluent nations that India had become an industrially advanced country and did not need help. India's requirements now were more than before, particularly in the sphere of sophistication, she said. "We have become self-reliant to a large extent. Ninety per cent of our requirements are met by indigenous resources".

Mrs Gandhi reminded the people that development could not be achieved by a magic wand. Even developed countries like the USA were not able to wipe out poverty. Despite the fact the whole world faced "grave" economic situation, "we are going all out" to help poor and backward classes and others, she said.

Mrs Gandhi cautioned the people against external and internal forces which were attempting to destroy the country's unity and integrity. Fissiparous tendencies and communal forces were raising ugly heads, she added.

Mrs Gandhi said there was threat of confrontation in the world today. All the foreign dignitaries and leaders coming to Delhi had been talking about confrontation. As far as India was concerned, "we are for peace and we want peace". But, at the same time, India had to be prepared for any eventuality she added.

Mrs Gandhi introduced the party candidates contesting from the constituency and its neighbouring ones at a 3,000-strong crowd at the Hunsur meeting.

Mrs Gandhi impressed on the voters the need to have a strong Centre and stable State Government.

Mr Rajiv Gandhi, M.P., had visited Bangalore. He visited almost all the 25 constituencies in the district and addressed several public meetings claiming that the Congress (I) alone could deliver the goods.

Mrs Gandhi's programme here on Tuesday has been curtailed by one hour as she will leave for Tripura where she will address two election meetings, one during the day and another next day.

According to official sources, the departure of the Prime Minister has been advanced by an hour although none of her engagements here has been dropped.

CSO: 4600/1488

INDIA

#### GANDHI STRESSES NEED FOR UNITY, DISCIPLINE

New Delhi PATRIOT in English 9 Dec 82 p 10

[Text] Prime Minister Indira Gandhi on Wednesday stressed the need for unity saying that 'if we don't have unity, the loss will be to the country,' reports UNI.

The recent Asian Games she said were an apt example of what united endeavour and hard work could achieve.

'A few discordant voices are being heard in the country and they, as also the people at large, should be made to understand that what is paramount is unity and discipline', she said. The Government on its part was always ready for talks, whatever the problem was Mrs Gandhi said.

Mrs Gandhi was speaking to a group of office bearers of registered societies that sent pilgrims to Pakistan. The delegation leader Syed Asrarul Haque, MP, urged Mrs Gandhi to ensure that people of all parties were allowed to go on pilgrimage to Pakistan.

In a memorandum to the Prime Minister, he said earlier only Akali jathas were sent to Pakistan on pilgrimage. He wanted people from all walks of life to be included in those jathas.

'Our policy', Mrs Gandhi responded 'is always to have cooperation with all parties. We don't want to suppress any party. At the same time, we have to remember that unity is most essential.'

Unity, Mrs Gandhi recalled was the only weapon that the country had during the independence struggle. 'Because of unity, we were able to face all hardships and ultimately defeat a mighty empire'.

Recalling the lesson of 'Kaumi Ekta' taught by Mahatma Gandhi, the Prime Minister said Sikh gurus also preached the same thing.

'Our basic aim' she said 'is to give a better life to our people, especially our poor, who form the foundation of our nation'.

CSO: 4600/1460

## G. K. REDDY DISCUSSES GANDHI LEADERSHIP STYLE

Madras THE HINDU in English 12 Dec 82 p 2

[Article by G. K. Reddy]

[Text]

**T**HE sickening scramble for the Congress (O) ticket for the Andhra Pradesh and Karnataka Assembly elections is matched only by the sad spectacle of growing defiance by the dissidents in several other States. It is not for the first time that this odious drama has been enacted, with hundreds and hundreds of deserving and undeserving applicants behaving pathetically like petty supplicants. But what has really unnerved the power brokers is the refractory behaviour of the Congress (O) rebels, who are no longer prepared to put up meekly with the sly political manipulations to run the States by remote control from Delhi.

The growing disarray of the Congress (O) is certainly worrying even those in the Prime Minister's inner circle, who believe that she would be able to cope with the deepening ferment before it becomes malevolent and unmanageable, without going through the ordeal of another split in the name of self-purification. But Mrs. Gandhi's reluctance to act in time with her characteristic display of firmness is being mistaken for a slowdown in her style of functioning in her dual capacity as leader of the ruling party and head of the Government. This, in turn, is giving the impression of faltering leadership, when she should be asserting herself to set matters right instead of merely holding out threats of disciplinary action.

**Surprising rebelliousness**

The tendency hitherto has been to ignore even the legitimate grievances of the dissidents in States, maintaining that not all of them are shining knights imbued with a crusading spirit, since they would be no less vulnerable to the spoils of power given the opportunity to savour it. If the dissidents are becoming increasingly defiant it is because of the feeling that the Central leadership can no longer ignore them with only two years left for the next general elections. The degree of rebelliousness they have been displaying in Gujarat, Maharashtra and Orissa has, no doubt, taken Mrs. Gandhi's advisers by surprise, but they do not seem to

think it can be curbed with a judicious combination of the carrot and the stick to silence them.

The Prime Minister is a great believer in the theory that there is no great virtue in attempting to solve a problem before it is ripe for solution. She thinks that the agitators or dissidents, championing a cause or campaigning against an injustice, cannot be brought round and made to accept a reasonable solution until they have run out of steam and started isolating themselves from the mainstream of public opinion.

She sees no harm in allowing the Assam or the Akali agitation to drag on interminably, since in her view any solution aimed at appeasing the hardliners would be worse than the malaise itself in the long run. This strategy has worked at times in first tiring the agitators out before bringing them round to agree to a compromise in the larger national interest. It has also misfired on occasions and compelled the Centre to yield to the dictates of the extremists by conceding in the end what it refused to countenance at first, ignoring the pleas of the moderates.

**Personality factors**

But in dealing with inner party revolts one has to give attention to the personality factors involved. A basic fallacy of Congress politics has been that in States where the people have by and large voted for Mrs. Gandhi rather than her proconsuls, the leadership tangle inevitably assumes ugly personal overtones. The Chief Ministers imposed from Delhi command a nominal majority only as long as they continue to enjoy her confidence. In the absence of any political roots of their own, they collapse like Humpty-Dumpty the moment they incur her displeasure. The massive majorities of the ruling party in the local legislatures thus become totally irrelevant in this game of musical chairs staged and managed from Delhi.

This practice of a single supreme leader running simultaneously the Central and State Governments as integral parts of a unitary

system with the assistance of a small coterie of light-weights who are not independent power centres even in their limited spheres has not worked largely because of the wrong choice of persons rather than the inherent contradictions involved in it.

#### **Patronage dispensation**

As long as a strong Prime Minister remains firmly in command of the Central Government, it does not matter if the principal portfolios are held by politically inconsequential persons if they are capable of administering them with the necessary competence. It is in the States that the nominated Chief Ministers have by and large failed to display the requisite qualities of leadership in carrying the rank and file of the party with them.

The Prime Minister has kept the Congress (I) Parliamentary Party on the leash and made doubly certain that the simmering discontent in the party over the dispensation of patronage does not assume the dimensions of dissidence. Her predicament is quite understandable, that in a ruling party with over 500 members from both the Houses of Parliament, it is quite impossible to go in for a wider distribution of the loaves and fishes of office. If only 10 per cent of them could be absorbed into the Cabinet, the remaining 90 per cent are bound to nurse a sense of grievance that their claims and talents go unrecognised or unrewarded in what they consider to be a highly personalised and uneven dispensation of patronage.

It can be allayed to some extent by involving those left out in some sort of parliamentary activity that would give them a feeling of closer association with the Government and help to enhance their personal prestige.

In the absence of such a benign approach, a good many Congress (I) members of Parliament continue to imagine and feel embittered, with or without justification, that they have been unfairly deprived of their share of the spoils of office all because Mrs. Gandhi has chosen to reward their less deserving colleagues on purely extraneous considerations. It has created a sort of hiatus between the haves and the have-nots in the party with those left out resenting the prominence given to the lucky few catapulted into positions of importance.

#### **No towering personalities**

Such heart-burning is inevitable in a bulk organisation with no set standards for assessing integrity, ability and influence so that the deserving ones can be rewarded or the undesirables kept out of the Government.

The problem is a lot more complicated in the States where there are no commanding personalities at the helm to control the legislative parties or provide good Government. The few that tried to copy Mrs. Gandhi's style of functioning came to grief since their party colleagues were not prepared to put up with their pretensions. But the others who were miserable failures managed to survive in some cases all because Mrs. Gandhi refused to jettison them under pressure from the dissidents. Many a State Government has remained paralysed in the bargain making the beleaguered Chief

Minister even more brazen in his misuse of authority to survive in power at any cost.

The main battle cry of the dissidents everywhere is growing corruption and there is hardly any Chief Minister against whom serious charges have not been levelled by their own party colleagues, let alone the Opposition. The Prime Minister's policy has been to defend and shield them as long as possible in the hope that the storm would die down soon.

At times she has unwittingly allowed herself to be misled by some of her interested colleagues into believing that an attack on, say, Mr. Antulay was, indeed, an attack on her and that once she dropped him she would be the next target. She, however, realised, though late, that this was at best a foolish argument and at worst a motivated bid to save Mr. Antulay even at the cost of sully her reputation.

#### **Equally extraordinary**

It is equally extraordinary that Mrs. Gandhi should have gone out of her way to defend Dr. Jagannath Mishra over the Bihar Press Bill all because the Opposition parties were supporting the countrywide protest against it. She has allowed others who were guilty of much worse infractions to continue in office in the face of party revolts, and in the name of not succumbing to pressures, until it became impossible for her to defend them.

She has also permitted Chief Ministers like Mr. Bhajan Lal to form a Government largely with the support of defectors won over at a price. This squalid affair was justified by one of the Congress (I) Secretaries with the astonishing apologia that since the Haryana defectors who had crossed the floor several times before were elected by the people in the full knowledge that they were going to rejoin the ruling party after the elections, there was nothing immoral in taking them back and forming the new Ministry with their support.

#### **Opposition guilty too**

The declining standards of the Congress (I) are not its sole prerogative since the Opposition parties have been no less guilty of such behaviour while in office. It is the Indian public life that has lost its ethos, not just one party, whether it is in power or in the Opposition. Congress politicians of all vintages love to wax eloquent on the success of Indian democracy, forgetting that apart from holding elections and forming or pulling down governments, they have not evolved a synthesis of it that can meet the Indian requirements.

It is necessary to call a halt to the rapid decline of values at some point and make a conscious effort to regain the old spirit that helped to propel the Congress through the freedom struggle and sustain it in power after independence before it fragmented.

A good beginning can be made in Andhra Pradesh and Karnataka in restoring inner party democracy and allowing the elected representatives of the people to elect their leaders without imposing them through a contrived consensus in Mrs. Gandhi's name. The elected representatives should be trusted to choose

new leaders of integrity and capability to head the Governments in the two States, if the Congress (O) wins the elections. It would be a tragic folly to let the earlier farce of getting those already nominated from Delhi elected "unanimously" by the legislature parties.

If the Congress (O) fails itself in Andhra Pradesh and Karnataka again, it will not be able to take any corrective steps in the other States. And it is still not too late yet to rectify the past mistakes and usher in a new era of greater rectitude in public life.

CSO: 4600/1472



COMMERCE MINISTER TELLS EXPORT PROMOTION MEASURES

Bombay THE TIMES OF INDIA in English 9 Dec 82 p 9

[Text] New Delhi, December 8.

The Union minister of state for commerce, Mr. Shivraj Patil, today assured the business community that various export promotion measures were receiving high priority in the government's economic policy.

Speaking at a meeting of chairmen and secretaries of export promotion organisations convened by the Federation of Indian Export Organisations, Mr. Patil said that some steps had already been taken in this direction.

These included development of exports through free trade zones and 100 per cent export-oriented units. As part of a long-term strategy for promotion of exports, the government had extended the scheme of cash compensatory support for exports up to March 31, 1985.

Mr. Patil hoped that the measures taken would help accelerate exports. However, he pointed out, the success of the government's efforts would largely depend on the active cooperation of the business and industrial community and export promotion organisations.

Trade Deficit

He requested the export promotion organisations to spare no efforts to increase exports "so that we are able to achieve and exceed the targets we have fixed."

Mr. Patil said that India's trade deficit in the first five months of 1982-83 (April to August) was estimated at Rs. 2,060.23 crores compared to Rs. 2,290.32 crores in the corresponding period of last year. Exports during the period were estimated at Rs. 3,196.27 crores and imports at Rs. 5,256.50 crores.

Bhai Mohan Singh, president of FIEO, welcomed the measures taken by the government to promote exports but stressed the need for adequate export credit on reasonable terms from financial institutions, permission to exporters to maintain offshore banking accounts to enable them to avoid losses on foreign exchange dealings on third country imports, efforts to step up receipts from invisibles and direct tax benefits.

CSO: 4600/1457

CPM LEADERSHIP SEES CPSU BACK TO OLD STAND ON INDIA

Bombay THE TIMES OF INDIA in English 9 Dec 82 p 7

[Text] Calcutta, December 8.

While the relationship of the Communist Party of India (Marxist) (CPM) with the Communist Party of China (CPC) is still in a formative stage, the party leadership sees a significant shift in the Communist Party of Soviet Union's (CPSU) line of thinking in regard to the developing Indian scene.

The CPM view is that the shift takes the CPSU back to its position in 1975, which is unacceptable.

This implies two things. The CPM does not want to modify its strategic and tactical line, supposedly independent of both Moscow and Beijing, even while offering Mrs. Gandhi positive support on certain aspects of foreign and domestic policies such as anti-imperialism and non-alignment. Secondly, it does not like the Communist Party of India (CPI) to change its current tactical line in keeping with the latest thinking in Moscow.

The CPM leadership does not precisely know if Moscow or the CPSU has formally conveyed its new ideas about India to the CPI, as the external affairs minister, Mr. Narasimha Rao, has claimed. But their assumption is that CPI leaders know what is going on in the CPSU and that on the prognosis in regard to India--that of the danger of a rightist revival--there might still be differences in Moscow.

As for themselves, their recent contacts with Soviet functionaries seem to have left them in no doubt about the changes in Moscow's thinking as appearing in Soviet theoretical journals. They have already made it clear to their Soviet contacts that while they appreciated Moscow's perception and compulsions in the existing international context, they cannot agree with Moscow's thinking about India's domestic political development centering on Mrs. Gandhi.

Economic Crisis

The CPM leaders acknowledge that more than politics, the deepening economic crisis should be more disconcerting for Mrs. Gandhi and in that respect

she has very few options. Also, left and democratic forces are still too weak in India to have a real impact on domestic politics.

The CPM seems more concerned about the CPI, and the pressure, it feels, is building up within that party and on the leadership for lining up with Moscow. This is because many, who ought to be with the All-India Communist Party are still active within the CPI and acting at cross-purposes. The Marxists feel convinced that any change of the CPI's Bhatinda line will be suicidal for the party as a political entity, and will create more complications on the Indian scene than otherwise.

Regarding the CPM's relationship with the CPC, the recent visit of Mr. Promade Dasgupta, politburo member, to Beijing, where unfortunately he died, may have paved the way for better bilateral relations between the two parties.

#### Earlier Talks

On an earlier occasion, two politburo members, Mr. M. Basavapunniah and Mr. Samar Mukherjee, during their brief stop-over in Beijing on their way back from Korea, had some discussions with the CPC functionaries. It is now known that Mr. Dasgupta's visit to Beijing for treatment also had a political angle, taking place as it did after the CPC congress which modified its strategy and tactics so very significantly. (Mr. Dasgupta had shown the utmost reluctance to go to Moscow for treatment).

Even during the first fortnight's stay in Beijing, Mr. Dasgupta, in the midst of his treatment, had two rounds of talks with the CPC. Presumably, these talks were resumed by Mr. Basavapunniah, while he waited for the special Chinese plane to bring Mr. Dasgupta's body to Calcutta. Mr. Basavapunniah is likely to give a resume of his discussions in Beijing at the politburo's next meeting.

Mr. Basavapunniah was understood to have reiterated what Mr. Dasgupta had stated publicly before leaving for Beijing--that ideological and political differences between the CPM and the CPC should not stand in the way of developing bilateral relations.

CSO: 4600/1461

# MITTERRAND TO APPRAISE FRANCO-INDIAN ECONOMIC COOPERATION

Paris L'USINE NOUVELLE in French 2 Dec 82 pp 97-99

[Article by special correspondent in India Rene Le Moal: "On the Indian Trail"]

[Text] Possessing a strong and diversified industrial basis which it built under the cover of a strict protectionism, India must now find its place in international competition. This new leap forward will require foreign technologies and capital. In France, this has been understood only by a few.

It is a country in the process of slowly modifying its economic policy that Mr Francois Mitterrand discovered a few days ago, on a visit that will have enabled him to gauge the weaknesses and promises of Franco-Indian cooperation. For these two coexist peacefully. While India is changing, the French industry as a whole, in spite of a few deceptive feats--Mirage, Airbus, Pechiney, uranium, telephone, coal--still does not see the sub-continent as a market with a future.

Only nine French enterprises were represented at the New Delhi International Fair which just closed--and they were represented only at the collective pavilion of the EEC. Of these nine, a few had a courtesy booth, like CIT-Alcatel which has only one customer: the Indian state with which it just signed a telephone equipment contract which, it hopes, will be followed by others. Others had official booths, like Unipresse, an organization designed to promote French publications abroad and of doubtful usefulness. At the other French booths (except at SAGEM's [Company for General Applications of Electricity and Mechanics] which hopes to get a contract to replace India's teletype equipment, now 25 years old), technical agents did not try too hard to gain the crowd's attention. Certainly, the crowd was mixed, but it appreciated far more the attitude of the Soviets who had a large pavilion of their own to house their exhibits.

## Courted by Large Industrial Powers

We should add--although a list of French shortcomings has been drawn up a thousand times already--that our country's enterprises still do not answer requests for information, catalogues, price quotations, and even neglect to

bid for machine-tools contracts, even though they are financed by World Bank credits (which excludes communist competition).

These are no doubt grievous mistakes. For India needs and will increasingly need the West. To supply it with capital and technologies. Last year, its energy bill amounted to 7 billion dollars, i.e. three fourths of its exports. Exports cover only 57 percent of imports. It is increasingly lacking funds to sustain its own development: although savings do exist, they cannot amount to much considering the average individual's purchasing power. Still, India must make massive investments to develop its enormous wealth and meet its dramatic electricity requirements. The largest copper complex in the country, inaugurated on 10 November by Indira Gandhi, is already unable to reach its objectives as it lacks 45 percent of the kilowatts it needs.

At the same time, a large portion of India's industrial equipment is aging: India is increasingly aware of it and it knows that only OECD member countries can help it modernize it for good. This must be done sooner than expected, as the sterilization program for married couples proved less successful than had been hoped for.

#### Part of the Industrial Equipment Is Obsolescent

India has experienced lightning fast--although partial--obsolescence. Yet, immediately after independence it had engaged full speed into heavy and semi-heavy industrialization, which was distributed as evenly as possible on the respectable bases left by the English and the large Indian business families. Its objective was self-sufficiency. Its means, protectionism. Actually, the country has quite many plants headed by technically competent managers. Unfortunately, if autarky is a protection against foreign inroads, it is also an obstacle to progress. Thus, productions which were abandoned everywhere else were continued in India. Worse: some technologies acquired abroad were already outdated even before being implemented, the buyers being motivated by the desire to create many new jobs, the sellers by the desire not to create a competition for themselves. The bureaucracy generated by the need for controls multiplied them, complicated procedures, and encouraged corruption. Prices were frozen, salaries based on a scale. Marketing, productivity, cost minimization were neglected.

As a result, even the Indian textile industry, such a threat to many, is outdated; besides, its production capacity is limited.

A survey of the Indian industry, apart from prestigious (and usually nationalized) showcases like Bangalore, is like a trip into the past. In a railroad valves and brakes plant in Calcutta, the machinery is driving a mass of entangled belts straight out of a 1900 photograph. In another plant in the same town, where trams worthy of a museum and wagons that will never go very fast are manufactured, coupling parts are machined on grinding wheels. A travelling crane exhibits the date when it was placed in service: 16 January 1936. Both enterprises are nationalized and obviously overstaffed.

It became necessary--at last!--to give up manufacturing on location the Morris Ambassadors and the Fiat 1100, the blueprints of which had been acquired 25 years ago and which had a ruinous fuel consumption. Under circumstances that remained obscure, the Japanese company Suzuki was called in: it was selected rather than Renault, with which negotiations had been going on for many years, because it could boast of a line ranging from individual cars to minibusses (with some parts said to be compatible). As a whole, the year 1982 in India has been the year of Japan as that country finally understood what huge development potential India represents.

Indira Gandhi's second government became aware of the political and economic danger. Out of India's 800 million inhabitants, possibly no more than 10 percent can be considered to be true consumers. But these live in cities, are educated, and will not always remain content with their modest salaries (700 francs per month for a secretary, 40,000 francs per year for a manager are considered to be top salaries--although some highly qualified welders already earn 2,000 francs per month). The country must also export to pay for its unavoidable imports. To export, it must keep reducing its costs and increasing its quality and technology standards. As a result, it has no choice but to welcome again Western capitalists and technologies.

Actually, many controls have been lifted in the past two years, and new facilities are announced almost every quarter. Increasingly, India calls on the IMF, the IBRD and its subsidiaries, the EEC, and oil producing countries. Private groups (Tata, Birla) are encouraged to borrow foreign currencies. The money market, which was rigid and official, will have to become more flexible. Certain state organizations have promised to authorize foreign investments and the ensuing financing operations within two weeks. The contract for the acquisition of French Mirages 2000 is not without significance either: the Russians were offering Migs 27. All this takes place on a background conducive to some optimism. The private sector as a whole is experiencing a tangible expansion and is making profits (Birla: 95 million dollars before taxes; Tata: 51 million for the last accounting period published). Out of 48 multinational companies established in India, 33 have increased their profits by 23 percent over 5 years. The lot of the Indian people seems to be improving. Inflation appears to have remained under control for the past two years, although it has not been eradicated.

The EEC got the message. Besides, how could it fail to do so? India is a steady buyer of European products, although it does not find enough markets in Europe; its balance of trade with Europe shows a deficit of 1.5 billion dollars. The EEC therefore believes that it must help India export, to the West or to Asia or elsewhere. As a result, there has been an official multiplication of encouragements to all forms of industrial cooperation with India. It is in this spirit that it recently organized a specialized seminary in three cities in succession: Dusseldorf, Paris (with SEMA [Applied Mathematics Research Company]) and Stratford-upon-Avon. In Paris, the atmosphere was good: French enterprises which had Indian partners openly declared themselves satisfied.

But there are still too few of these companies. Out of 5,500 industrial cooperation agreements signed by India with foreign partners, only 225 were

signed with French enterprises. Each year, the FRG signs four times as many such agreements as we do. Yet, general contractual bases exist: a general industrial and commercial cooperation agreement was signed in 1980, the double-taxation fiscal convention appears to be operational now, financial protocols are renewed each year and seldom fully used, various cooperation agreements have been signed in sectors like energy, coal, chemicals, telecommunications, audiovisual equipment, transportation, etc. Francois Mitterrand's visit will have contributed to further strengthen this infrastructure with official goodwill. And the National Council of French Employers has maintained relations with the Franco-Indian Chamber of Commerce and Industry since 1976.

We should add that many consulting firms--SORETEC [expansion unknown] and Krips for instance--have specialized in bringing together Indian and French companies. Also, French trade representatives in India (Delhi, Bombay and Calcutta) are very effective in preparing the job of manufacturers and have a strong faith in the Indian market. They are not the only ones: last 10 November, an oil-drilling boat belonging to the American company J.W. Bates was navigating in the Bay of Bombay. That was as good an advertisement as any other: the operator hoped to get hired by the Oil and Natural Gas Commission...

#### Three Sectors Which Need Europe

The production of road and urban transportation means (and the equipment it requires), electronic engineering and machine-tools are probably the Indian industries that developed best under the systematic protectionism in favor under Nehru and under Indira Gandhi's first government. Nevertheless, these industries must be developed and modernized. They offer many investment and joint-venture opportunities to the Europeans, especially now that regulations have been simplified and the atmosphere cleared.

#### Automobile: the Japanese Are Ahead of the Game

The Indian transportation industry cannot cope with the growth of Indian cities, the increase in private requirements, and the resulting prospects. At present, delivery of a scooter takes up to two years, although it is almost entirely paid for in advance. Therefore, new manufacturers--which will have to use imported technologies, licenses (and maybe machine-tools)--will have to be added to the existing 39 manufacturers (7 of whom produce utility vehicles and 11 tractors).

For identical reasons, the same can be said of the industry supplying spare parts for these means of transportation; at present it consists of 185 fair-sized plants and 6,000 workshops which, in France, would be called micro-PMIs [small and medium-size enterprises] (which sometimes results in quality and precision problems, as standards are still accommodating; besides, they are old). Over 100 foreign companies are already involved one way or the other in these activities; the leading 20 include many English, U.S. and German companies, and Fiat. Not a single French company. Yet, Bosch reexports up to 60 percent of the spark plugs in manufactures in India. An encouraging example.

The expansion and modernization of this whole system are, to various degrees, indispensable if the country is to export, control pollution and save energy, as well as develop its domestic market.

Here are, according to the Plan, forecasts of vehicle production growth which appear reasonable.

| <u>Products</u>        | <u>Until<br/>1984-1985 (%)</u> | <u>Until<br/>1989-1990 (%)</u> |
|------------------------|--------------------------------|--------------------------------|
| Trucks                 | 10.5                           | 10                             |
| Busses                 | 10.5                           | 10                             |
| Light utility vehicles | 18                             | 14                             |
| Jeeps                  | 18                             | 14                             |
| Tractors               | 15                             | 10                             |
| Scooters               | 24                             | 20                             |
| Motorbikes             | 15                             | 15                             |
| Mopeds                 | 35                             | 35                             |
| Motor tricycles        | 15                             | 15                             |

Spare parts offer still broader prospects as they are needed both in vehicle production and for the replacement market.

Of course, fierce competition is to be expected from the Japanese; Suzuki has obtained the automobile contract because it offered unbeatable terms, and we can safely assume that it had a good idea of the side profits it could derive from it in the long range.

#### Electronics: Telecommunications Boom

The Indian electronics industry is weak and partially outdated, but in no way negligible. Its production increased from 92 million dollars in 1965 to 435 million in 1975, and to 1 billion in 1981. It is expected to double again until 1985. A minor sector at first, professional electronics now accounts for three fourths of the total; most of it belongs to the nationalized sector, while the private sector shows a marked preference for consumer electronics.

The market is taking its first steps: television, for instance, still covers only 6 percent of the territory and 15 percent of the population, which explains why 435,000 sets were manufactured in 1981 (for a total population of over 700 million people).

India can manufacture measuring instruments and medical electronic equipment, but not yet telemetering and remote-control systems, for instance, although it has more than hopes when it comes to offshore oil; it also has no real strength in computers (out of 500 systems in operation, 100 are "Indian," i.e. assembled or manufactured under license, especially from ICL [expansion unknown]. There was a famous falling out with IBM), no more than in peripherals or software (although some were exported last year).



However, telecommunications (especially telephone) offer the best opportunity for development: almost everything is old, almost everything must be done or replaced. As a result, it is possible to rely on advanced technologies (especially satellites) right from the start. In spite of this, there is no hope of reaching the end of the waiting list for telephones before 1988.

All the same, as long as it does not have a powerful electronic components industry base in direct and permanent contact with international technological progress, India will keep suffering from a painful gap between supply and demand. Since the present components industry belongs for 70 percent to the private sector, it can be safely assumed that such a base will be established.

#### Machine-Tools: Young and Already a Tradition

Because of several factors, India's machine-tools industry has reached a turning point (for a description of this industry and an analysis of this question, see Dominique Mombrun's article in No 15 dated 8 April 1982 of our weekly edition). India's mechanical industry is increasingly selling to export markets and therefore subject to international quality standards. Its automobile industry is about to expand and modernize, and will therefore also require up-to-date equipment. Indian railroads are revamping their maintenance shops from top to bottom. All this calls for more sophisticated, more precise and more efficient machines. In other words, machine-tools requirements should double before the end of the decade.

Despite its considerable research and development efforts, India's machine-tools industry cannot be expected to generate the technological and financial resources it needs for that dual leap forward. And it cannot rely on socialist countries to provide them either. Therefore, it will have to rely on the West, i.e. to import, through licensing agreements or through joint-ventures. Europe could also buy more from India or buy back from it the machine-tools it manufactures under license. For this industry does exist: it is now supplying 75 percent of the domestic market. Its production, which was practically nil in 1950, reached 80 million dollars in 1974, 120 million in 1978 and 220 million in 1981. It can produce practically all traditional machines.

9294

CSO: 4219/28

REPORTAGE ON INDIA-JAPAN BUSINESSMEN'S MEETING

Proceedings Reported

Bombay THE TIMES OF INDIA in English 9 Dec 82 p 9

[Text] New Delhi, December 8.

The India-Japan business cooperation committees at their 15th joint meeting here, agreed to expand bilateral trade, explore the scope of increased Japanese investment in India and promote the flow of Japanese tourists to this country.

More than 125 representatives from both countries participated in the two-day meeting which concluded today. It was decided to hold the next meeting in Japan in 1983.

The Indian delegation to the meeting was led by Mr. Devarajulu, president of the Federation of Indian Chambers of Commerce and Industry, and the Japanese team by Dr. Shigeo Nagano, president of the Japan Chamber of Commerce and Industry.

Mr. Devarajulu and Dr. Nagano were elected chairman and co-chairman of the committees, respectively.

Some of the Japanese delegates paid a courtesy call on the Prime Minister, Mrs. Indira Gandhi. They also met the Union commerce minister, Mr. Shivraj Patil, and the industry minister, Mr. N. D. Tiwari.

Mr. K. S. Bajpai, secretary in the external affairs ministry, and Mr. E. Hara, Japan's ambassador in New Delhi, in their speeches, expressed the hope that the co-operation between the two countries would enlarge. Mr. Abid Hussain, commerce secretary, stressed the need for investment and technology transfer from Japan to India.

The Indian and Japanese delegations reiterated their determination to make all efforts to ensure that the trade in the next five years reached a level of \$five billion.

The reports of task forces constituted by the Indian committee on marine products, engineering components, castings and forgings, leather and textile garments, tourism and 100 per cent export-oriented units were considered.

It was felt that there was scope for exports to Japan of a larger variety of fish and that joint ventures in fishing held good promise. The Indian side requested Japan to send a fishery delegation to this country.

A number of Indian engineering items were identified as having export potential to Japan. Indian manufacturers of garments were asked to study the consumer preferences in Japan.

#### Constraints to Japanese Investment

Madras THE HINDU in English 10 Dec 82 p 6

[Text]

NEW DELHI, Dec. 8

Members of the Japanese delegation, headed by Dr. Shigeo Nagano, President, Japan Chamber of Commerce and Industry, who participated in the 15th joint meeting of the India-Japan Business Cooperation Committees, which concluded here today, welcomed the liberalisation of India's policies to attract foreign investment and transfer of technology.

They have, however, drawn attention to the constraints to increased Japanese investment in and technology transfer to India. They have cited the rigours of taxation in India and the unrealistic nature of an obligation to export 100 per cent of the production in export-oriented units.

**Desirable situation:** Mr. E. Tanaka, who was answering questions at a joint news conference along with the leader of the Indian delegation, Mr. G.K. Devarajulu, President, Federation of Indian Chambers of Commerce and Industry (FICCI) and his colleagues, said India today "leans neither to the West nor to the East, which from the Japanese point of view, is a very desirable situation" and this was conducive to increased economic cooperation between India and Japan in the future.

He mentioned the Maruti-Suzuki collaboration for the production of cars and expressed the hope that more such collaborations would materialise.

Dr. Nagano, leader of the Japanese delegation, was not present at the news conference as he had to leave for Japan urgently).

**Tax on technology:** Mr. M. Naito said taxation on imports of technology and technical services in India was higher by 50 to 100 per cent compared to that in the ASEAN countries. This imposes, he said, a greater burden on the Indian users of technology. "If the aim of liberalisation of technology imports is to modernise and rationalise industries in India, I believe there should be more flexibility in all these aspects for the Indian users of imported technology." This question was discussed by the Japanese and the Indian delegations with the Ministers and senior officers of the Government of India.

**Impossible proposition:** Replying to another question on the incentives provided by 100 per cent export-oriented units, a member of the Japanese delegation, Mr. S. Adki said, "Our own impression is that 100 per cent exports would be an impossible proposition. There should be a 20 per cent flexibility for domestic sales.

Asked why Japan was not buying as much iron ore from India as the latter desired, Mr. Naito said the Japanese steel industry would certainly not do anything which would not be fair to India. "Unfortunately, however, port and harbour development in India has lagged far behind Australia and Brazil and the cost of transportation of ore from India has gone up drastically. The average size of the Japanese iron ore carrier is about 150,000 tonnes. But as of date there is no single port in India which can accept a 150,000-tonne carrier (because of the deeper draughts needed)".

**Indian ore less competitive:** This, he said, had made the price of Indian iron ore much less competitive than the Australian or other ores. The Japanese steel industry has also to cut down its steel production from its earlier high level of 120 million tonnes a few years ago to just about 100 million tonnes at present.

**Quota restrictions:** Answering a question on the Japanese quota restrictions on imports from India, Mr. Tanaka said that such restrictions had been imposed only in respect of silk and leather goods.

At the joint meeting, a large number of Indian engineering items were identified as having potential for export to Japan. It was recommended that Indian industry and exporters should make detailed surveys of the main engineering items imported by Japan to understand the price competitiveness, marketing, packing etc. Consumer preference in garments made of textiles and leather regarding design, quality, fabric, finish, etc., had to be taken note of by Indian exporters. While leather garment exports to Japan were increasing improvements in India's product design, stitching, etc., had to be made.

**Third country projects:** As for collaboration in third country projects, it was felt at the joint meeting that there was scope for functional division of manufactures and supply of equipment between parties in the two countries, based on cost competitiveness, availability, etc. There was also scope for execution of systems and specific sections of total plant on the basis of specialisation, manufacture of equipment, machinery and systems, based on designs, drawings and

technology inputs, sub-contracting and engineering consultancy.

**Yen credit:** Issues arising out of yen credit to India by Japan were discussed at the joint meeting and a review of the use of Japanese project aid was made. It was felt that there was need for increase in yen credit and greater flexibility in its use. At the same time, the Japanese side stressed that the necessary procedural steps should be taken well in advance for its timely utilisation.

#### Joint Statement Issued

New Delhi PATRIOT in English 10 Dec 82 p 7

[Text]

India and Japan have agreed to make a determined effort to see that the two-way trade is increased from the present level of two billion to five billion dollars in the next five years, reports UNI.

A joint statement issued at the end of two-day meeting of the India-Japan Business Cooperation Committee in Delhi on Wednesday said five major areas had been identified for increasing exports in coming years.

Federation of Indian Chambers of Commerce and Industry (FICCI) president G K Devarajulu told newsmen that these areas related to marine products, engineering components, castings and forgings, garments made of textiles and leather, tourism. The 100 per cent export-oriented units were also considered in this regard.

Alternate leader of the Japanese delegation S. Tanaka said the political stability in India and the liberalised import policy of the Government have presented a bright future for industrial development in the country.

Chairman of the Indo-Japan committee of the FICCI H S Singhania said it was now opportune

for Japan to invest and transfer higher technology to Indian manufacturers. The Government of India had adopted liberalised import policy, he added.

A member of the Japanese delegation M Naito said the taxation on royalty on transfer of technology was 80 to 100 per cent higher in India compared to the ASEAN countries. This heavy taxation would cause greater burden on the Indian users of Japanese technology. He said that there should be some flexibility in this regard.

Replying to a question, a Japanese delegate said that setting up of 100 per cent export-oriented units was an impossible proposition. There should be some flexibility in 100 per cent export-oriented units also. At least 20 per cent of the production in these units should be allowed to be diverted to the domestic market.

The joint statement said the infrastructure facilities, specially at the ports in India, for loading of iron ore to Japan had to be improved. While facilities at Goa were satisfactory, to keep up with international competition, efforts should be made to deve-

lop exports from ports like Madras, Paradeep and others.

The Indian side felt that this was possible provided the Japanese evinced interest in entering into long-term contracts for import of iron ore and also participated in the development programmes of ports like Madras.

The Japanese side explained that Japan carried iron ore in bulk carriers which had the capacity of 230,000 tonnes. Even the average size of bulk carriers was about 150,000 tonnes. Unfortunately, there was not a single port in India which could receive a bulk carrier of 150,000 tonnes.

The joint statement said that a large number of Indian engineering items were identified as having export potential to Japan. It was recommended that Indian industry and exporters should make detailed surveys of main engineering items imported by Japan to understand price competitiveness, marketing and packing. Further, Indian manufacturers should make efforts to get the Japanese industrial standard mark which would make the Indian products readily acceptable in Japan.

CSO: 4600/1457

INDIA-USSR SIGN PROTOCOL ON COOPERATION IN ENERGY

New Delhi PATRIOT in English 15 Dec 82 p 5

[Text] India and the Soviet Union on Tuesday agreed to further develop their mutual cooperation in the field of power.

The agreement followed intensive discussions between delegations of the two countries at the second meeting of the Indo-Soviet working group which concluded its discussion in Delhi on Tuesday.

The protocol delineating the areas of cooperation between the two countries in the next three years was signed after detailed discussion between the two sides.

The protocol was signed by Soviet Deputy Power Minister N A Lopatin and Secretary in the Department of Power T R Satish Chandran.

The two sides reviewed their cooperation in the construction of the Vindhyachal Super Thermal Plant.

The first of the six 210 MW units of the Vindhyachal thermal power station being executed by the National Thermal Power Corporation (NTPC) with Soviet assistance is scheduled to be commissioned in June 1987. The subsequent units of the power station will be commissioned at an interval of six months each.

The 400 K V transmission line stretching over a distance of 900 km would be ready for operation in time for evacuation of power from the Vindhyachal station.

The joint working programme drawn up under the protocol includes construction and commissioning of power projects in third countries.

The programme also covers construction of power projects and creation of a united power grid in India and the organisation of a centralised service for repair and maintenance of power shipment of Soviet design.

The protocol also provides for development of programmes to improve professional skills of various categories of specialists at power projects in

which the Soviet Union was cooperating and also training of Indian experts at the power plants in the Soviet Union.

The two sides identified further areas of cooperation in hydropower development and long distance transmission of power.

During the five-day discussions stress was laid on the timely supply of spares from the USSR for 50 MW and 100 MW units already installed in India with Soviet assistance.

The working programme for cooperation in power development is being coordinated under the agreement on economic and technical cooperation between the two countries.

CSO: 4600/1478a

# REPORTAGE ON VISIT OF VIETNAMESE FOREIGN MINISTER

Activities on 17 Dec

New Delhi PATRIOT in English 18 Dec 82 pp 1, 7

[Text] /Vietnamese Foreign Minister Nguyen Co Thach asserted on Friday that the problem of Kampuchea was not one between the ASEAN members and countries of Indochina, but one of the Indo-Chinese states with China./ [in boldface]

'The solution of the Kampuchean problem lies in solving the problem between China and Indochina as a whole', he told a meeting organised by the Indian Centre for Studies on Indochina at Link House.

Later in an interview broadcast over All India Radio in the evening, Mr Co Thach reiterated that China was causing obstructions in finding a solution to the Kampuchean issue. The ASEAN nations favoured a settlement, but China persisted in its hostile attitude.

Vietnam would not accept a solution imposed under Chinese or US duress, directly or through the UN or other world forums, the Foreign Minister stressed while speaking later in the evening at a reception in his honour by the All-India Peace and Solidarity Organisation.

Stressing the importance of the forthcoming summit of non-aligned nations in New Delhi, Mr Co Thach said Vietnam highly appreciated the Indian stand of sticking to the Havana summit resolution keeping the Kampuchean seat vacant. 'We stand by that resolution till the Delhi summit decides otherwise', he added.

In his hour-long exposition at Link House on the various facets of the situation, Mr Co Thach exposed the Chinese designs, and the role that Peking had played all these years in heightening tension in Indochina. The motive,

he said, continued to be its desire to control and dominate the region.

Present at the function were Mrs Aruna Asaf Ali, Centre president, T N Kaul, secretary, R K Mishra, Mr P N Haksar, Vietnam Ambassador Nguyen Quang Tao, the

Laotian Ambassador, Kampuchean Charge de Affairs and a number of academicians including Dr V P Dutt and Prof Vishal Singh.

Did he apprehend a second attack on Vietnam from the side of China? he was asked. Mr Co Thach replied: 'When China attacked us

first, we said by the first lesson they drew from the attack they must have come to realise that it was a stupid venture. Now if they attack again I think they would be more stupid in doing so.' 'But since there are so many stupid people in the

world; the Vietnamese Foreign Minister could not rule out a second attack on Vietnam from China.

Referring to reports that China wanted withdrawal of Vietnamese troops from Kampuchea as a condition for improving Sino-Soviet relations, he pointed out that the three-year old Vietnamese presence in Kampuchea could not be a cause of the 20-year conflict between China and the USSR.

In fact, Pol Pot himself had twice sought Vietnamese military help to face Lon Nol before the latter was overthrown.

The Chinese designs, he said were clear. "China wants unilateral withdrawal of Vietnamese troops from Kampuchea while it remains free to continue subversive activities in Kampuchea and Laos and use Thailand as a springboard of aggression against us."

On the Chinese move for "neutralising Kampuchea," he said Vietnam was of the opinion that Thailand, not Kampuchea, should be neutralised since it was Thailand which had been used against Indo-Chinese countries by the US for 40 years.

In reply to a question if Thailand was desiring a compromise on Kampuchea by which it could have a voice in its governance Mr Co Thach snapped back: "None but the Kampuchean people alone can have a say in the matter". He then said because of Thailand's past aggressions against Kampuchea if anyone shouted "Thai, Thai" in Kampuchea even the dogs, pigs and chickens would run away in fear.

He reiterated that once the Chinese threat to Indo-China ceased to exist Vietnam would withdraw its troops from Kampuchea. In fact it had already withdrawn some troops not only this year but even earlier in 1980-81, although in the latter case the withdrawal had not been announced.

The reason for this was simple: It would create panic among the Kampuchean people who were afraid that once the Vietnamese withdrew, the Pol Pot elements would return to continue their orgy of violence and genocide. Indeed when the decision to withdraw some Vietnamese troops this year was announced, the price of gold shot up as people began collecting gold to leave the country in alarm.

The situation in Kampuchea is thus different from the ones in Bangladesh and Uganda where there had not been genocide on a scale as in Kampuchea, and where there was no China or Thailand as neighbour, he added.

Giving a detailed account of genocide in Kampuchea under

Pol Pot, Mr Thach said genocide had disrupted the entire society with pagodas destroyed, no markets, no schools. The people of Kampuchea are not afraid of rifles. They are afraid of hammers which Pol Pot used to kill people. That is, why Kampucheans are afraid of the sound of hammers'.

He affirmed that the Kampuchean people wanted the presence of Vietnamese troops to prevent the return of the Pol Pot clique.

He also underlined the long process of training not only soldiers but officers to run an army. Kampuchea needed a trained army to defend itself, but the process took time. A soldier could be trained in six months, but it took years to train a general.

Mr Co Thach said Buddhists were not the main victims of Pol Pot massacre. The main victims were the Muslims. Of the 700,000 Muslims in Kampuchea as many as 500,000 had been liquidated by Pol Pot's men. Only 200,000 remained. And yet Muslim nations like Malaysia and Indonesia were now supporting Pol Pot in their backing of Democratic Kampuchea formed out of an alliance between Sihanouk, Son Sann and Pol Pot.

He said he had just seen a movie depicting atrocities perpetrated by Idi Amin in Uganda. "Those are nothing compared with what Pol Pot did in Kampuchea," he added.

He said China was a "very pragmatic nation but without any principles"—something that Gandhiji had described as a major sin. From 1949 to 1957 the Chinese by their policies did gain something but thereafter they had mostly lost with disruption of their economy and their isolation in the Third World.

#### CHINA'S MOTIVES

As for Indo-Chinese states, China had friendly ties with them from 1949 to 1975. This the Chinese did to ensure that their southern border remained safe. And through good relations with the Communist Parties of these countries they sought to bargain with both France and the US.

"But after 1978 they (the Chinese) found that they had lost everything. So they became hostile to us. And they used the ASEAN states as their proxy against us. If China wants to normalise relations with us, it is because it is keen to re-establish its lost position in South-East Asia," he explained.

Speaking of Pol Pot, Mr Co Thach said in 1965 an Anti-American Front of Indo-Chinese

Peoples was formed. It was around that time that Pol Pot visited China. While bidding him farewell, Chairman Mao characterised him as a "great nationalist", (not Communist) leader of Kampuchea. This was significant. Then in 1966 when the Great Cultural Revolution began in China it was Pol Pot who came forward to support it.

Pol Pot advocated armed struggle against Sihanouk and France, and not against the US. According to Mr Co Thach, China used Pol Pot to split the anti-American Front. The armed struggle of Pol Pot, which commenced in 1967, failed in 1969 as the Kampuchean people were essentially anti-American and it was difficult to continue such a struggle.

In March, 1970 Lon Nol took over power in the wake of Pol Pot's military and political setback. In October, 1970 when Lon Nol launched his first great offensive, the militarily weak Pol Pot needed outside support. And on requesting Vietnam for such help, Vietnamese troops entered Kampuchea to fight the US-backed Lon Nol forces and also withdrew at the end of the operation.

#### LAST OFFENSIVE

Later in 1971 when Lon Nol launched his second general—the biggest and last—offensive and Pol Pot was on the brink of a collapse, he again asked Vietnam to come to his help and the Vietnamese troops responded to the request to enter Kampuchea and give a decisive rebuff to Lon Nol. Once again they withdrew on successfully completing the operation.

He claimed that China used the chauvinist sentiments of Pol Pot against Vietnam. There were problems between Vietnam and Kampuchea in the past, no doubt, but these were not as serious as those with China and Thailand. There were no anti-Vietnamese feelings among the Kampuchean people. These feelings were only confined to some intellectuals trained in France which for its own interest had fostered such enmity. But now even these intellectuals were aware of the role of Vietnam in the context of the Pol Pot terror.

He also exposed Yugoslavia which in 1965 had gathered 17 non-aligned nations to call for ceasefire in Vietnam when the US were bombing that country. This was exactly what the Americans were demanding. Vietnam, on the other hand, demanded unconditional end to



US bombing and start of negotiations.

According to Mr Co Thach, "the Government of India was with us then and did not join the Yugoslavs". It was not an accident that from 1964 to 1970 no non-aligned summit could be held due to such complications. But the Lusaka summit of 1970 came out with unequivocal support to Vietnam. Since then every summit had extended full support to anti-imperialist and anti-colonial struggles, freedom and independence.

Today the Yugoslavs are trying to say that the main thing in non-alignment was independence of blocs. "That cannot be the main thing. The major problem of independence of peoples is being sought to be thrown into the background". But Mr Co Thach was certain that this would be prevented. He had full faith in India's capacity to do so as the host of the next summit.

On the situation in Vietnam he said although many people were predicting collapse of Vietnam due to its internal economic problems and despite China's hope that it would collapse within two to three years, the fact was that at present Vietnam was in a position to comprehend the means to overcome its difficulties.

He spoke of 30 years of war in which twice as many bombs were dropped on Vietnam than the total number of such weapons used during the Second World War. It was thus quite natural that it would take about 30 years for Vietnam to reconstruct the country although

efforts were afoot to see if the time-span could be shortened.

But Mr Co Thach was quite conscious of the weaknesses and was frank enough to admit them. These related to the Vietnamese people's psychology of receiving aid from outside, a sequel to such aid throughout the years of war; the tendency to work like guerillas, something which was counter-productive in conditions of peace and reconstruction; He claimed that the recently held Fifth Congress of the Communist Party of Vietnam had given enough confidence to "overcome our difficulties on our own without relying on foreign aid". Agriculture this year was better than last year and exports had increased by 30 per cent compared to 1981.

"As years pass, economic difficulties are gradually decreasing", he said adding that whereas he had only one meal a day during the war against the French, today the average Vietnamese had three meals a day. He further pointed out that the Vietnamese President had said that "we are not afraid of difficulties, but we know if we deny justice to our people, if we do not share our poverty among ourselves we will not be able to overcome the difficulties". That was the crux of the matter.

He said economic cooperation between India and Vietnam was proceeding smoothly and there were no problems. "The difficulties are only in the material aspect, since it is cooperation between poor countries," he said, but underlined that only a poor country like India could understand the peculiar problems of Vietnam. He showed a photograph of an Indian agricul-

tural expert Prof. Chandra Mohan standing on breast deep water in a rice field to conduct some experiment with his Vietnamese counterpart. "This is possible only by an Indian who himself has suffered and thus can realise our sufferings. We do not expect such cooperation from the West", he said, adding that this was in the framework of South-South cooperation.

He said Vietnam was importing 250 million dollars worth of goods from Singapore, but was now about to decide on shifting the source of these imports to India which was much closer to Vietnam in every respect.

Earlier, welcoming the distinguished guest, president of the ICSIC T N Kaul said: "The Government of India is solidly with you. In you, success we see our success, in yours struggle we see our struggle, in your difficulties we see our own difficulties." He hoped that gradually both the countries would be able to overcome their problems and enlarge the area of cooperation to strengthen peace in the whole region of South-East Asia.

Mr R K Mishra as the centre's secretary gave a review of its activities since its inception on 27 January this year.

Mrs Aruna Asaf Ali said it was necessary to promote friendship with Indo China states but must be based on proper understanding of the prevailing situation there — something of which was currently lacking.

Mr P N Haksar, who also spoke, referred to the inspiration one still drew from Vietnam at a time when "socialist ethics of dealing with other countries" was tarnished by the activities of such a country like China.

#### Press Conference on 18 Dec

Calcutta THE SUNDAY STATESMAN in English 19 Dec 82 p 1

[Text] New Delhi, Dec. 18.--At the end of his wide-ranging talks with Indian leaders here, the visiting Foreign Affairs Minister of Vietnam, Mr Nguyen Co Thach, today expressed his country's appreciation of India's decision to keep the Kampuchean seat vacant at the forthcoming non-aligned conference, to be held in the Capital in March next year.

Addressing a crowded Press conference, which throughout had a friendly tone since the Vietnamese dignitary had old connexions here (he was his country's consul-general here in 1956), Mr Thach said India and Vietnam were in favour of leaving Kampuchea's seat at the Delhi meeting vacant, as decided at the sixth summit in Havana. Any move to alter the decision would lead to "chaos" and "finish" the non-aligned movement, he added.

Asked whether the issue of Kampuchea's representation at the Delhi summit figured in his talks with his Indian counterpart, Mr Thach said India had announced even before his arrival here that it would stick to the Havana decision and that he appreciated the Indian stand.

Vietnam was, as a goodwill gesture, making a token withdrawal of its troops from Kampuchea. Mr Thach said his country had been doing so "piecemeal" since 1981.

He, however, ruled out a complete withdrawal from Kampuchea because China was ever ready to help the Pol Pot regime. "You should never forget the presence of China, not even in your sleep", he told the questioner in all seriousness.

The Vietnamese Foreign Minister said the situation on the China-Vietnam border was the same and they were expecting an attack from the north at any time. Under the circumstances, the question of a complete withdrawal of forces from Kampuchea did not arise.

He said China was striving hard to dislodge the Heng Samrin Government in Phnom Panh and restore the regime of Pol Pot--who had massacred his "own people". Although the ASEAN countries were ready to engage in a dialogue for settlement of the Kampuchean problem, China was trying to take over Kampuchea.

The Foreign Minister described the role of the deposed Cambodian ruler, Prince Norodom Sihanouk, to the Pol Pot regime to a "cheap cosmetic that respectable ladies would not wear". He said the Prince was just a cosmetic to the ousted Pol Pot regime, and indicated that it would not alter the situation.

Mr Thach said the atmosphere in South-east Asia was "much better" now with the ASEAN countries engaging in a dialogue with the Indo-Chinese States of Vietnam, Kampuchea and Laos.

But, he added, "we see no possibility of an overall settlement since the ASEAN wants unilateral withdrawal of Vietnamese troops without giving any firm guarantees for the security of Kampuchea".

He said the Kampuchean people were afraid that if Vietnamese troops leave, China would take over and bring in Pol Pot again.

Mr Thach added: "But we fully understand India's position that all foreign troops should be withdrawn".

Mr Thach reiterated that there was no question of unilateral withdrawal of Vietnamese troops from Kampuchea without guarantees for the security of Indo-China. His country had already announced partial withdrawal of troops. "We have taken the first step" and it was now for the other side to come forward with its response. The threat from "big China" still remained, he said.

He found no difference between the previous Pol Pot regime which "annihilated" its own people in what was formerly known as Cambodia and the coalition Government set up in exile under the leadership of Prince Norodom Sihanouk, which is supported by ASEAN nations.

#### Indo-Vietnamese Joint Commission

New Delhi PATRIOT in English 19 Dec 82 p 1

[Text] India on Saturday set up a joint commission to promote economic, scientific and technical cooperation with the socialist republic of Vietnam in a planned manner on a long-term basis.

A ten-year agreement on the statutes of the body, known as the India-Vietnam Joint Economic, Scientific and Technical Commission, was signed in the Capital by visiting Vietnamese Foreign Minister Nguyen Co Thach and External Affairs Minister P V Narasimha Rao, who are co-chairmen of the institution.

The significance of this development lies in the fact that the

SRV is the only country in South-East Asia with which India has established such a joint commission.

Soon after the signing ceremony, the first meeting of the joint commission was held with the two Foreign Ministers leading their respective delegations.

The agreement stipulates mutually beneficial cooperation in the field of transport, chiefly railways, communications, industry, textile industry, geology and mineral exploration and exploitation.

India will also assist Vietnam in the field of agriculture, animal husbandry, industrial crops and food processing.

India would depute its experts to Vietnam to train its person-

nel in science and technology. The joint commission would also promote commerce and trade between the countries in a planned manner.

The commission will examine appropriate financing arrangements, for new projects to be taken up.

At the meeting of the commission the two leaders were assisted by their senior officials. It was decided to hold a session every year alternately in New Delhi and Hanoi.

They also decided to set up sub-committees and working groups to deal with specific issues or fields of cooperation and to monitor the progress of the

projects taken in hand.

CSO: 4600/1489

## INDIA, USSR REACH AGREEMENT ON TEXTILE PRODUCTION

Calcutta THE STATESMAN in English 18 Dec 82 p 9

[Text]

NEW DELHI, Dec. 17.—Russia and India have agreed in principle on a long-term pact under which the capacity for producing 500 million metres of cloth annually for the Soviet market will be provided in this country on an exclusive basis.

The agreement was reached in the trade talks now being held between delegations led by Mr. I. T. Grishin, Soviet Deputy Minister for Foreign Trade, and Mr. Abid Hussain, Commerce Secretary, on the basis of a proposal made by the Russians earlier this year.

They agreed that the pact would be mutually beneficial and details are now to be worked out towards arrangements that will considerably add to the two-day turnover, which is expected to reach Rs 3,000 crores this year and Rs 3,500 crores in 1983.

During the talks, Mr. Hussain said that the Soviet Union should consider vacating certain labour-intensive lines of production in favour of India. These items, notably in agricultural and industrial products, could be produced according to Soviet specifications. Mr. Grishin welcomed this suggestion and said that the economies of India and the Soviet Union were complementary. Both agreed this would help long-term planning for bilateral trade.

Mr. Hussain urged the Soviet Union to organize exclusive trade fairs in India so that Indian importers could become familiar with Soviet goods. Mr. Grishin accepted this suggestion. He also urged the need for the generation of more rupee resources for the Soviet Union by enabling it to increase exports to India so that it could buy more Indian goods.

The two-way trade between India and the USSR increased from Rs 1,103.6 crores in 1979 to Rs 1,948.9 crores in 1980 and to Rs 2,877.6 crores in 1981. Indo-Soviet trade is based on long-term trade agreements on the basis of trading in Indian rupees through

a single clearing system. The current agreement for 1981-85 was signed here in December 1980.

Traditional goods such as tea, coffee, spices, tobacco, cashew nuts, jute, cotton textiles, hides and skins still constitute an important share in India's exports to Russia. The share of exports of manufactured and semi-manufactured goods in total exports to the USSR has been growing steadily and is now about 45%. Drugs and medicines, paints, enamels, dyestuffs, cosmetics, carpets and a large number of engineering goods have acquired a foothold in the Russian market.

It is expected that with a rise in the standard of living in the USSR, there will be a greater demand for consumer goods. India has sufficient capacity to cater to the needs of the Soviet market in this field. Indian goods, specially in the engineering sector, are popular.

Consequently, a large number of engineering items like storage batteries, garage equipment, hand and machine tools, cables, polygraphic equipment, textile machinery, steam boilers, electronic equipment, sanitaryware, automobile ancillaries, wire ropes, castings and forgings, fork-lift trucks and freight containers are being exported to the USSR.

Bilateral rupee trade with the USSR has enabled India to obtain essential imports like crude oil, petroleum products, fertilizers, steel, non-ferrous metals, newsprint, asbestos and other industrial raw materials. These important raw materials are made available under rupee payments, for which India would otherwise have used free foreign exchange resources.

UNI adds: Mr. V. I. Litvinenko, vice-chairman of the Soviet State Committee for Foreign Economic Relations, is arriving in New Delhi tomorrow on a week's visit for talks with Indian leaders on Indo-Soviet economic cooperation, it was announced today.

CSO: 4600/1484

## SCOPE FOR SELLING INDIAN AUTO PARTS TO USSR

New Delhi PATRIOT in English 19 Dec 82 p 7

[Text] The Indian automobile ancillary industry expects to make a major breakthrough in the export of components to the Soviet Union and Western Europe, reports PTL.

A 20-member delegation of the All-India Automobile Ancillary Industries Association has returned convinced after a visit to Moscow that it could expect to secure orders worth at least 10 crores in the immediate future for export of critical components.

According to Mr Suresh Krishna, president of the association the Soviet Union had agreed to send a fact-finding team to India to study India's capability in meeting the demands of its automobile industry.

A view of several foreign tie-ups, Indian manufacturers had entered into for manufacture of components involving use of sophisticated technology, the Soviet Union was now looking to India with which it had rupee trade, for supply to critical items such as fuel injection equipment for which it would otherwise have

to pay in hard currency, Mr Krishna told newsmen.

He said out of the total sales of automobile ancillaries worth Rs 600 crores export was valued at Rs 60 crores at present. The association organised a trade meet in Moscow which helped to create a good image about the development. technological sophistication and export capability of the Indian auto components industry. Several participants returned with repeat orders for items they were already exporting.

During Thursday's discussions, the Indian Commerce secretary also urged the Soviet side to organise exclusive trade fairs in India to familiarise Indian importers with the Soviet lines of production. He also underlined the need for Soviet Union generating more rupee resources through exports to be able to buy more from India.

Commercial exchanges between India and the USSR have undergone considerable diversification over the past two decades. The share of manufactured or pro-

cessed items from India had gone up considerably. They now constitute 45 per cent of total exports.

The pattern of imports from the USSR has also undergone changes less of conventional machinery is now imported. Crude and petroleum products, fertilizers, non-ferrous metals, asbestos and newsprint now occupy 75 per cent of total imports.

Several manufactured items are stated to be finding wider acceptance in the Soviet markets. These include storage batteries, garage equipment, hand tools, machine tools, cables, poly-graphic equipment, textile machinery, steam boilers, electronic equipment, sanitaryware, automobile ancillaries, wire ropes, castings and forgings, fork lift trucks, freight containers and the like.

Traditional goods like tea, coffee, spices, tobacco, Cashewnuts, jute, cotton textiles, hides and skins continue to occupy an important place in the Indian export list.

CSO: 4600/1489

## USSR OFFERS TO BUILD STEEL PLANT IN ORISSA

New Delhi PATRIOT in English 19 Dec 82 p 7

[Text]

The Soviet Union has offered to build the Daitari (formerly Paradeep) steel plant in Orissa. reports PTI.

The visiting Soviet economic delegation, led by Mr V I Litvinenko, deputy chairman of the USSR State Committee for Economic Relations with Foreign Countries, on Saturday held preliminary discussions with Steel Ministry officials on the possibilities of Soviet participation in implementing the project.

The discussions were of a general nature on how the two countries could cooperate in it. India has already indicated to the Soviet Union the terms it was looking for. In particular, the project needs foreign financing.

The talks will continue in the coming days.

Mr Litvinenko earlier arrived in the Capital in connection with the implementation of the agreements reached during the last visit of Prime Minister Indira Gandhi to the Soviet Union.

The delegation was received by Mr M Narasimham Secretary, Economic Affairs, Union Finance Ministry and Steel Secretary. A S Gill.

Mr Litvinenko said that his visit was also aimed at fulfilling

the decisions of the session of the inter-Governmental commission held in September. Both during Mrs Gandhi's visit and the session, a very extensive programme of Indo-Soviet economic cooperation was worked out, including many new projects. he said.

He said the delegation would have discussions with its Indian counterparts on the new projects as well as the construction of the Visakhapatnam steel plant and the setting up of a new steel plant in Orissa. 'It will be the fourth large scale Soviet-Indian project in the field of ferrous metallurgy,' he said.

Mr Litvinenko said there would also be substantial cooperation in the oil industry in repairing of the idle wells as well as prospective of new oil fields which would result in a big rise in crude output.

Mr Narasimham said Indo-Soviet cooperation had been growing from strength to strength. The Soviet Union was one of India's important trading partners.

Mr Gill said that the Soviets were studying the feasibility report on the Orissa steel plant prepared by India.

CSO: 4600/1489

USSR REPORTED LARGEST BUYER OF INDIAN CHEMICALS

New Delhi PATRIOT in English 15 Dec 82 p 7

[Text] Calcutta, Dec 14 (UNI)--The Soviet Union emerged as the largest buyer of chemicals and allied products from India during 1981-82, while the export of these products to West Asian countries, particularly Iran and Iraq went down sharply.

The Soviet Union topped the list of buyers with about 31 per cent of the total exports handled by the Chemicals and Allied Products Export Promotion Council during the year, according to its latest annual report. Japan was the second most important buyer, importing about 10 per cent of these products.

The council's exports to East European countries increased during 1981-82 to about 35 per cent of the council's exports of Rs 209.4 crores. Exports to West European countries and the United States and Canada went down appreciably during the same period.

The council's exports to West Asian countries went down from 24 per cent to 16 per cent during the period as compared to the previous year. Its exports to African countries, however, remained static with six per cent.

The products, whose exports increased, include industrial rubber products, paints, enamels and varnishes, glass and glassware other than flat glass, abrasive grains, asbestos, cement products, porcelain insulators and other ceramic products, carbon paper, stationery articles, books and plywood.

Export of auto tyres and tubes, rubber, canvass, footwear and barytes, however, went down, the report said.

The council's exports during the period increased by nearly 20 per cent from Rs 175.4 crores during the previous year to 209.4 crores.

CSO: 4600/1478a

## ANALYST TELLS MORE ON INDIAN REACTION TO PRC PROTEST

## New Delhi Rebuttal

Madras THE HINDU in English 11 Dec 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Dec. 10

The Government of India today rebutted strongly the Chinese accusation that it had sought to legitimise its "illegal" occupation of territories south of the McMahon line by presenting Arunachal Pradesh dances at the closing ceremony of the Asian Games.

The Chinese Ambassador, Mr. Shen Jian, was called to the Ministry of External Affairs and shown a copy of the statement the official spokesman was going to make on the subject later in the afternoon.

The reaction of the Chinese envoy, who justified the Xinhua report, was on expected lines. He made it quite clear that it was in conformity with the official Chinese stand that India had sought to absorb illegally this disputed territory by setting up the Arunachal Pradesh State.

In regretting the tone and contents of this "unwarranted attack" made through the official Chinese news agency, the Government statement also rejected the Xinhua commentary and its implications. "It is indeed perverse", the statement added, that China should have chosen to make an issue of a normal cultural event "particularly at this stage of our bilateral relations."

The Government of India reminded China that over 14,000 square miles of Indian territory was still under its illegal occupation, while stressing that it was on the Indian initiative that the two countries were now engaged in official talks to settle the border question. The statement maintained that India had adopted a "positive and constructive" approach in these talks to resolve the problem.

There were pressures building up from political circles that to voice its unhappiness over this unfortunate episode India should cancel the visit of the official delegation due to leave tomorrow for Beijing to attend the Kotnis memorial function. But in the absence of the Prime Minister, Mrs. Indira Gandhi, who was away in Dehra Dun, no decision was taken.

Meanwhile, it became known that the Chinese Premier, Mr. Zhao Ziyang, would be proceeding shortly on a month-long tour of 10 African countries and he would be overflying India on January 16 on his way back home. The Chinese Government was extending full support to the ASEAN bid to secure the cooperation of as many African countries as possible for its plea to let Prince Norodom Sihanouk address the forthcoming Delhi summit in his personal capacity as the only surviving founder of the non-aligned movement.

The following is the full text of the official statement:

"The full text of an NCNA item relating to the inclusion of a dance from Arunachal Pradesh at the Asiad concluding ceremony has just become available to the Government of India.

"The Government regrets both the contents and the tone of this unwarranted attack which has been made through the Chinese official news agency.

"Arunachal Pradesh is an integral part of India. It is beyond comprehension that an official agency of the Chinese Government should object to such a normal event as a dance troupe from this part of India participating in an occasion where different parts of the country are represented. Particularly at this stage of our bilateral negotiations, it is indeed perverse.

"The Government particularly regrets the NCNA comment since the Chinese contingent to the Games was so warmly welcomed and its performance generously acclaimed by the Indian public.

"Over 14,000 square miles of Indian territory is under the illegal occupation of China. On the initiative of India, official talks have been undertaken on the boundary question, which has to be resolved for normalisation of relations between the two countries. The Government of India has adopted a positive



and constructive approach in these talks in order to arrive at a mutually acceptable basis for discussions and to create an atmosphere propitious for the settlement of the boundary question.

"The statement of the official Chinese news agency runs counter to the spirit guiding the effort to improve relations. We reject the NCNA commentary and its implications."

### Team's Visit Postponed

Madras THE HINDU in English 12 Dec 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Dec. 11.

The Government today decided to cancel the visit of the three-member official delegation to China, led by the former Speaker of the Lok Sabha, Mr. B. R. Bhagat, to take part in the Kotnis memorial functions.

The decision was taken this morning after the Prime Minister, Mrs. Indira Gandhi, returned from Dehra Dun and conveyed to the three members — Mr. Bhagat, Dr. Subramaniam Swamy and Mrs. Rajen Nehru — who were due to leave for Beijing tonight.

There was no immediate response from the Chinese side to this Indian action, which came as a logical follow-up of the strong stand taken against the Xinhua report insinuating that India had deliberately misused the Asiad forum by including an Arunachal Pradesh dance item at the concluding ceremony to advance its untenable territorial claims.

One of the members of the official delegation, Dr. Subramaniam Swamy, called on the Chinese Ambassador, Mr. Shen Jian, later today to discuss the wider implications of this unfortunate episode, before issuing a statement supporting the Government's decision. He got the impression that, whatever the Chinese reaction to the cancellation of the visit, it was unlikely that Beijing would carry this controversy to the point of impeding the process of Sino-Indian normalisation.

**Door open for talks:** It was not without significance that the official spokesman, who announced the Government decision, said "we intend to persevere in our efforts at normalisation and in the settlement of the border question which is central to the development of Sino-Indian relations".

The observation was aimed at getting across the message to Beijing that after the dust had settled in-

dia would be suggesting specific dates for the next round of official talks perhaps towards the end of January, in the light of the discussions that had already taken place through diplomatic channels on a mutually convenient time frame for it.

It can be judged only in retrospect whether the process of normalisation has suffered any setback in the wake of this controversy which has erupted at a particularly awkward moment. But even if there was going to be some delay in having the next round of talks, there would be no interruption of the dialogue as such unless China decided to make an issue of the cancellation of the visit of the Indian delegation.

The Indian delegation was proposed to be sent at the invitation of the Chinese Government. But after officials of the External Affairs Ministry explained the circumstances in which the decision had been taken to call off the visit, the three members agreed, according to the official spokesman, that the atmosphere was not conducive for it.

**Non-official delegation:** However, India would not be totally unrepresented at the Kotnis memorial functions in Beijing since an equally important non-official delegation was already there. The Chinese invited India to send an official delegation since many prominent Chinese personalities holding high positions both in the party and the Government were going to take part in these functions.

The Indian Ambassador to China and senior members of his staff who had been invited to these functions would be attending them, unless the Chinese reaction to the cancellation was sharp and prickly to the point of rendering their participation a political embarrassment to the Government.

CSO: 4600/1472

## INDIAN DELEGATE REPORTS TO POSTAL CONFERENCE

New Delhi PATRIOT in English 11 Dec 82 p 5

[Text]

India has effectively highlighted the postal services needs and problems of developing countries at the recently concluded two-week deliberations of the Council of Postal Studies of the Universal Postal Union in Berne, Switzerland.

India is the reporting country for three specific studies being carried out by the council. These relate to technological advances in postal services of newly independent countries during the next decade, postal mechanisation, and the post office savings bank in the developing countries.

The reports in respect of each study was being prepared by the Indian postal administration after discussions of the problems in the council and after consultations with the postal administrations of other countries.

In regard to mechanisation of postal operations in the developing countries, the Indian delegation highlighted the problem arising from the wholesale import of sophisticated machines from the industrialised countries.

The chief problem relates to difficulties in the supplies of spares for those machines which become obsolete after a few years in the manufacturing countries. The developing countries have, therefore, to be cautious in

their approach to postal mechanisation through the import of sophisticated equipment, according to an official press note issued in Delhi on Friday.

The Indian delegation also highlighted the situation in the developing countries where the basic postal services are still in need of refinement and expansion without sophisticated mechanisation being undertaken.

The desirability of further expanding technical cooperation among the developing countries themselves was emphasised. This was in consonance with the overall objective of the Government of India in strengthening the bonds between the developing countries and giving a practical content to the concept of cooperation among them.

In the field of post office savings bank, the Indian side stressed the need for streamlining the procedures being followed in some countries, introducing new saving schemes and strengthening publicity and promotional activities.

The council decided that a symposium should be organised by the Indian Postal Administration on this subject during its next meeting in 1983.

The Indian delegation was led by Mr A D Pisharoty, Member Posts and Telegraphs Board. Deputy Director General Postal Services N Dey was the other member of the delegation.

CSO: 4600/1468

REPORTS ON PREPARATIONS FOR NONALIGNED SUMMIT

Kampuchea Seat Discussed

Madras THE HINDU in English 14 Dec 82 p 9

[Article by G. K. Reddy]

[Text] New Delhi, Dec. 13.

The big powers have started canvassing behind the scenes for or against Kampuchean presence, in one form or the other, at the coming non-aligned summit in Delhi, according to reports reaching the Government from its own sources.

There are three proposals under consideration, receiving varying degrees of support from different groups within the non-aligned community, for dealing with the Kampuchean issue at this summit.

One suggestion is that, following the Havana precedent, the Kampuchean seat should be left vacant at this summit also to avoid unnecessary controversy over the representative character of the rival claimants, the Pol Pot and Heng Samrin regimes.

The second proposal is that, instead of adhering to this negative position, the non-aligned community should take a positive stand by going along with the U.N. practice of letting the so-called Democratic Kampuchean Government of Pol Pot and his associates represent the country, until there was an agreed alternative to it.

The third idea is that, even if the Kampuchean seat is kept vacant in the absence of a consensus on who should occupy it, there is no harm in inviting Prince Norodom Sihanouk in his individual capacity, as the only surviving founder figure of the non-aligned movement, to address the summit conference.

As host country, India is not allowing its national position to influence its role as chairman of the summit conference by prejudging the issue in terms of its own recognition of the Heng Samrin regime. It will abide by the consensus, after making its own stand known during the discussions on the subject.

Caution: But at the same time India is cautioning the ASEAN and other countries that are in favour of following the U.N. precedent and letting the so-called Democratic Kampuchea fill the vacant seat, that it is not the practice of the non-aligned community to proceed on the basis of majority opinion done in such matters even if they could muster the necessary support for it. The concept of a consensus implies not merely a reflection of the wishes of the majority but also the readiness of the dissenting minority to acquiesce in the decision in the larger interests of the movement.

So India thinks that it would not be proper on its part to reverse the Havana decision and invite one or the other of the rival claimants to take the Kampuchean seat, much less request Prince Sihanouk to address the summit in his personal capacity by making a special exception. Kampuchea has not, therefore, been included in the list of 95 countries to which invitations have been sent to attend this summit conference.

At a meeting of the Coordination Bureau of the movement which met on December 10 in New York at the level of the permanent representatives to the U.N., there was some discussion on the subject to avoid an embarrassing controversy at the summit. The matter will be pursued further through diplomatic channels to prevent it from acquiring ideological overtones as far as possible.

Summit's importance: The Prime Minister, Mrs. Indira Gandhi, has sent personal letters to the Heads of State or Government of the 95 countries invited to the summit stressing the special importance of this summit, when the non-aligned community will have to consider and adopt a collective stand on many important international issues. She has also dealt in these letters with some of the substantive issues which are of vital concern to all of them.

No invitations have yet been sent to observers and guests, since India wanted the Coordination Bureau to take a fresh look at the criteria to be applied for it. At the last summit as many as 19 countries, freedom movements and international organisations were invited as observers and another 26 as guests.

#### Consultations on Drafts

New Delhi PATRIOT in English 15 Dec 82 p 1

[Text] India has launched the process of consultations with major non-aligned countries for preparing drafts of political and economic documents of the seventh Non-aligned Summit, after having despatched invitations to 95 heads of state or government to attend the New Delhi meet.

Senior officials of the External Affairs Ministry are leaving for various non-aligned states. Secretary (East) K S Bajpai left on Tuesday for Havana on a five nation tour.

The draft documents are to be prepared and circulated after consultations.

Mr Bajpai would first have discussions with the officials of Cuba, which still remains the chairman of the non-aligned movement by virtue of having hosted the sixth summit. Thereafter he is due to visit Lima, Georgetown, Dakar (Senegal) and Lagos (Nigeria).

Foreign Secretary M Rasgotra, who has returned to New Delhi after consultations with delegations of several non-aligned countries, is also due to visit capitals of countries which have hosted non-aligned summits in the past. These are Belgrade (where the summit was held in 1961), Cairo (1964), Lusaka (1970), Algiers (1973), Colombo (1976) and Havana (1979).

To Arab States

Secretary (Economic Affairs) Ramesh Bhandari is scheduled to visit non-aligned Arab states.

Mr Bajpai on his return will again travel to some countries in Asia and the Pacific region for the same purpose.

Mr Natwar Singh, secretary-general of the summit, is to visit some of our neighbours, especially Pakistan, where he was posted for several years as the Indian ambassador.

An External Affairs Ministry spokesman told newsmen that the drafts would be circulated a few weeks before the summit, but these consultations are prompted by the need to have the documents prepared as soon as possible.

In reply to a question if the drafts would be circulated among observers and guests to the summit besides the member-states, the spokesman said the guests would not be provided with the drafts. "Observers will be appropriately informed about the drafts possibly through their Permanent Missions in New York", he added.

He also informed that because of the short time, consultations have been hinted to only the prominent and most active members of the movement.

CSO: 4600/1478a

INDIA

CPI LEADER RAO HOLDS PRESS CONFERENCE IN CALCUTTA

New Delhi PATRIOT in English 11 Dec 82 pp 1, 7

[Excerpt] Calcutta, Dec 10--The CPI would tell Prime Minister Indira Gandhi not to use external threats to this country to cover up her retrograde internal policies. This was disclosed by party general secretary C Rajeswara Rao at a press conference here this afternoon.

Mr Rao said Mrs Gandhi should implement the just demand of various sections of the people and withdraw ESMA, NSA and other anti-democratic laws.

The CPI general secretary said his party and other Left parties would fight Mrs Gandhi's policies which are pro-vested interests, anti-people and anti-democratic, while defending the progressive foreign policy she is pursuing, though with some vacillations.

Mr Rao would not agree that the Leftists in India should rally behind Mrs Gandhi in fighting the right reactionaries. Replying to a question in this connection he said, "we do not go by what some Soviet academicians might or might not say about the Indian situation. We go by our own party congress decision in this regard".

In this regard, the CPI along with other Left forces would fight for a change in the present system in which the Indira Gandhi Government's path of capitalist development has manifest a serious crisis.

CSO: 4600/1468

CPI LEADER RAO RULES OUT EARLY MERGER WITH CPI-M

New Delhi PATRIOT in English 15 Dec 82 p 4

[Text] Trivandrum, Dec 14 (PTI)

The differences between the CPI and the CPI-M have narrowed down, but there was no possibility of their merger in the immediate future, according to CPI general secretary C Rajeswara Rao.

"Let it be a national process. Let us not rush it," he said in reply to questions at a press conference here today.

Asked to comment on the Centre's decision to cancel the visit of the official delegation to take part in the Dr Kotnis memorial functions in China, Mr Rao said the Chinese had a "strange way." Arunachal Pradesh "is part of our country," he said adding the Chinese had also agreed to accept the McMahon line. "To raise such an objection (to the presentation of an Arunachal Pradesh dance item at the closing ceremony of the recent Asiad) is very wrong," he said.

He felt, however, that the country's efforts for normalisation of relations with China should continue.

Mr Rao said his party was in favour of holding elections in Assam. He felt the agitators could not at present obstruct the elections.

He said Prime Minister Indira Gandhi was not speaking now of 'garibi hatao' or ending unemployment and price rise "because she knows she cannot do anything in the matter." Instead, in the context of the coming elections she was raising the slogan of a strong Centre and unity of the country. "Strong Centre of her concept means turning states into municipalities and establishing her authoritarian regime at the Centre," he observed adding his party was also for a strong Centre, but not weak states.

His party was for abolition of the arbitrary powers of the Centre through which the Central Government could dismiss State Governments, at will, and hold or not hold elections, he said.

CSO: 4600/1478a

## LEADING ANALYST DISCUSSES STAKES IN ELECTIONS

Madras THE HINDU in English 19 Dec 82 p. 2

[Article by G. K. Reddy]

[Text]

ONE of the major shortcomings of Indian democracy has been the absence of proper accountability for failure. The electoral process does provide the necessary checks against gross abuses of power by those exceeding the limits of tolerance. But those overreaching themselves do not always come to grief, since more often than not they manage to blame others for their follies or explain away their infractions. There are no built-in checks and balances in the political system to ensure probity in public life or uprightness in administration. The country has paid dearly in the last 35 years by putting up meekly with the erosion of standards and dilution of values.

It is a philosophical question whether a parliamentary democracy, in a federal polity like India, can work better with national level political parties functioning both at the Centre and in the States, or whether there should be a place for regional parties at the State level to provide greater focus to local aspirations. The Indian experience has been that a national party like the Congress through its various vicissitudes has tended to ignore or override regional sentiments in pursuit of its national policies at times.

But then the regional parties have often succumbed to the temptation of overplaying local issues to the point of fomenting feelings of sub-nationalism under pressure of events. The right remedy, of course, is a happy blend of the two to provide the requisite resilience, which unfortunately is only a pipe-dream now.

**Sapping splits**

The earlier assumption that it would be more advantageous for a fledgling democracy to be run by a well-established and widely acceptable national party was based on the hypothesis that there would always be a leadership at the helm to ensure that the Central and State Governments conduct themselves with equal rectitude. But successive splits have sapped the spirit of the Congress to such an extent that the urge to secure and cling on to power at any cost has become an overpowering obsession with it.

The consequent decline of the party's moral values has inevitably led to a loosening of its internal discipline. The narrow cult of loyalty has been allowed to override considerations of integrity with the result that there is very little place now left for honest and dedicated persons in public life. It is the bandwagon and the grinding organ that matter, not the superiority of informed opinion.

Those who are prepared to give the Congress the benefit of doubt, and look upon it as a party still with a role to play in the consolidation of the Indian political system, consider Mrs. Indira Gandhi a very lonely person perched precariously at the pinnacle of her power, surrounded by a lot of shifty characters who continue to thrive on their proximity to her without in any way adding to her popularity or strengthening her influence. It is this basic contradiction in the Congress rule, rather than the inherent inequities of one party governing both the Centre and States, that has contributed to the present cross-purpose at various levels of the power structure.

The absence of a proper party organisation, with a well-established tradition of internal democracy, has led to a lot of avoidable confusion with too many persons claiming to speak and act in Mrs. Gandhi's name and indulging in the process in gross improprieties, which she is often unaware of until they erupt into embarrassing political controversies compelling her, in turn, to defend them stoutly if only to shield them from the wrath of the Opposition.

**No alternative**

What then is the answer to this malediction? The ill-fated Janata experiment, followed by the Charan Singh interregnum, proved disastrous because a loosely-knit coalition, with no central core to it other than the shared antipathy to the excesses of Mrs. Gandhi's Emergency rule, was no alternative to a monolithic all-India party built around a single personality and sustained by the prospect of an eventual return to power after its opponents had run out of steam. But the very manner in which the Congress (I) was voted back with a



massive majority within three years of its near extinction fully reflected both the fragility and pliability, the strength and weakness, of the Indian system. It has proved eloquently how easy it is in Indian politics to retrieve lost ground, without accepting the complete consequences of defeat, when the adversaries become irrelevant and forfeit public confidence through their own monumental failures.

But one cannot also jump to the conclusion that such a gamble will succeed at all times or in all situations even if the leader of a party has the alacrity of spirit to confound one's opponents with superior tactics in an election. In politics, it is the slick promise backed by the credibility of the personality that helps to tilt the scales, especially when the adversaries unwittingly allow themselves to be out-maneuvred by superior tactics in a well-orchestrated campaign. The secret of Mrs. Gandhi's success as a single-minded crusader for her cause lies in her capacity to emerge a little stronger from every such ordeal without letting the momentum of her fierce onslaughts to be slowed down by misplaced considerations of courtesy or compassion. She is a great believer in hitting hard and giving hell to her opponents to put them on the defensive and keep them pinned down to a low profile.

#### Astonishing

As Mrs. Gandhi herself has said on several occasions, there are greater considerations in public life than merely winning elections. It is incumbent on her, both as Prime Minister and leader of the ruling party, to help improve the quality of electoral politics in India by insisting on higher standards of probity both in the choice and subsequent conduct of Congress (I) candidates. She has unfortunately allowed one more opportunity to slip away to set a good example by selecting men and women of better calibre for the Andhra Pradesh and Karnataka elections. All the old sinners, who have been competing vociferously with one another in proclaiming their loyalty to her while indulging in various malpractices with impunity, are back in the race.

The attempt to screen the aspirants carefully and run the campaign by remote control from Delhi has thus misfired in the absence of a firm determination to select better candidates. What is astonishing is that those who have fared very badly in office do not consider themselves accountable to their party for their poor performance, while seeking re-nomination. Nor does the top leadership of the party consider it necessary to take a fresh look at their integrity or experience before selecting them again. Both incompetence and corruption have come to be accepted as hard facts of life which have to be tolerated while talking reassuringly of eradicating them.

#### Credibility

The real challenge that faces Mrs. Gandhi in these two southern States, much more so in Andhra Pradesh than Karnataka, is the credibility of her party candidates. It is not so much the NTR phenomenon that she has to cope with in Andhra Pradesh as the failure of three successive Congress (I) Governments in the State to live up to public expectations. She cannot be

unaware of the fact that it is the rampant corruption of the ruling party that has soiled its reputation, not the insidious attempts of the Opposition to slander it.

The habit of welcoming defectors with open arms and branding them later as doubtful characters who could not be depended upon has also led to the creation of a new caste system within the party by dividing the rank and file into new and old loyalists. If the other parties have not been able to exploit this schism to their advantage, it is not because of the superiority of Congress (I) culture, but only due to the incompetence of the Opposition.

The sad part of it all is that the real issues of the day are not being debated in this campaign with no attempt made by the Congress (I) or its opponents to put forward a convincing action programme that can be implemented soon. The two sides are only competing in either denigrating each other or making extravagant promises, as though an electoral contest is only an exercise in mud-slinging to pillory individuals and confuse issues in the name of confounding one's opponents. It is still not too late to redraw the battle lines for infusing greater objectivity into the campaign.

It appears that Mrs. Gandhi herself is moving rather warily, sensing the mood of the crowds and feeling the political atmosphere before launching any frontal attacks on the Opposition. She is certainly as entitled as anybody else to say that regional parties are incapable of providing the right leadership at the local level at this stage of the country's consolidation. But in putting forward this argument she must also provide adequate reassurance that she is ready to benefit from past experience and ensure that a vote for the Congress (I) does not mean a vote for constant interference from Delhi in the governance of the States. It should imply a better quality of administration manned by men of proven integrity and experience.

It is true that the Prime Minister does not want any strong Chief Ministers who are capable of becoming important power centres in their own States. The way the so-called Syndicate tried to interfere with succession politics at the Centre during the last days of Nehru convinced her that she can never feel secure until she has cut the Chief Ministers to size and made them increasingly dependent on her patronage for survival in their home States. It is one thing to prevent an ambitious Chief Minister from developing undue ambitions, but another thing to create a power vacuum in the States in the name of preventing them from becoming local chieftains. The attempt to fill this vacuum from Delhi after foisting political lightweights on the States has been the root cause of the present troubles.

The Prime Minister owes it to the people of Andhra Pradesh and Karnataka to assure them during this campaign that, whatever the reasons for past interferences, the Central leadership will not meddle again in the choice of the two Chief Ministers after these elections. The aspirants should be able to secure a majority and command the support of the legislature parties in their own right, without depending on Mrs. Gandhi to select and sustain

them, if the Congress (I) is returned to power in these elections. She owes to the people of these two States not to ignore their feelings in this matter and ruffle their pride again.

The performance of the present Chief Minister of Andhra Pradesh who has been in office for hardly three months cannot be pre-

judged in considering his claim for continuance, since he has so far done nothing to tarnish his reputation. It is a different story in Karnataka in the sense that the present incumbent has been in power for three years and has to convince the party that he has proved worthy of its expectations.

CSO: 4600/1487

## UN DELEGATE REBUKES U.S. ON SOCIAL RIGHTS

Bombay THE TIMES OF INDIA in English 11 Dec 82 p 14

[Text]

UNITED NATIONS, December 10 (PTI): India gave a polite rebuke to the United States on Thursday for insinuating that there was 'widespread denial of legal and social rights of "untouchables" in the country.

Exercising the right of reply in the General Assembly's second committee, the Indian delegate, Mr. T. C. A. Rangachary, expressed "astonishment" that the chief U.S. representative, Mrs. Jeane Kirkpatrick, should have thought it fit to make such a reference.

On Thursday, Mr. Kirkpatrick had made a lengthy statement accusing the United Nations of double standards in its judgment of violations of human rights in different parts of the world.

Without naming India, Mrs. Kirkpatrick said in the course of her statement: "a serious concern with human rights would take into account of the widespread denial of legal and social rights of women and of 'untouchables'".

In his reply yesterday, Mr. Rangachari outlined India's constitutional provisions giving special protection to the Harijans and said all sections of public opinion were committed to eradication of the social evil, which was a major plank in the social programme.

The Indian delegate reminded Mrs. Kirkpatrick that her country also had problems of discrimination — it might be based on colour, or sex or national ethnic origin.

CSO: 4600/1466

## MADRAS PAPER DISCUSSES INDIAN TRADE WITH EAST EUROPE

Madras THE HINDU in English 10 Dec 82 p 8

[Text] INDIA'S TRADE WITH East Europe and particularly with the Soviet Union has picked up fast over the last three decades registering a total turnover of Rs. 4,000 crores from Rs. 8.6 crores in 1953. Trade with this region now accounts for 28 per cent of India's exports and 13 per cent of its imports. The bulk of the trade turnover (70-73 per cent) is accounted for by the Soviet Union. The annual trade plans for 1982 which have been ratified seek to improve the trading results and obtain for India a firm footing in the East European markets for manufactured goods. The continuing bilateral arrangements with the Soviet Union, Poland, Czechoslovakia, German Democratic Republic and Romania provide for clearances in non-convertible Indian rupees. The advantages claimed for these arrangements are the saving in foreign exchange and the opportunities offered for the consolidation of India's trading strength and for the diversification of the export sales, especially in favour of new manufactures. The fact that India now enjoys a favourable trade balance with every country in the region has provoked some thinking on how far India can go towards balancing the trade through an increase in imports from this region.

What has to be remembered is that some excess of exports over imports is necessary to meet the obligations related to the credits extended by the Soviet Union and the other countries of this region. While executing the larger trade plans envisaged for 1982, some problems can arise about how much more can be exported and imported by India — particularly because the Soviet bloc may find it difficult, in the prevailing conditions of world recession, to throw away opportunities for earning free foreign exchange instead of non-convertible roubles. It has been suggested at the New Delhi seminar by the Union Commerce Minister, Mr. Shivraj Patil, that "possibilities for stepping up Indian exports existed in labour intensive and low technology areas being vacated by countries like the USSR, GDR and Czechoslovakia due to labour shortage in those countries". He has also asked for increasing the sales of processed foods by setting up ranches and piggeries and by ensuring more hygienic production. He recommends besides that India should capture the East European markets by

quality supplies of products such as domestic appliances, kitchen-ware, soaps, cosmetics and (electronic) entertainment items. Entering low technology areas vacated by others is surely not the way for India to reach up to the competitive levels established by the world's industrial leaders on the basis of a continuous upgrading of technology, expertise and equipment. Failure to steer clear of this rut will only widen the technological gulf between India and the industrialised societies. Also, no country can improve its overall industrial image by limiting experiments in competitive production to a few free trade zones as suggested at the seminar. It will only amount to an indirect attempt at meeting the requirements of the foreign consumer (without reference to the demands of his domestic counterpart) irrespective of whether such export-oriented production is undertaken with the help of a government company or a multinational.

CSO: 4600/1463

INDIA

#### ADMIRAL SPEAKS ON SUBMARINE WING ANNIVERSARY

Calcutta THE STATESMAN in English 9 Dec 82 p 9

[Text] Bangalore, Dec. 8.--The 15th anniversary of the submarine wing of the Indian Navy, one of the youngest units of the country's defence forces, was celebrated yesterday on board the INS Kalvari. It is the first submarine commissioned this day in 1967.

Vice-Admiral M. K. Roy, flag officer commanding-in-chief, Eastern Naval Command, travelled in the submarine to do the cancellation. This is the first underwater cancellation. The Americans did the same in space when astronauts went up for the first time.

India had felt for long that the submarine was a weapon of total war and as the country maintained only "defence forces" it would be incongruous to go in for a submarine fleet. In fact, a blueprint for a balanced naval force, including the acquisition of submarines over a 10-year period was drawn up in 1948 but the idea was shelved. The gifting of a submarine, Diablo, by the USA to Pakistan in June 1964 (this was renamed as INS Ghazi which ultimately found its resting place in the seabed off Visakhapatnam in December, 1971) and the growing naval presence of the super-Powers in the Indian Ocean, resulted in India deciding to acquire submarines for defensive offensive purposes as well as for training anti-submarine ships.

Now the Navy has a number of submarines, acquired from the Soviet Union, and all of them have been named after sharks or ferocious-looking fish. After proving its worth in 1971 conflict with Pakistan both in the Bay of Bengal and the Arabian Sea, the submarine arm is on the threshold of a major expansion. Only last year the first major overhaul of a submarine was completed. "Probably, India was the only country in Asia to do so", Captain B. S. Uppal, commander of the submarine squadron, told reporters.

Recently India signed a contract with West Germany which enables this country to build submarines. According to Captain Uppal, the first submarine built in India with German collaboration is likely to be commissioned during 1985-86.

CSO: 4600/1459

INDIA

#### INDIA REPORTEDLY GETTING MILAN ANTITANK MISSILES

Bombay THE TIMES OF INDIA in English 20 Dec 82 p 9

[Text] London, December 19 (PTI).

India is understood to have begun receiving deliveries of "Milan" anti-tank missiles, considered to be among the most advanced in the world.

Manufactured jointly by France and West Germany, 'Milan' incorporates a semi-automatic guidance technique for easy operation. It is portable and can be operated from armoured or unarmoured vehicles.

India had signed a contract last year with Euromissile, a joint Franco-German company, for transfer of technology to manufacture the missiles in India.

Pending such manufacture, India had decided to make outright purchases of a small number of 'Milans.' Delivery of these missiles has commenced, according to informed sources.

Production of 'Milan' in India is expected to begin in 1985, most probably at Bharat Dynamics Limited, a public sector undertaking near Hyderabad. The process of transfer of technology is proceeding as planned.

'Milans' to be manufactured in India will have a night firing capability through a thermal imaging device which makes target detection possible at a range of over three km.

Similar devices have been adopted by French, German and British armies. 'Milan' is being developed further for greater armour piercing capability. Twenty-one countries possess these missiles.

Meanwhile, India is believed to be still evaluating offers from a number of West European countries, including Sweden, France and Britain, for sale of a new light tank, which is essentially to replace PT-76.

These countries are also competing for the sale of 155 mm artillery guns for the Indian army. They had sent their equipment to India for demonstration. A decision by the government of India is likely to be taken shortly.

CSO: 4600/1489

# SINGH PETITION DENIES CHALLENGERS' ALLEGATIONS

New Delhi PATRIOT in English 9 Dec 82 pp 1, 7

[Text] President Zail Singh on Wednesday described as "politically motivated, malicious, vague and scandalous" the allegations levelled against him in the four petitions challenging his election to the highest office in the land.

In an affidavit filed before the Supreme Court, President Zail Singh said the allegations did not constitute any cause of action as required under the law. "These are intended for character assassination only", he said.

The petitions filed by 27 Members of Parliament belonging to different opposition parties in their capacity as voters were listed for hearing before a Constitution Bench for directions regarding the date of hearing.

A Constitution bench comprising Chief Justice Y V Chandrachud, Justices S Murtaza Fazal Ali, V D Tulzapurkar, O Chinnappa Reddy and A Vardarajan permitted the petitioners to file their counter-affidavits in reply to the Presidential affidavit which denied all the charges against him.

The election petitions did not come under the grounds specified in section 18 of the Presidential and Vice-Presidential Election Act, 1952, the affidavit said.

Mr Zail Singh has also challenged the three petitions filed respectively by Mr Charan Lal Sahu, Mr Dharti Pakar Madan Lal Agarwad and Mr Nem Chandra Jain, whose nominations for Presidential candidature were rejected.

The President in separate affidavits, said those petitioners have no locus standi to file the petitions or otherwise challenge his election.

The counsel for the President, Mr O P Sharma, wanted the petitions be listed for preliminary hearing as to whether the petitioners have locus standi and whether they could proceed further under the provisions of the Presidential and Vice-Presidential Act and the Supreme Court Rules.

The three petitioners are practising lawyers.

Prominent among those included in the list of 27 members of Parliament are Mr Charan Singh (Lok Dal), Mr Harikesh Bahadur (DSP), Mr Surrender Mohan (Janata), Mr Jagannath Rao Joshi (BJP) and Mrs Pramila Dandavata.

The petitioners have tried to "prejudice this Court" by making false and frivolous allegations by way of character assassination, the President said and added that it was incorrect to state that he was indicted by the Gurdev Singh Commission.

The Gurdev Singh Commission was not validly and constitutionally set up, Mr Zail Singh contended. Mr Gurdev Singh was biased against him.

The Commission was not impartial and its report was politically motivated, the affidavit alleged.

President Zail Singh also denied that he had any kind of links with Sikh extremists or Sikh fundamentalism. His alleged involvement with Sant Bhindranwale was untrue, he said.

The petitioners have alleged that Mr Zail Singh was close to the Sant who for long had been enjoying the patronage of the former Union Home Minister who has been turning a 'blind eye' to the Sant's criminal acts.

The President has also denied that he had ever misused Government machinery or been guilty of excesses when he was the Chief Minister of Punjab.

The petitioners have charged the President with not being an independent man.

The other charges were misuse of official machinery by Prime Minister Indira Gandhi, former Minorities Commission chairman M H Beg and Union Agriculture Minister Rao Birendra Singh during the Presidential election campaign.

Mr Zail Singh said he was 'awfully' busy in the election campaign and was not responsible for statements made in favour or against rival candidates through the Press Information Bureau.

The three rejected candidates have in the main petition alleged that their nominations were wrongly rejected by Rajya Sabha secretary general Sudershan Agarwal, who was acting as returning officer.

The petitions filed under Article 71 of the Constitution read with Sec 14 of the Presidential and Vice Presidential Act have sought declaration of the election of Mr Zail Singh as void.

Under the Act, the Presidential or Vice Presidential election can be challenged only in the Supreme Court.

This is the second time when the election of President of India is challenged in the Supreme Court. Late President V V Giri personally appeared before the Supreme Court as a witness when his election was challenged.

CSO: 4600/1460



# PARTICIPATION IN PARIS UNESCO CONFERENCE REPORTED

## Minister Kaul's Speech

Calcutta THE STATESMAN in English 10 Dec 82 p 9

[Text] New Delhi, Dec. 9.--Mrs Sheila Kaul, Minister for Education, Culture and Social Welfare, criticized UNESCO at its general conference in Paris yesterday. She said that while the centre of UNESCO was education and the centre of education was youth, "we do not seem to place youth in the centre of our attention".

The Minister said the programmes for the youth which had been suggested in the draft plan did not seem adequate. The world is preparing to celebrate 1985 as the International Year of the Youth and indeed UNESCO proposes to play a role. "My question is whether UNESCO could not play a decisive role in conveying to the youth that our central concern and business is to advance their educational, their personalities, their capacities and their integral welfare. May I urge that before finalizing the medium-term plan, we hold a special discussion on the theme of youth at this conference" she added.

Similarly, she said she would attach a great deal of importance to UNESCO's efforts towards the objective of raising the status of women. We are in the midst of the U.N.'s decade for women. The draft plan no doubt devotes a whole chapter by way of a note on the lines of emphasis of the plan in the field of the status of women. Greater recognition, however, needs to be given to the role of women as promoters and transmitters of knowledge and cultural values. The importance of promoting the educational role of women in society cannot be over-emphasized".

## Indian Role Assessed

Madras THE HINDU in English 10 Dec 82 p 7

[Text] NEW DELHI, Dec. 9. The Indian delegation to the recent UNESCO session in Paris is happy over the role it played in bringing about a consensus in favour of the developing countries' viewpoint on a number of issues on which the developed and the developing countries have been divided.

An Education Ministry spokesman who was on the delegation cited as an instance the consensus that was achieved in favour of a rate of growth of four to six per cent in the budget of the medium term plan of the UNESCO over the six years from 1984. He said the developed countries wanted a zero growth rate on the

plea of resource constraints. But the developing countries stuck to a six per cent growth and their view prevailed ultimately. In achieving this, the persuasive role played by the Indian team was much appreciated.

The initial draft of the medium term plan, which envisaged five tasks and 13 major programmes, contained only a chapter on the status of women and no programme. At the instance of the Indian delegation the number of programmes was increased to 14, including one on the status of women.

The view of the Indian delegation leader and Education Minister, Mrs. Sheila Kaul, that youth should be the centre of attention of the UNESCO was accepted by the UNESCO Director-General.

The Indian delegation made no particular mention as expected, of the noon meal scheme of Tamil Nadu as a means of motivating children to attend schools. It merely informed the session that new ways and methods to reach the goals of universalisation of elementary education as quickly as possible had been devised in India.

CSO: 4600/1463

## CHINESE ACCUSATION ON PAGEANT PUZZLES INDIA

Madras THE HINDU in English 10 Dec 82 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Dec. 9.

The first Indian reaction to what is considered here as a strident reassertion of the Chinese claim to the territory south of the McMahon Line is that Beijing's stand on the border issue has probably hardened after Mr. Wu Xuequin took over as Foreign Minister last month.

The full text of the Xinhua report on the subject received in Delhi today is worded much more strongly than indicated by foreign news agency summaries from Beijing last night.

There was no official reaction today simply because nobody of consequence, who could say something on behalf of the Government to rebut the Chinese accusation that India had deliberately misused the Asiad forum to stage the lion and peacock dances of Arunachal Pradesh at the closing ceremony to propagate its sovereignty over this border state, was available to give any thought to it.

The Prime Minister and the External Affairs Minister who were awake till 3-15 a.m. were busy the whole day with the Parliamentary Board meeting in an almost continual session struggling with the Andhra and Karnataka lists of candidates for the Assembly elections. The Board has to complete the exercise tonight, since Mrs. Gandhi is due to go to Dehra Dun tomorrow to take the salute at the Indian Military Academy's golden jubilee celebrations.

The Foreign Secretary is away at the U.N. and the Secretary (East) dealing with China was in Calcutta today.

In the absence of anyone senior enough to take a decision on how India should react, it was left to the PTI and UNI to reply to Xinhua in almost identical terms as though it was all part of a warfare between news agencies that did not concern the two Governments.

"Discreditable" action: The Xinhua despatch accused India of doing something "discreditable" against the wishes of the Asian peoples by staging the Arunachal Pradesh dances to propagate its sovereignty over the

disputed territory and, in the process, attempting to transform this bilateral issue into a "multinational" affair by misusing the Asiad forum to legalise its "illegal" occupation. The state of Arunachal Pradesh, it was stated, was illegally set up in 1972 incorporating most of the "Chinese territory" south of the border that India had "occupied" since its independence.

This is the harshest thing that China has said about India in recent years, especially after the resumption of the border negotiations. It has certainly puzzled India why China has chosen to react so sharply to something that had no political significance. A considered view of its implications can be taken only after it has been studied at the highest level in the next two or three days after the Ministers and senior officials concerned are available for discussion.

Earlier controversy: The farthest that China went in a similar situation in October last was when it refused to give visa to the Speaker of the Arunachal Pradesh Assembly, who was going to Beijing as a member of an Indian Parliamentary group to participate in a U.N. sponsored conference on population problems. But when the rest of the delegation refused to go and the sponsoring U.N. agency intervened to resolve the tangle, the Chinese Embassy offered to give the visa on a separate piece of paper and not on his Indian passport giving his designation. The other members of the delegation also took their visas on separate sheets to settle this controversy to mutual satisfaction.

Next round of talks: The Indian side offered to have the next round of official talks on the border issue any time between December 15 and January 15 depending on Chinese convenience. But the Chinese said that they would prefer to have the talks between January 15 and 21. These dates do not suit the Indian side since the Secretary dealing with the subject, Mr. K. S. Bajpai, has other travel plans about that time in connection with the forthcoming non-aligned conference.

There is regret in Delhi that the Chinese have chosen to make a big issue of the Asian Games at a time when the two countries are going ahead with the normalisation of relations. There are three Chinese delegations in India at present and an Indian team of very senior scientists has just returned from a visit to China.

The three-member Indian team, led by the former Speaker and Cabinet Minister, Mr. B. R. Bhagat, is due to leave for Beijing on Saturday to participate in the Kotnis memorial functions.

The Chinese athletes who gave a magnificent account of themselves at the Asian Games had received an exceedingly warm welcome with the Prime Minister herself attending some of the events and personally congratulating them. It is, therefore, considered doubly unfortunate that China had chosen to rake up the Arunachal controversy and reassert its territorial claims in this acrimonious manner on the eve of the next round of border discussions.

CSO: 4600/1464

INDIA

## UGANDAN REACTION TO KILLING OF INDIAN REPORTED

Delhi High Commission

New Delhi PATRIOT in English 11 Dec 82 p 1

[Text] The Ugandan High Commission in Delhi on Friday described as 'wanton act of banditry by criminal elements the killing of Mr Y I Jacob, security guard at the Indian High Commission in Kampala and wounding another, Mr Sukhvinder Singh, reports PTI.

In a press release, it said Mr James Okullo, head of chancery, flew to Bombay and placed a wreath on the coffin of Mr Jacob which was on its way to Kerala.

Meanwhile, the release said, Mr Sukhvinder Singh was making good progress in a Kampala hospital and was out of danger.

The Uganda High Commissioner, Mr Gurdail Singh, and his wife, called on the family of Mr Sukhvinder Singh in New Delhi.

Diplomats and members of the High Commission also held a condolence meeting for Mr. Jacob.

The release said a large number of Ugandans had lost their lives in acts of banditry. It claimed that the Uganda Government's firm action in stamping out acts of banditry was succeeding and described that the recent shooting incident appeared to be the unfortunate last desperate act of these nefarious elements.

## Ugandan Government Statement

New Delhi PATRIOT in English 12 Dec 82 p 5

[Text] The Uganda Government has condemned the Uganda Freedom Movement (UFM) which claimed responsibility for the shooting at Agip House, Kampala on 7 December (Tuesday) as a result of which a staff member of the Indian High Commission was killed and another member seriously injured. In a press release issued from the Uganda High Commission in New Delhi on Saturday, it was pointed out that the Uganda Government denounced the "bandits" who were harboured by neighbouring Kenya and had claimed responsibility for the incident. The press release referred to a statement by the Uganda Government which said UFM bandit leaders Andrew Kayira, Prof

Katerega, Amin Mutyaba, Francis Awengye, Sam Njuca, Henry Kajuta, Sam Sebageka, Bunyenyezi, Dr Nsibirwa had announced through the Nairobi-based BBC correspondent that they were responsible for the shooting.

"From their headquarters, bandits informed the world that they had done this in order to stop the Government of India

from helping the people of Uganda. While bandits celebrate their acts of murder, assassination, people of Uganda mourn the death of Mr V.I Yacob at the hands of these assassins. No person, therefore, in his right senses, could pretend to say that these bandits are fighting for freedom when they indulge in acts of murder, assassination," the statement added.

The statement also assured all Ugandans and members of the diplomatic corps that the Uganda Government would continue to provide security for their persons and property. At the same time, the government urged all Ugandans to be vigilant at all times, and provide maximum cooperation to the Government so that bandits were routed from the city of Kampala and its environment.

CSO: 4600/1468

## INVESTMENTS IN INDIA BY NONRESIDENTS ON WANE

Bombay THE TIMES OF INDIA in English 13 Dec 82 pp 1, 14

[Article by D. G. Gupte]

[Text] December 12.

The enthusiasm of non-resident Indians or persons of Indian origin settled abroad to invest in shares and debentures of Indian public limited companies seems to be waning.

Inquiries with merchant bankers, who visited recently some West Asian and South-East Asian countries to solicit such investments, indicate that although money is still coming to India from this section of investors, there is a danger of the flow getting dry, unless some irritants are removed by the authorities speedily.

It may be recalled that while inaugurating the seminar on non-resident investments, in Bombay on November 12, Dr. Manmohan Singh, governor of the Reserve Bank of India, had announced the RBI's decision to permit immediate repatriation of sale proceeds of shares acquired by non-resident Indians or persons of Indian origin to the extent of the cost of original investment or the actual sale proceeds realised, whichever is less, without prior clearance of tax authorities, and that the balance amount could be repatriated after the tax liability is settled. However, the notification in this regard has been issued by the RBI only yesterday.

### Hurdles in Tax Laws

Financial and merchant banking circles here point out that the flow of non-resident funds can be expected to pick up only when certain hurdles in the tax laws are removed, procedures in the various government departments and the RBI simplified, and an infrastructure for handling large investments by these persons is created.

Representatives of merchant bankers received many such complaints from non-residents, when they were in these countries recently. It is felt that most of their complaints are genuine and justified. With pragmatic attitude on the part of the Indian authorities, the country can hope to get substantial funds from these persons.

Almost all non-residents are having non-resident external (NRE) accounts in India. Since these are convertible rupee accounts and their operation has been relatively free from problems, non-residents seem to be happy with these accounts.

The balances in these accounts are free from wealth tax, and income thereon is free from income tax. However, these balances are not free from estate duty for individuals. It is feared that in the event of the sudden death of the non-resident, his entire asset in this form in India could be wiped out in one stroke, since the estate duty rates are prohibitive in India.

A merchant banker gave a specific instance in this regard. He pointed out that a non-resident Indian had remitted Rs. 50 lakhs with a view to form a trust. Pending the formation of the trust, the amount was kept in his NRE account. Before the trust could be created, he died abroad suddenly. Since the amount was in NRE account, it attracted estate duty. "The entire purpose of the man who is dead was lost," the merchant banker pointed out.

Another case is also worth mentioning. A non-resident from Manchester on his visit to New Delhi replied to an advertisement of the Delhi Development Authority for sale of its plots. He paid the earnest money of Rs. 20 lakhs to the DDA. He was about to pay the balance by raising a loan from an Indian bank in Manchester. He sought the RBI approval for the same, which was rejected, since acquisition of commercial property by non-residents on repatriation basis is not allowed. In the meanwhile, the DDA forfeited his earnest money. Although it may be agreed that ignorance of law is no excuse,

the question arises whether it is morally right to forfeit such money.

For dealing with investment by a non-resident investor the two main authorities involved are the exchange control department of the RBI and the tax department of the government of India.

The non-residents seem to be happy over the recent liberalisations made by the RBI as also the simplification of procedures made by it. However, they point out that the RBI's insistence of their quoting the exchange control reference number for each of their investments, whenever they seek the RBI's permission, is an irritant. Instead, the RBI can keep a record of such reference numbers, it is felt.

Currently, portfolio investment by non-residents is to be handled by commercial banks. However, not many banks are equipped to undertake such work. This work could, therefore, be entrusted to private sector firms and companies engaged in the activity of merchant banking and portfolio management.

More than the simplification of procedures in the RBI, non-residents

want simplification and liberalisation of tax laws concerning them.

One merchant banker pointed out that some modifications to our income tax, wealth tax, capital gains and estate duty laws would be necessary, if we have to attract large-scale funds from non-residents.

It is pointed out that currently 35 per cent tax is deducted at source in respect of dividends and interest income. However, a majority of non-residents working abroad for short periods are not liable to tax either in the country where they are working or in India.

Besides, investment in shares exceeding Rs. 3.15 lakhs attract wealth tax. What is more, the penalty for not filing wealth tax returns is heavy.

Gifts out of NRE accounts are free from gift tax, but a gift of shares bought out of NRE accounts, even if enjoying repatriation rights, is not free from gift tax.

#### NEED FOR EXEMPTION

It is therefore, suggested that there is urgent need to exempt dividends from deduction at source up to say Rs. 1,500 in the case of non-residents, on the applicant's own declaration.

It would also be necessary to arrive at a flat rate of tax, of say 20 per cent, on all dividends and capital gains for those non-residents whose income is beyond the taxable limit.

Some suggest abolition of wealth tax and estate duty for non-residents. It could also be provided that non-residents are exempted from payment of gift tax in case of all instruments that are held with repatriation rights.

One merchant banker suggested that investment promotional agencies such as financial consultancy firms and stock brokers, should be treated as eligible export houses by treating their overseas activities as "export promotion" and should be offered the various incentives in the form of weighted deduction of expenses in their tax returns.

Another merchant suggested that private merchant bankers should be permitted to receive foreign currency for investment in shares and debentures of Indian companies, with a stipulation that such monies should be kept in a nationalised bank, and should be under the purview of the exchange control and other controls of the RBI.



## MERGER OF KERALA CONGRESS PARTIES REPORTED

Bombay THE TIMES OF INDIA in English 14 Dec 82 p 6

[Text]

COCHIN, December 13.

**T**HE Congress (A) led by Mr. A. K. Antony, one time critic of the Prime Minister, Mrs. Indira Gandhi, ceased to exist from today following its merger with the Congress (I) in the presence of Mrs. Gandhi.

Within minutes of her arrival here for the sole purpose of blessing the merger, Mrs. Gandhi met the chief minister, Mr. K. Karunakaran, and Mr. Antony and held discussions with them for half an hour.

Both Mr. Karunakaran and Mr. Antony told pressmen later that they were extremely happy with the merger and that they would now be functioning unitedly. They were confident that there would be no problems in deciding the future set-up of the merged party. "Now that we are one, we will ourselves sit together to discuss and decide the issue," they said.

Those present at the discussions included Mr. Oomen Chandy, a close confidant of Mr. Antony, the Union minister for shipping and transport, Mr. C. M. Stephen, and the Congress (I) general secretary, Mr. Chandulal Chandrarkar.

**INDIRA'S LEADERSHIP**

Mr. Antony, who in 1978 resigned from the chief ministership in protest

against the then Congress(S)'s decision not to contest against Mrs. Indira Gandhi at Chikmagalur, today received her at the airport along with Mr. Karunakaran and others and was also the first to call on Mrs. Gandhi at the Emakulam guest house.

Speaking at a largely-attended meeting in the evening, Mr. Antony said, he and his followers had realised that at this critical juncture in the nation's history, only Mrs. Gandhi's leadership could safeguard its unity and integrity.

He, however, regretted that there was still a small section of Congressmen aligning with the CPM, which was already scared of the merger of the two Congress parties. Once its purpose was served, the CPM would ditch them, he warned.

Asked for her reaction to the merger, Mrs. Gandhi told newsmen before leaving for Palghat that she was glad that the two Congress parties had merged in Kerala.

When asked whether she expected other Congress parties also to merge with the Congress(I), Mrs. Gandhi said: "Those who follow our policies and put up with us are welcome to join the Congress."

CSO: 4600/1477

## GENERAL TALKS TO NEWSMEN ON BORDER SITUATION

Calcutta THE STATESMAN in English 17 Dec 82 p 16

[Text] Lieutenant General A. S. Vaidya, Commander of the eastern Army told reporters in Calcutta on Thursday that Indian troops along the border with China must be constantly on guard in view of the dispute with China. "One has to be very wary as to what is going to happen at the border", the General added.

Referring to the recent Chinese protest against folk dancers from Arunachal Pradesh performing in the opening ceremony of the Asian Games, the Army commander said Indian troops must be vigilant all along its northern border till the disputes were settled. However, no re-inforcement of Chinese troops had been noticed of late, he added.

Lt.-Gen. Vaidya added that insurgents operating in Mizoram and Tripura were getting shelter in Bangladesh. A number of camps of the Mizo National Front and the Tripura People's Liberation Army were located in Bangladesh. It was not possible that they were doing so without the knowledge of the Bangladesh Government. The Bangladeshis were not helping the rebels with arms or training, but "looking the other way" and allowing the camps to continue.

Asked if the Indian Government had lodged a formal protest with its counterpart in Bangladesh about the camps, the General said he was not competent to answer the question but wished it had been done. "I wish there is no raid across the border" he added.

The commander added that some Naga rebels had taken shelter in Burma, but the Burmese Government was not sufficiently strong to oust them. The Chinese, he said, had not given any support to insurgent groups in the northeast during the past three years.

The General said that the police and the para-military forces would be adequate to tackle the insurgency in Tripura without the Army's help if they were not complacent and did not neglect duty. The police, he said, were not always following their training manuals. The raid on the police camp at Manu, in which rifles were looted, could not have taken place had the policemen followed the regulations about sentries at night.

He did not think that the Army could be pulled out of counter-insurgency duties in the northeast in the near future. Dissatisfaction about the economic and social set-up still existed among some people in the area. He admitted that differences had to be settled across the table as recourse to arms would never provide a solution. "Does the insurgent understand this?", the General wondered, when asked what then was the rationale behind deploying the Army there.

In answer to questions on allegations of atrocities by troops in the northeast the General said that some harassment of the civilian population was unavoidable in the course of a counter-insurgency operation. "People in the Army are not saints" he said. It should be remembered that the Army was operating in an area where the police had failed to maintain law and order. There was one instance when the culprit had been punished and dismissed from the Army, he said.

The Gen. Vaidya was talking to reporters on the occasion of Eastern Command Day. On this day in 1971 the Pakistani troops in former East Pakistan had surrendered unconditionally to the then General Officer Commanding-in-Chief of the Eastern Command, Lt.-Gen. J. S. Aurora. Gen. Vaidya said about 1,500 were killed and 4,200 wounded in the eastern Army in the Indo-Pak war of 1971. The Pakistan Army lost 2,250 soldiers, about 4,000 of them were wounded and about 56,000 taken prisoner in the eastern sector.

CSO: 4600/1480

## RESERVE BANK GOVERNOR SPEAKS ON ECONOMIC DEVELOPMENTS

Bombay THE TIMES OF INDIA in English 18 Dec 82 p 5

[Text]

BOMBAY, December 17.

**T**HE Reserve Bank governor, Dr. Manmohan Singh, today stated that the revision of bank interest rates could only be possible if the inflation was brought under control.

Addressing the members of the Indian Merchants' Chamber here, Dr. Singh said the economy of the country was passing through a critical period owing to drought conditions hampering farm production and low power supply affecting industrial output. This had diverted government expenditure to non-productive sectors, he added.

The RBI governor observed that industrial relations and less than efficient working of the public sector and the general indiscipline arising thereof had all contributed to the prevailing state of the national economy. The current account deficit in foreign exchange reserves, he said, was 2.5 per cent of the Gross National Product (GNP).

He said exports were not increasing as per targets and increased foodgrain imports had brought pressure on foreign reserves. The limitations arising out of the large deficit in the balance of payments could not be wished away, he stated. A tighter discipline in using national resources could be the only way out, he said.

Expressing pleasant surprise at the price stability witnessed in recent months, Dr. Singh said if the trend continued, the country would be in a

position to have second look at the bank interest rates. "We should wait for a few more months to see how our economy works," he cautioned.

Dr. Singh gave an assurance to look into suggestions if bank credit was a barrier to exports. At the same time, he said, the banks could not be treated as mere donors.

**BANK CREDIT**

Banks had to give a minimum nine to ten per cent interest on public deposits to avoid diversion of investment in other non-productive avenues like purchase of gold and land, he stated.

The RBI governor observed that public sector units should work much more efficiently so as to generate their own internal resources and in a way reduce pressure on the banks.

Dr. Singh cautioned against reckless expansion of bank credit which could be self-defeating, he felt.

It would be made to update the data strike, he said, like others, he also wished that it would be resolved at the earliest. Though his Bank had a limited role to play, he would do everything possible within his power to save this vital industry, he assured.

He admitted that there was enough scope to improve banking services and assured the meeting that efforts would be made to update the data required by the trade and industry for future planning.

Earlier, Mr. Kantikumar Podar, IMC president, suggested that the banks allow lower margins on commodities.

CSO: 4600/1482

## RESERVE BANK NOTES LINK BETWEEN OIL COSTS AND INFLATION

Bombay THE TIMES OF INDIA in English 14 Dec 82 p 22

[Text] December 13 (PTI): High escalation in the imported prices of crude oil and petroleum products will result in an average annual rate of inflation of 4.8 per cent in commodity prices over the decade from 1970-71 to 1980-81, according to the findings of a study published in a paper released by the Reserve Bank of India here.

According to the paper, submitted by Dr. D. V. S. Sastry, a research officer in the balance of payments statistics division of the department of statistical analysis and computer services of the RBI, the system of administered pricing of petroleum products, de-linking their prices from imported prices of crude has, however, resulted in a much lower level of inflation that is attributable to the oil price rise.

Dr. Sastry said that during the last decade, the all-commodities price index rose at an average rate of 9.9 per cent per annum. The average rate of the corresponding increase in crude oil prices was 35.2 per cent while that of mineral oils was 15.3 per cent.

Of the ten per cent inflation rate, the two groups accounted for 0.2 and 0.7 per cent, respectively, which means that a tenth of the per-annum inflation rate could have accounted for these two products.

During the period under study, only a sixth of the inflation rate of 9.9 per cent can be attributable to oil price rise.

Between March, 1980, and July, 1981, with the rise in the administered prices of petroleum products, the contribution of the oil price to the inflation rate could amount to 44 per cent. Commodity prices rose at an average rate of 15.8 per cent per annum and the average rise due to linkage effects, in a combined index of sectoral prices, would be of the order of 6.9 per cent, the paper said.

CSO: 4600/1477

PAPER SUMMARIZES CONGRESS-I JANUARY ELECTION MANIFESTO

Calcutta THE STATESMAN in English 14 Dec 82 pp 1, 9

[Text] New Delhi, Dec. 13--Predictably, the successful staging of the IXth Asian Games here recently was listed by the Central Congress (I) leaders as one of the major achievements in the party's manifesto for the January 5 elections to the Assemblies in Andhra Pradesh, Karnataka and Tripura.

The manifesto said the Asian Games were "a stirring symbol of the resurgent self-confidence" of the nation and demonstrated that India was capable of doing things in a big way. They were also triumphs of India's organizing abilities, the manifesto claimed.

The manifesto was released to the Press by the AICC(I) general secretary, Mr G. K. Moopanar. Mr Sita Ram Kesari, treasurer of the AICC(I), and Mr Shankar Dayal Sharma, former Congress president, were also present.

With Mrs Gandhi as its leader, the country was moving forward towards its cherished objectives, the manifesto said. Without mentioning the emergence of the Telegu Desam of the film actor, Mr N. T. Rama Rao in Andhra Pradesh, the manifesto declared that regionalism as the basis of a political action could have no meaningful contribution to solving the basic problems of the people.

The ruling Congress (I) leadership also cited the staging of the seventh non-aligned conference here next March as yet another manifestation of the heightened respect the non-aligned nations held for India. The manifesto reiterated India's resolve to consolidate the non-aligned movement.

The Government was also determined to improve the country's relations with its immediate neighbours--Bangladesh, Bhutan, Burma, China, Nepal, Pakistan and Sri Lanka, the manifesto stated.

The manifesto asked the electorates in the three States to reject parties and individuals who stood for "narrow loyalty to region, caste and community". It appealed to the electorate to vote for the Congress (I) for its policy of "defence of the integrity and sovereignty of the nation."

The 15-page manifesto said that the Opposition parties had gone into "unprincipled combinations" though they had nothing whatever in common ideologically.

They were prepared to join hands with one another on the basis of "opportunism and a totally negative approach". "Their unprincipled alliance posed a real threat to democracy since in the very nature of things, the Opposition parties presented divisive and unwholesome trends", the manifesto alleged.

The manifesto said the Congress (I) was committed to democracy not because "it is an instrument of power but because it is the basic pre-requisite for the unity and progress of the country." It was also emphatically stated that the Congress (I) leadership stood for a strong Centre because that alone would ensure the integrity of the nation. However the strength of the Central Government was based upon the strength of the States the manifesto said.

Discussing the gains of Congress (I) rule at the Centre, the manifesto pointed out that wholesale prices had risen in 1979 (when the two non-Congress Governments were in office), by 22.7%. This figure came down to 16.2% in 1980, 5.5% in 1981 and 3.3% in the 11 months of 1980.

The manifesto also said foodgrain production was 19.87 million tons in 1980-81 but in 1981-82 it rose to 132.0 million tons. Likewise production of coal had risen from 114.0 million tons to 124 million tons during the same period.

The Gross National Products, the manifesto pointed out, which grew by 7.5% in 1980-81, registered a further increase of 4.5% in 1980-82.

The manifesto said that further incentives for priority areas in selected lines of production and industrial location was being finalized.

The manifesto also said that a mid-term review was being undertaken to provide more resources for critical sectors of the economy such as oil exploration and production, coal, railways, power and irrigation.

The manifesto said the challenge to the secular foundations of Indian society came from various quarters. "Pernicious ideologies which were destructive to communal harmony, continued to be propagated by the RSS, Jamait-e-Islami and other communal organizations. Therefore, it said, dangers to national security have not abated". Similarly the manifesto said both external and internal forces which were busy fomenting movements had a tendency to weaken the fabric of national unity. It felt that the induction into Pakistan of sophisticated weaponry had revived tensions in the sub-continent.

CSO: 4600/1478

# ENGINEERING GROUP SEES DECLINE IN BUSINESS CLIMATE

Calcutta THE STATESMAN in English 14 Dec 82 p 4

[Text] New Delhi, Dec. 13.--A sharp deterioration in the business climate is forecast by the Association of Indian Engineering Industry after a survey of trends in the past six months and expectations up to the end of the financial year.

The survey, conducted among the association's members, shows that 44% of the companies expressed pessimism about business prospects compared with 35% when the survey was last made in April 1982.

Among the reasons for the slowdown in business in the engineering industry, which is an index of the trends in general industry, are low capacity utilization, a fall in the order book position, increased inventories and setback in the rate of return on capital employed.

The association says that official statistics confirm the result of the survey. The engineering industry registered a growth rate of just 1.8% in April-September, 1982, compared with 5.5% in the beginning of the financial year. The growth rate has been steadily declining over the months.

Almost all sectors of the engineering industry took a pessimistic view of the situation. Particular swings towards this, as compared with the last survey, were noticed in the metal tools and electrical machinery sectors.

During the next 12 months, lower capital expenditure on buildings, plant and machinery is expected to be authorized according to 34% of the companies in view of the general downward trend.

Production activity has slowed down with capacity utilization in the engineering industry marking a sharp deterioration, as only 61% of the companies achieved a capacity utilization above 60% in October, 1982, compared with 70% in April.

The total order position is expected to go down further, 40% of the companies having expressed pessimism on this. The sector likely to be affected most adversely are transport equipment and parts, basic metals and alloys industry, metal products and parts, and machinery and machine tools.



The engineering industry is likely to accumulate stocks of finished goods, particularly in basic metals and alloys industry, metal products and parts and miscellaneous sectors. Two-thirds of the companies expect the average cost per unit of output to escalate during the next six months.

CSO: 4600/1478

INDIA

#### PALESTINIAN SOLIDARITY DAY OBSERVED IN DELHI

New Delhi PATRIOT in English 9 Dec 82 p 10

[Text] Union Minister of State for External Affairs A A Rahim has said that India would never waver in its support to the cause of the Palestinian people.

Speaking at a meeting held in the Capital on Wednesday to observe the International Day of Solidarity with the Palestinian people, the Minister warned that international peace and security was threatened due to failure to resolve the core Palestinian issue.

This view was endorsed by PLO ambassador in India Faycol Aouidha, who stressed that trouble was still brewing in Bekka valley and there were preparations for war on both sides--the PLO and Syria on one side and the Israelis on the other.

"There is no way of saving the situation, there is no way left to talk of peace except through the mouth of a gun", the PLO ambassador said.

Observing the solidarity day now was a solemn occasion in the face of the traumatic events in Lebanon which saw wanton Israeli attack on the Palestinian people and the massacre of defenceless men, women and children in the Beirut refugee camps. No words would mirror the anguish and indignation of the people, Mr Rahim said.

Mr Rahim said it was a sad fact that the Palestinians remained uprooted from their homes suffering untold hardships while their land was occupied by others.

Referring to the peace talks, the Minister said that any attempt must be in accordance with the principles that no nation had the right to occupy by force, territory which did not belong to it and all people had a right to determine for themselves the form of Government they wanted.

The PLO ambassador said the peace was elusive while the situation was so tense that it is only a matter of time before the situation blew up again.

Mr Aouidha said the peace talks were futile, as the US was not really interested in peace and the PLO was being forced to accept a unilateral

peace solution wherein it had to recognise Israel--the very people who had been killing the Palestinians since 1948.

Expressing pride on behalf of the PLO for India's steadfast support even in their black days, the PLO ambassador said that the only support apart from India and some other Asian countries they had was from the Soviet Union and the Eastern European countries.

He also urged that the forthcoming non-aligned summit in New Delhi punish Israel by ostracising her completely as then alone would the US and others take action against Israel.

The meeting was organised jointly by ICCR and the Indo-Arab Friendship Association.

CSO: 4600/1460

TERRORIST GROUPS FEARED DURING ASIAD IDENTIFIED

Bombay THE TIMES OF INDIA in English 9 Dec 82 p 7

[Text] New Dehli, December 8 (UNI): The all-Assam Students Union and Iranian students in India were among the groups against which a vigil was to be kept under anti-hijacking measures enforced at all national airports during a one-month period ending December 10.

The "caution period" covering the Asian Games was for purposes of providing security to Air-India, Indian Airlines and Vayudoot Aircraft from members of at least nine organisations and groups.

A circular issued on November 8 by the chief vigilance officer (CVO) of Indian Airlines identifies the nine groups as the national liberation front of Jammu and Kashmir, the Ananda Marga, the All-Assam Students Union, the Mizo National Front, the Japanese Red Army, extremist Sikh elements including the Dal Khalsa, Manipuris, Palestinians and Iranian students in India.

Details Provided

Intelligence reports had drawn particular attention to possible terrorist activity during the Asiad by the Japanese Red Army and Iranian students. The circular said photographs and other details of known Red Army activists had been provided to facilitate proper screening during airport security checks.

The CVO's circular says, "The event of the Asian Games provides an opportunity to terrorist groups to achieve maximum publicity to their cause and to step up their activities to embarrass the government of India.... The Asiad will provide an opportunity to international terrorist groups and demented individuals to attempt a hijacking to embarrass the government of India or to seek demands for participating countries."

The circular called upon traffic staff at all airports to conduct frisking and searching operations "meticulously and with extreme caution" from November 10.

The circular also suggested that a senior airlines officer personally supervise security arrangements at the airports, besides ensuring vigilance by plain clothes police personnel in the "sterile areas."

Simultaneously, airport security measures in the north-east, particularly at Silchar, Imphal and Dimapur, were reviewed following intelligence reports that Manipuri extremists planned to hijack an Indian aircraft before the commencement of the Asiad to seek the release of all insurgent prisoners.

CSO: 4600/1461

COUNTRY TO FOREGO YEN CREDIT FOR FERTILIZER PLANT

Bombay THE TIMES OF INDIA in English 12 Dec 82 pp 1, 9

[Article by G. K. Pandey]

[Text] New Delhi, December 11.

India would have to forego part of the yen credit extended by Japan under the overseas economic co-operation fund for the giant Thal Vaishet fertiliser project in Maharashtra, it is learnt.

This is a sequel to the recent decision by the Union government to award the Rs. 24-crore contract for the primary reformer to the well-known Indian firm, Larsen and Toubro, in preference to the Japanese bidder, Mitsubishi.

Inquiries here have revealed Larsen and Toubro's bid for the primary reformer was Rs. 6 crores lower than that of Mitsubishi. But in spite of the lowest bid by Larsen and Toubro, the prime contractors for the Thal project, Haldor and Topsoe, wanted the contract to be assigned to Mitsubishi because of its wide experience in the field of supply of equipment and refractory material.

The Rashtriya Chemicals and Fertilisers, which is implementing this project, however, opposed the appointment of Mitsubishi because of the vast difference in cost. The RCF views were later approved by an inter-ministerial group.

Accordingly, a contract was awarded to Larsen and Toubro, though Japan had indicated that it would withdraw a part of the credit extended in case of Mitsubishi being eased out.

The government has thus, as a part of the deliberate policy decision, opted for import substitution even at the expense of losing valuable foreign exchange. On the appointment of Larsen and Toubro, the government, however, yielded to the prime contractors regarding the supply of refractories worth Rs. 3 crores by the Associated Cement Company.

The Union government evidently did not wish to overrule the prime contractors. This could create difficulties at the time of trial runs of the Rs. 911-crore

project. However, keeping in view the expertise attained by the ACC in the field of refractories, it is believed to have been decided at a recent inter-ministerial meeting that the ACC should be assigned jobs for supply of refractories at the remaining gas-based fertiliser projects to be set up in the country.

The ACC has already executed similar assignments for a number of projects, including Namrup III (expansion), the Gujrat State Fertiliser Company's oxygen gas project and the Hindustan Fertiliser Corporation plant at Barauni.

But in spite of its many accomplishments, the ACC could not obtain orders for the supply of refractories for the Thal project. This order has been placed on an Italian firm, it is reliably learnt.

However, what is really intriguing is the fact that the prime contractors, Hador Topsoe, had not included the ACC in the short-listed companies of vendors for the supply of equipment and material. This would be worth investigating into, particularly in the light of the observations believed to have been made by the director-general of technical development at the recent inter-ministerial meeting.

The DGTD had observed that the ACC needed to be encouraged since it had made a considerable progress in the field of refractories.

Meanwhile, the bulk of the basic design for the ammonia and urea plants has been completed. Letters of intent have been issued for the purchase of most critical equipments for the plants. On the basis of the progress made so far, the authorities expect the Thal project to be ready for trial runs towards the end of 1984.

CSO: 4600/1470

## SATHE SPEECH READ AT FERTILIZER CONFERENCE OPENING

Madras THE HINDU in English 10 Dec 82 p 7

[Text]

NEW DELHI, Dec. 9.

Additional fertilizer production capacity of about 40 lakh tonnes a year will be created over the next eight years as a result of the availability of adequate reserves of offshore associated and pure gases, said Mr. Vasant Sathe, Minister for Chemicals and Fertilizers today. The investment in the proposed ten new plants would be more than Rs. 5,000 crores. The present capacity is 51 lakh tonnes of nitrogen and 14 lakh tonnes of phosphatic fertilizer a year.

Mr. Sathe, in his address to the inaugural session of the seminar on fertilizer productivity and advances in technology, organised by the Fertilizer Association of India, said four new fertilizer plants based on off-shore gases were under construction at Thal Vaishet in Maharashtra and Mazira in Gujarat. Six more were planned. They would be located near the areas of consumption in Northern India.

Mr. Sathe's address was read in his absence by, Mr. S. Ramanathan, Secretary, Chemicals and Fertilizers.

Mr. Sathe said power and equipment problems had resulted in loss of production. While the best course would be to buy equipment from a proven source, India which has to conserve scarce foreign exchange has to use indigenous equipment wherever possible. India was now producing over 70 per cent of the equipment needed by the fertilizer industry.

**Captive power units:** It has been decided to install captive power units wherever necessary. New plants will have captive power plants from the beginning. Installation of cap-

tive plants for existing units took about three years.

He had requested Chief Ministers of States where power supply was a problem to spare the fertilizer sector from the power cuts. "I have met with some success" he said.

Referring to the level of capacity utilisation in the fertilizer industry Mr. Sathe said the overall capacity utilisation of the nitrogenous fertilizer plants at 67 per cent last year "cannot be considered adequate." Production had picked up very well from October and the November production was an all-time record of 3.19 lakh tonnes of nitrogen which is equivalent to 74.4 per cent capacity utilisation. "We must keep up this momentum".

**Return felt inadequate:** Mr. D. C. Gami, Chairman, Fertilizer Association of India, in his welcome speech said the present return of 12 per cent on investment in the fertilizer industry needed "immediate review" and the minimum reasonable level would be 15 per cent.

Mr. Gami urged the Government to consider whether the various levies, including customs and excise duties, interest and other charges during construction of new fertilizer plants were not becoming counter-productive. It was necessary to consider ways of reducing capital cost, he said.

Alternative pricing systems which could limit, if not reduce the element of subsidy, should be considered. The fertilizer industry had sponsored a research project to find alternatives for pricing of fertilizers and the extent of subsidy so as to satisfy all the interests — Government, farmers and the industry.

CSO: 4600/1463



## BRIEFS

INDO-SOVIET CHEMICAL TRADE--December 8: There are good prospects for developing trade relations between India and the Soviet Union in the field of chemicals, said Mr. V. A. Rudnev, deputy director general of V/O Sojuzchimexport, here yesterday. Talking to pressmen after the inauguration of the exhibition of Soviet chemical products, Mr. Rudnev said it was necessary to introduce new forms of trade and to develop it on the basis of long-term co-operation, including trade on compensation basis. He said one of the main objects of the exhibition was to work out proposals on these lines. India has been traditionally the first among the developing countries to trade with the USSR and has been supplying goods like dyes and semi-finished products, cosmetics, varnishes, and paints, shellac, essential oils and goods of household chemistry to the Soviet market. In 1981, the commodity circulation between the two countries amounted to more than Rs. 150 crores. It is expected that there will be an increase of eight to 10 per cent in this figure during the current year. Sojuschimexport is a state organisation having a monopoly in the trade of chemical products, and has close commercial relations with 620 firms in 80 countries of the world. [Text] [Bombay THE TIMES OF INDIA in English 9 Dec 82 p 19]

PROMODE DASGUPTA REPLACEMENT--Calcutta, December 8: Mr. Saroj Mukherjee, who was unanimously elected the CPM state committee secretary yesterday probably has the longest familiarity with the organisation. He will be 72 in January, and has been a member since 1931 or for seven years more than Mr. Promode Dasgupta whom he replaces. A state secretariat member, Mr. Anil Biswas, announced that they had also enlarged the membership of the secretariat by two taking the total to 15, "to strengthen party functioning" on the principle of collective leadership. He explained that the assignment of existing secretariat members was not being changed. The two new secretariat members are: Mr. Lakshmi Sen, secretary of the Calcutta district committee, and Mr. Gopal Bose, secretary of the 24-Parganas district committee. Mr. Bose's name in particular was at one time related in party circles to some dissidence in the district unit. The way Mr. E. M. S. Namboodiripad, general secretary, made the announcement at the maidan rally and the chief minister, Mr. Jyoti Basu, supplemented it with his own comments about the need for taking along all in the left movement in West Bengal may therefore appear to many as of some significance in terms of the state committee's internal balance. Mr. Namboodiripad attended the state committee meeting. The state committee spokesman also said that Mr.

Mukherjee would take place of Mr. Dasgupta as the editor of the state committee's theoretical journal, MARXBADI PATH. When asked if Mr. Mukherjee also would be named the chairman of the ruling left front, a position Mr. Dasgupta had held till his death, he said: "That is for tomorrow," when the front is to meet. [Text] Bombay THE TIMES OF INDIA in English 9 Dec 82 p 7]

FRG LOANS REPORTED--The Federal Republic of Germany has made available to India two soft loans of about Rs 224 million for 1983. The two loans are about Rs 124 million as general commodity aid and Rs 100 million for capital goods. India has so far received Rs 26.8 billion as financial assistance from West Germany, which is the biggest amount received by any single developing country from the Federal Republic of Germany, says PTI quoting FRG press release. In addition to financial assistance, the Federal Republic of Germany has given Rs 2040 million for technical cooperation on a grant basis. Besides bilateral contributions, FRG is also financing a substantial share of the EEC assistance to India as well as to the various multilateral cooperation schemes and loans for international organisations like the World Bank including its soft loans affiliate IDA. [Text] [New Delhi PATRIOT in English 15 Dec 82 p 7]

INDIA, UAE COOPERATION--Abu Dhabi, Dec. 16. India and the United Arab Emirates have agreed to consider setting up of a joint holding company for collaboration in trade, investment, agriculture and industrial fields. A proposal for the joint holding company was made by the Federation of United Arab Emirates Chambers of Commerce and Industry at a meeting with the visiting 14-member delegation of the Federation of Indian Chambers of Commerce and Industry. The latter accepted it. Both the federations have the backing of their Governments for the talks. The two federations also decided to set up a coordination committee to pursue various proposals for joint ventures. The UAE Federation Chief Shaikh Quassimi, who took the initiative of mooted the proposal, said "UAE businessmen were extremely keen on investing in India". The joint holding company would help specify areas of collaboration and work out details for implementing the projects. The FICCI delegation, led by its president, Mr. G. K. Devarajulu, and which includes leading Indian businessmen, is scheduled to have separate discussions with the Sharjah and the Dubai chambers before leaving for Muscat, Oman, on December 21 for similar discussions. It has already visited Saudi Arabia and Bahrain a few months ago and, according to Mr. Devarajulu, the response from those two countries is extremely encouraging.--UNI. [Text] [Madras THE HINDU in English 17 Dec 82 p 5]

PRC SCIENTIFIC DELEGATION--December 17: An 11-member high-level delegation from China headed by Mr. Xig Shaoming, director, department of science and technology management, state science and technology commission, visited the Indian Institute Technology here today. The delegation, which is visiting India at the invitation of the department of science and technology of the government of India, is exploring the possibilities of improving the scientific and technological capabilities of the People's Republic of China. Prof. A. K. De, director of IIT, Bombay, briefed the delegation on the progress made by the institute in the spheres of teaching and research during the last 25 years. [Text] [Bombay THE TIMES OF INDIA in English 18 Dec 82 p 3]

FOOD PRODUCTION STATISTICS--New Delhi, Dec. 17. Food output in 1981-82 has touched a record level of 133.06 million tonnes, according to final estimates received by the Agriculture Ministry. This represents a 2.7 per cent increase over the 1980-81 level and is marginally lower than the target of 134 million tonnes for the year. The cropwise breakup shows that the decrease has been in rice and pulses. Rice production was 53.59 million tonnes compared to the target of 54.5 million tonnes. Pulse production was 11.35 million tonnes, the target being 12 million tonnes. On the other hand, wheat production at 37.83 million tonnes was higher than the target of 37 million tonnes and the output of coarse cereals was 30.29 million tonnes against the target of 30 million tonnes. [Text] [Madras THE HINDU in English 18 Dec 82 p 1]

STEEL FROM JAPAN--Tokyo, Dec. 11. The Japanese Government, at its regular Cabinet meeting on December 10, approves steel supplies in grants to India and Burma in fiscal 1982, the first approval for steel aid to developing countries during the current fiscal year. The approval assures steel manufacturers that the commodity aid programme will continue during this fiscal year. India has been granted 1.5 billion yen (about Rs. 6 crores worth of reinforcing steel bars and Burma 500 million yen (about Rs. 2 crores) worth of bars and 400 million yen (Rs. 1.6 crores) worth of galvanized steel sheets. The programme which is also intended to help ease the financial strains of domestic steel manufacturers, was started in fiscal 1978. [By K. V. Narain] [Text] [Madras THE HINDU in English 12 Dec 82 p 6]

CEMENT SHORTFALL--New Delhi, December 12 (UNI): The overall shortfall in the total availability of cement during 1982-83 may be about 3.5 million tonnes, according to Cement Manufacturers' sources. The most important factor for this shortfall had been the extensive and steep power cuts, both scheduled and unscheduled frequent interruptions and voltage fluctuations. On present indications and considering the continuing uncertainty in the power position in some of the major producer states, total production during 1982-83 is estimated at 23 million tonnes. This does not take into account any likely shortfall in the planned import of two million tonnes. On the eve of the formulation of the new cement policy, the total production in the country was estimated at 26 million tonnes during 1982-83 though the total production was 21 million tonnes in the previous year. The actual production during the period April-December, 1982, has been 13.17 million tonnes. Though this showed an increase of 1.3 million tonnes or about 12 per cent over the corresponding period last year, there has been a shortfall of almost two million tonnes according to the proportionate estimate for the period. [Text] [Bombay THE TIMES OF INDIA in English 13 Dec 82 p 9]

CPI-ML LEADER STATEMENT--Patna, Dec. 12.--At least a dozen CPI(M-L) leaders and workers have been killed as "extremists" in police encounters or by landlords, reports UNI, quoting the CPI (M-L) general secretary, Mr Umadhar Singh. In a statement here today, Mr Singh alleged that the Government was indulging in the politics of murder to dispose of political opponents. He said a CPI (M-L) leader, Mr Ramswarath Ravi, was killed on November 20 at Chowmukha in Muzaffarpur district where he had gone to organize a rally against the Bihar Press Bill. Mr Singh said his party would hold a demonstration to protest against the political murders near the State Assembly on December 21. [Text] [Calcutta THE STATESMAN in English 13 Dec 82 p 9]

PACT WITH MEXICO--New Delhi, December 18 (PTI): An agreement for a drilling contract worth 31 million dollars along with a supporting credit was signed in Mexico city today for the charter hire of an offshore jack-up rig for oil exploration in the Mahanadhi basin. The agreement was signed by Oil India Ltd., a public sector undertaking, and the Mexican firm Protexa, according to the spokesman of the external affairs ministry. The Mexican undersecretary of state, Mr. Navarette, described it as the first major agreement between India and Mexico in the vital field of oil exploration. [Text] [Bombay THE TIMES OF INDIA in English 19 Dec 82 p 1]

PRETORIA ATTACK DECRIED--India has strongly condemned the 'unprovoked and wanton aggression' by South African troops against the sovereignty and territorial integrity of Lesotho. The spokesman of the External Affairs Ministry on Friday described this act of the troops of the racist regime as 'yet another instance on its part to pursue its sinister policy of destabilising the Governments in the Front line and neighbouring states'. Noting that the forces of the Pretoria regime had killed and wounded a number of people including women and children in the Lesotho capital of Maseru under the pretext of hot pursuit of African National Congress activists, the spokesman said: 'The Government of India extends its full support to the Government and people of Lesotho. The South African regime deserves universal condemnation for such acts of barbarism. We also extend our fullest sympathy to the bereaved families of those killed in the recent aggression. [Text] [New Delhi PATRIOT in English 11 Dec 82 p 1]

AMBASSADOR TO ROK--Seoul, Dec 10 (PTI)--The new Indian ambassador, Miss Arundhati Ghose, first woman envoy in S Korea, presented yesterday her credentials to President Chun Doo Hwan. It was followed by the presentation of guard of honour to the youthful ambassador designate. Earlier, the President exchanged views with Miss Ghose without his aids. Accepting the letter of credence President Hwan praised India's role in the world affairs. Korea greatly admires the leading role that India is playing to bring about peace and reconciliation among nations of the world" he said. [Text] [New Delhi PATRIOT in English 11 Dec 82 p 3]

INDIA-VIETNAM PROTOCOL--New Delhi, Dec. 11.--India and Vietnam today signed a trade protocol for exchange of goods worth \$6 million. The protocol was signed by Mr Abid Hussain, Commerce Secretary, and by Mr Dau Ngoc Xuan, Vice-Foreign Trade Minister of Vietnam. Under the protocol, India proposed to export caustic soda, cotton yarn, insecticides and material for insecticides, spares for textile machinery, anti-biotics and chemicals for industrial purposes. Vietnam will export cement, rubber and cashew nuts to India. Specific contracts for import and export of goods and commodities under the protocol will be concluded between the relevant trading organizations or firms of the two countries on the basis of mutually acceptable prices and quality requirements. PTI adds: The protocol will be valid up to December 31, 1983. All contracts concluded under the protocol during its validity would remain in force until the expiry of their respective terms of validity, even after the expiration of the protocol. All payments under the protocol would be made in freely convertible currency. [Text] [Calcutta THE SUNDAY STATESMAN in English 12 Dec 82 p 1]

PACT WITH ALGERIA--The Indo-Algerian cultural exchange programme was signed on Thursday by Joint Secretary, Ministry of Education D S Misra and Assistant Secretary General of the Algerian Foreign Office Cherif Derbal, reports PTI. The programme outlines specific activities between the two countries in the fields of education, scientific research, culture, information, health, environment, agriculture, sports, tourism etc. In his opening remarks, Mr Derbal spoke of furthering cultural exchange between the two countries. He lauded the efforts of numerous Indians who have helped in Algeria's development and shared their know-how in various fields. [Text] [New Delhi PATRIOT in English 10 Dec 82 p 5]

MANIPUR MINISTRY EXPANSION--Imphal, Dec. 10. The Congress (I) Ministry, headed by Mr. Rishang Keishing, was expanded today with the induction of four Ministers of whom one is of Cabinet rank and three are Ministers of State. The strength of the Council of Ministers has risen to 20. The Governor Mr. S. M. H. Burney, administered the oath of office to the new Ministers this morning at the Raj Bhavan. This is the third time that the Manipur Cabinet has been expanded since Mr. Keishing became Chief Minister on November 27, 1980 after Mr. Dorendra Singh, the first Congress (I) Chief Minister, was asked to resign because his nexus with underground elements was established by army intelligence. In February last year Mr. Keishing expanded his Cabinet. But 11 MLAs who did not get a berth in it defected to the newly formed People's Democratic Party reducing the ruling party to a minority. Three months later Mr. Keishing staged a comeback. During this three month period the Assembly was kept in suspended animation. The PDF which had a majority was not allowed to form a Ministry on the ground that it could not ensure stability. [Text] [Madras THE HINDU in English 11 Dec 82 p 9]

CSO: 4600/1465

IRAN

MINISTER ANNOUNCES INCREASED PETROLEUM OUTPUT.

Tehran KEYHAN in Persian 2 Dec 82 p 4

[Speech by Deputy Minister of Petroleum Eng Seyyed Hasan Kheradmand]

[Text] Following the observance of War Week and the cooperation of the devout personnel of the Ministry of Petroleum the output of the country's refineries has increased by 23 percent. This was stated by Engineer Seyyed Hasan Kheradmand, the deputy Minister of Petroleum, during a press-radio-television conference.

According to a report by KEYHAN's economic correspondent, Engineer Kheradmand commented on the increased output of refineries by saying: During War Week we were able to boost output of refineries across the country by 23 percent through the efforts of devout personnel of the refineries, thus being in a position to lift as of 23 September restrictions on the distribution of gas oil for agricultural and transportation use. As a result of the lifting of restrictions on gas oil and its free distribution, its consumption has dropped by about 5 to 10 percent.

He added: The nationwide distribution of gasoline was 40 liters about a month ago and was increased to 60 liters since. God willing, it will be increased to 80 liters from 22 December and the restriction will be totally lifted in the very near future. As for motor oil, I would like to say that restrictions will be lifted from 6 December and the product will become available in free fashion to everyone in the country. One million liters of motor oil will be put at the disposal of retailers daily.

Nevertheless, consumers are asked that if they notice any violations or price increases on the part of retailers, they should express suggestions for improvement by dialing telephone number 673418.

Referring to tar supplies Kheradmand said: Since the supply of tar is presently proceeding on a 24-hour basis from the Esfahan refinery, I do not believe we have a problem in this regard. Referring to liquid gas and relevant projects on hand he said: In about another month the liquid gas supply pipe from Esfahan refinery will begin operating, thus adding 300 tons of liquid gas to the country's reserve of the product. After this development

takes place we do not expect to have a problem concerning liquid gas. The deputy minister of petroleum had this to say regarding kerosene supply and distribution: As a result of the selfless efforts of workers of refineries nationwide, the output of kerosene and its distribution to dealers have increased 50 percent and I hope, God willing, that in the near future distribution of this product will become unrestricted. Even now in some areas of the country, particularly in southern coastal provinces, this product is distributed without restriction and in our view there are no kerosene problems in other provinces, particularly in colder weather regions.

He added: In this matter, Islamic federations and oil tanker cooperatives must help us as much as possible so that oil products, particularly kerosene, can reach distribution centers on time because adequate petroleum products are now available in storages. We ask the martyr-nurturing people to use oil products and gasoline according to their needs so that we may not get into any difficulty in the unrestricted distribution of such products. In conclusion Kheradmand stressed Iran's continued export of oil from Khark Island, saying: Despite the unfounded propaganda of the enemies of the Islamic revolution, on an average 2 million barrels of crude oil are exported daily via the country's southern waterways and Khark Island.

5854

CSO: 4640/70

IRGC, 'MOBILIZATION' ANNOUNCE DIFFERENCES SETTLED

Tehran, KEYHAN in Persian 2 Dec 82 p 3

[Seminar with various speakers]

[Text] Yesterday morning the nationwide seminar of responsible officials of the Islamic Revolution Guard Corps' [IRGC] unit of the Mobilized Oppressed continued at Tehran University. According to this report, in the second day of the seminar which opened at 8:00 am with recitation from the Holy Koran, Hojjat ol-Eslam Montazeri, the Imam's representative to the Mobilization Unit, spoke about the need for observance of religious matters within the Mobilization by saying: The Mobilization must in essence safeguard and elevate its sanctity and spirituality. He also stressed that brothers of the Mobilization should not interfere in the internal affairs of the mosques.

Following Hojjat ol-Eslam Montazeri's speech and the staging of a short play by brothers of the cultural unit of the Mobilization brother Mohsen Reza'i, commander-in-chief of IRGC, said during a speech: Our situation vis-a-vis the enemies of Islam has today reached a sensitive and determinant stage. Two years ago we were thinking of moats around the city of Ahvaz to prevent its occupation by infidel Ba'thists. Today under the guidances of the people's Imam, thank God, and the unlimited sacrifices of combatants, we have achieved victories which no one had foreseen.

He added: Today the initiative of war operations is in the hands of the combatants of Islam and in reality it is they who are commanding and directing Saddam's army.

By bringing up matters of secondary importance, the United States tries to prevent the people of God's party from tackling basic issues. As always, we see that the United States' plans are defeated. In another part of his speech, he stressed that today both the Mobilization and IRGC units are alongside each other in all battle fronts and there is no difference between the two. According to this same report, following brother Reza'i's speech, Hojjat ol-Eslam Mahallati, the Imam's representative in the IRGC, said in a speech: We must try to resolve our issues at sessions of this meeting. Today the fate of the revolution is being determined by the combatants, and it is on



this very basis that the Imam says that our main issue is the war. Our objective is to acquaint the world with the culture of Islam and the Islamic revolution and this is what is meant by the export of the revolution. Islam is a serious danger for the United States and its tools--something which they themselves realize also. The IRGC and the Mobilization have two weapons: the Koran and the sword. Brothers of the revolution guards corps must more than others devote themselves to self-improvement.

The same report says that during yesterday afternoon's session of the seminar of responsible officials of the Mobilization centers from across the country, brother Fakhroddin Hejazi, the Tehran Majlis deputy, referred to the theocratic rule, the election of the Assembly of Experts and duties of members of the Mobilization by saying: There are two kinds of theocratic rule: one is the rule of the creation that belongs to God and the other rule bestowed by God upon his prophet on earth, that is Mohammad. After him the supervision of the people devolves upon the Imam.

Referring to the elections of the Assembly of Experts he said: Our people are now choosing suitable and qualified individuals who will get together and pick a leader or a leadership council for the day when our beloved Imam is no longer with us. But at God's will and desire, the beloved Imam will live until the appearance of the [Hidden Imam] Mehdi and together with you brothers will eliminate the mansions of white, black, green and yellow oppressions.

5854

CSO: 4640/70

IRAN

# MOBILIZATION FORCE HEIGHTENS STRUGGLE AGAINST COUNTERREVOLUTION

Tehran KEYHAN in Persian 1 Dec 82 p 2

[Speech by Prime Minister Musavi-Khamene'i]

[Text] The three-day seminar for officials of Mobilization of the Oppressed unit bases throughout the country continued its work yesterday on the fifth day of Mobilization Week at the University of Tehran.

At this session of the seminar, which began officially at noon with a reading from the Glorious Koran, a message from the Prime Minister on the occasion of the third anniversary of the founding of the revolutionary guards' Mobilization of the Oppressed for the Islamic revolution was read. The text of this message is as follows:

In the Name of God, the Merciful, the Compassionate I congratulate the combative nation and the valiant Mobilization on the third anniversary of the decree from the great leader of the Islamic revolution for the formation of the 20-million man army. The Islamic revolution has pursued lofty and genuine goals and aspirations from the beginning of its tempestuous movement and has continually met the forces of arrogance face-to-face and fist-to-fist. Without a doubt this divine movement has continually aroused fear in devils and the anti-God powers that seek domination who consequently created plots and obstacles in the way of the comprehensive Islamic revolution every day, and continue to do so. The fall of the dependent and treasonous Pahlavi regime dashed many of the hopes of foreigners. This was why the agents and mercenaries of the superpowers, and especially treacherous America, started tricks and lies in various parts of our country disguised as so-called people's slogans. As these slogans were employed some people's minds atrophied. They were fooled by the hypocritical facade of the mini-groups and got themselves caught in the evil swamp of racism and polytheism. With the occupation of the Great Satan's corrupt spies' nest by they true children of Islam many of the faces and unseen activities of world-devouring America were disclosed and the depth of imperialism's grudge against the Muslim nation of Iran and the Islamic revolution became clear. The great leader of the revolution, who has always nipped many plots in the bud and has resolved intricate questions throughout the revolution, this time also issued the historic decree for the formation of the 20-million-man army. It was several months after the issuance of this decree that Saddam's hand-picked regime,

motivated by American imperialism and its agents in the area, launched a savage and extensive attack against the Islamic revolution of the Iranian nation. In order to understand the great role of the Mobilization in the Islamic revolution and the system of the Islamic Republic, the best topic and period of time to consider is the beginning of America's imposed war against the revolution. In those days our nation witnessed the formation of armed terrorist movements in the cities on the one hand and the instigation of riots and conflagrations by treasonous elements who had infiltrated high levels of the newly-established Islamic Republic on the other hand. It was under these conditions that Saddam's invading army occupied a large portion of our Islamic land in order to achieve the aims of the Islamic revolution's enemies. Foreign agents committed assassinations and created confusion domestically every day. Imperialism and its lackeys, seeing themselves on the verge of victory over the great revolution of Iran, never relented in their attacks against the integrity of Muslims and their invasion of an Islamic land, until the heroic Muslim people of our country, on the basis of the feeling of responsibility which was one of the fruits of the revolution, devotedly hastened to the fronts as members of the Mobilization in order to comply with our great Imam's orders. They committed themselves to guarding the attainments of the Islamic revolution within the cities and villages and thus made manifest their everlasting presence on the field of action. Every day that goes by with the presence of the children of the Islamic nation on the battlefield of the Truth against the Vain, the great and divine orthodox saving power of Islam is made more manifest and the courageous members of the mobilization, shoulder to shoulder with the other combatants, have attained one of the two virtues, which is martyrdom. Their motivation is to endear themselves to the Almighty and victory is the gain achieved by their pure blood.

The stunning victories which these dear ones have won in battle with satanic soldiers have so demonstrated the power of faith that it has sapped our enemies' power to think and assess.

The deviated world, devoid of morality and human generosity, which has come face to face with the new phenomenon of martyrdom and martyrdom-seeking, has been powerless to explain the victories attained by our combatants. It has tried and continues to try in vain, using worldwide propaganda, to distort the truth, to minimize the importance of the defeats suffered by the aggressors, and to portray as insignificant the victories of the armies of Islam, but in so doing they have become so entangled in self-contradiction that they have spontaneously generated a wave of fear and anxiety in the hearts of the enemies of God.

Our nation and the employees and officials of the Islamic republic have never forgotten the speech of their great leader concerning the 14-year-old who strapped handgrenades to his little body and went to do battle with the formidable war machine of the despicable enemy. He is only one of a countless multitude of heroic soldiers across the fronts and throughout the imposed war who are heroically fighting the aggressor enemy and imposing their just conditions upon him. Among what people and in what culture can a front be

found where young teenagers and old men recklessly and voluntarily come to the fore and are capable of facing danger in order to enforce the commands of God? It is certainly the divine values of Islam that are capable of readying such people for sacrifice and risk of life.

The forces of the Mobilization are now regarded as a reliable and affirming branch which has arisen from the ranks of the people to combat the counter-revolution, the Ba'thist aggressors, and any other aggressor force. The active presence of the brave combatants of the mobilization at the battle-fronts and their unsparing sacrifice of life have played the largest role in the victories attained. The Mobilization's striking activities behind the lines include its control of the cities and villages in order to protect the people from the sting of the counterrevolution. The things that will help to increase the effectiveness of the Mobilization in the future, and attention to which will go a long way towards repaying the sacrifices of these divine and Islamic forces include:

1. Obedience to the great leader of the Islamic revolution's commands in order to attain the lofty goals of orthodoxy and to save the oppressed from the yoke of the arrogant.
2. Raising the level of the intellectual and political awareness of members through the necessary training.
3. Unity of viewpoint among all members and unity of action with the other combative forces at the fronts and behind the lines.
4. Proper organization in order to improve the quality of organization and cut losses.
5. Raising the quality of military training and familiarity with various kinds of weapons and equipment and the ways in which they are used.
6. Recognition of the elements of victory and putting into practice the executive orders I and my colleagues in the government have issued in accordance with the wishes of the great leader of the Islamic revolution. I send a kiss to the strong arms of the combatants of Islam from afar, and especially to the brave forces of the Mobilization, over whom is the hand of God. I ask God Most High to give an exalted place to the martyrs of Islam, and especially the martyrs of the Mobilization of the oppressed, and I ask for victory for the armies of Islam.

Peace be upon you and the mercy of God. Mir Hosseyn Musavi, Prime Minister of the Islamic Republic of Iran.

On the basis of the same report, after the reading of the Prime Minister's message, Ayatollah Mahdavi Kani, one of the theologians on the guardian council, while explaining the etymological meaning of the word 'mobilization' from the point of view of the Glorious Koran, gave a talk concerning military and theological mobilization and the role of the clergy in the mobilization.

9310

CSO: 4640/64

# SOVIETS BLASTED FOR 'ASSISTANCE GIVEN TO IRAQ'

Tehran ETTELA'AT in Persian 26 Dec 82 p 2

[Text] On 18 Dec 1982, only a few days after the explosion at the office of the IRAQ NEWS AGENCY, the radio of the Zionist Baghdad regime, while attacking, insulting, and using abusive language against the Islamic Republic of Iran and accusing Iran of this "sabotage!!", began preparing public opinion for a shameless and beastly crime.

The rickety Baghdad regime, which protects its officials and government institutions with a "fortress with seven security walls," finding itself faced with the height of the anger of the heroic struggles of its oppressed people and seeing its news agency demolished in one of the most unprecedented sabotage operations, found accusing Iran and then committing a great crime to be the only way to justify this great defeat, and immediately, after several days, fired two 12 meter long range rockets at the hero nurturing city of Dezful.

On 18 Dec 1982 Radio Baghdad, after preliminary remarks in which it portrayed the Islamic Republic of Iran as responsible for the bombing and destruction of the IRAQ NEWS AGENCY, said: As a defense of the security of our country, this time we will give a more decisive and powerful answer with "various legal means!!" which we have at our disposal.

It was only three days after this announcement that the news agencies of the world, among them the FRENCH NEWS AGENCY and the ASSOCIATED PRESS, quoting statement No 940 from Saddam's army, reported that that country's forces (meaning Iraq's), in retaliation for the destruction of the office of the IRAQ NEWS AGENCY, fired rockets at the city of Dezful.

More accurately speaking, Saddam kept his word, and using his various "legal means!!", has taken vengeance for the demolition of his news agency from the oppressed and defenseless people of Dezful!

Whatever else we do, it is well if we deliberate, however briefly, on several points and discuss them so that perhaps we can gain a "better understanding!!" of the position of the Soviet Union from these events, just as the recent visit of Taha Yasin Ramazan and Tareq 'Aziz, two infidel members of the Iraqi Ba'th party to the Soviet Union led to a "better understanding" of Iraq's position in the imposed war for the Soviet Union.

Again, for a "better understanding!!" of the Soviet position with regard to the Islamic Republic of Iran, it is not a bad idea if we quote from part of a Radio Moscow commentary which was broadcast concerning relations between the Soviet Union and the Islamic Republic of Iran several days before the rocketing of Dezful.

On the evening of 10 Dec 1982, Radio Moscow, in the course of a commentary in which it attacked America and other imperialists and "their plots!" against Iran, said: Today, just as it has for the last 62 years, which is to say from the time that Iran threw off the yoke of British colonization, the Soviet Union supports the struggles of the people of Iran for independence with all its power. The Soviet Union, which faithfully follows the legacy of Lenin, crusades for the expansion of relations based on equal rights and mutual benefit with its neighbor to the South in all areas.

It is interesting for you to know that this Radio Moscow commentary was broadcast when Mr Taha Yasin Ramazan, first deputy to the prime minister of the Zionist Iraqi regime and commander-in-chief of the people's!! forces, along with Tareq 'Aziz, were in Moscow and when, according to the GERMAN NEWS AGENCY, "Baghdad and Moscow have made important decisions which will be able to put an end to the 28 months of bloodshed caused by the war." In continuing, the GERMAN NEWS AGENCY added: The details of these decisions were not revealed, but diplomatic sources say that these talks have led to a "better understanding!!" for the Soviet Union of "Iraq's position" in the war.

Just a few days later the instantaneous results of this "better Soviet understanding of Iraq's position" bore fruit in Dezful. The mercenary Ba'thist regime, using various "legal means!" which it has acquired from all over the world, including the Soviet Union, fired two Russian 12 meter rockets at Dezful. Thus the civilized and free!! world displayed a new meaning for the "humanitarian!" criteria of war. All this aside, however, we have often said, and we even wrote several days ago, that we expect nothing from the West and America except crimes, cruelty, and beastliness, in the same way that "a scorpion does not sting out of malice, and so on," we have known and we know that indeed America "must" bring such dastardliness to the war on the Islamic Republic of Iran. What is surprising is that it is the people supporting the "proletariat" and "peaceful coexistence" who are playing both ends against the middle. On the one hand the radio Moscow commentator speaks of "faithful adherence!!" to the legacy of Mr. Lenin in the "full support" of the struggles of the people of Iran against imperialism, and on the other hand they unstintingly give Frog 7 rockets and MiG 25's to Saddam so that this individual can murder the innocent people of Dezful. Most important of all, Russian advisors work directly on these rockets, and they are not to be fired without their authorization. This is undoubtedly the concept of "legal means!!" from the point of view of the Kremlin.

Even more criminal is the fact that these same Russian advisors teach Saddam the methods of firing, in order perhaps to render a more endearing service to the "people of Dezful" in the course of these events. This is what they did: First they fired a rocket, and when the people swarmed out to the rocket's point of impact to draw away the dead and wounded and began working while shouting "Death to America," in less than 15 minutes another rocket bloodied

and flattened a huge crowd. The world thus witnessed a new meaning for the concepts of rascality and lowness in the faces of the East and West of the world, and saw that the Soviet Union, in helping Iraq, is doing the same thing that America, France, and Germany are doing by helping this regime. '

If the world does not know, however, our nation knows how the American executioners, in the service of freedom and liberation, murder millions of human beings, just as it knows how the populist cries of the cold socialist leaders in practice bring forth blossoms of blood with the slaughters of the children of Afghanistan in the deserts, mountains, and plains of Panjshir and Herat. Again, we trust that: "The infidel has but one desire." [Koranic quote]

9310

CSO: 4640/74

IRAN

#### NEW GUIDELINES ANNOUNCED FOR TECHNICAL SCHOOLS

Tehran KEYHAN in Persian 1 Dec 82 p 13

[Speech by Dr Khalil Shahi, secretary of the Coordination and Transition Council of the Cultural Revolution]

[Text] KEYHAN Cultural Service--Around 20,000 students are now beginning studies in technical and engineering fields in the second stage of the reopening of the universities.

Dr Khalil Shahi, secretary of the Coordination and Transition Council of the Cultural Revolution, in an exclusive interview, answered questions from KEYHAN's cultural correspondent concerning the matter of reopening the universities in the technical and engineering fields as he made the above announcement.

He added: This stage, which includes all remaining students in the technical and engineering fields, will begin this 18 December.

Of course there is the remote possibilities that only one field will not open by this date due to the program not being ready, and when the program is finished this one field will also go into operation.

Dr Shahi added: The method of teaching this group will follow programs from the new system which are established according to special guidelines and will be carried out in accordance with them.

Selection of Fields in the Second Stage of Selection Concerning the reopening of the country's universities and institutions of higher learning in the technical and engineering fields, he then said: According to legislation enacted by the Majlis, first-year classes for the technical and engineering groups must go into operation by the 4 Mar 1983, and on the basis of this the Ministry of Higher Education and Culture has published an application form with which to apply for admission to instruction in all of these fields. It contains an admission test which will be used to select people to fill the 2000-person capacity in the country's universities.

He added: One of the features of this test is that it will be administered in two stages, since the objective is to select mainly those people who have the



most knowledge, preparedness, and interest in this area. In the first stage, the application for which was printed in the newspapers, in the beginning volunteers would answer the questions in a public test, and, on the basis of their test scores, three times as many of them would be selected as the universities have capacity, or 6,000 people. Then these people will take another test, the date and manner of administration of which will be announced, and answer a series of essay questions. At this stage the volunteer will have the right to select 10 to 12 fields in order of preference. That is, participants in the first stage will not choose fields, and then on the basis of test scores and orders of preference for the fields, 2,000 people will be chosen from among these 6,000 to fill the capacity of the universities and institutions of higher learning in the technical and engineering fields.

#### Instructional Program

The secretary of the Coordination and Transition Council, concerning the method of instruction in the country's universities for the new students said: Students who are selected out of this process will study on the basis of the new educational system. Study will be in half-year cycles. That is, students will study for two 18-week half years and they will also undergo six months of on-the-job training in government service, production, and industrial centers. At the same time, volunteers in all fields, for work orientation, will work for a period of three months in industrial workplaces and centers under the supervision of university professors. It must be noted that in the half-year system grades and grade averages will be on a scale of one to twenty.

#### Names of Technical and Engineering Fields

He referred to the areas of concentration (fields) for which new students may be chosen for the reopening, and said: Students will be chosen in this selection process for eight branches of education comprising 25 fields, the names of which are as follows: Electrical: electronics, control systems and precision instruments, cables, power.

Chemical: refinement industries (petroleum), petrochemical industries, polymer industries, metallurgical chemical industries, food industries, gas industries.

Development: development, planning, water.

Mining: metals extraction, metals exploration.

Industrial: industrial production

Mechanical: solid mechanics, heating and fluid mechanics, manufacture and production.

Substances: iron and steel production, non-ferrous metals production, smelting, metals casting, ceramics.

Textiles: textile chemistry and fibre sciences, textile technology.

Of course this is a list of what has been authorized so far, and there are now a number of other subjects which are being studied by the technical and engineering group which will be announced prior to the second stage selection examination.

#### Technical and Engineering Master's Degrees

Dr Khalil Shahi was asked about the requirements for master's degree students and whether new students would also be selected for this stage. He answered: On the basis of a program which is being studied by the staff, which will be announced soon, master's degree students who lack very little in the completion of their studies will be summoned to classes. This will probably include individuals from fewer than ten remaining units.

With regard to new selections, there is a program in hand to select a number of people for a master's degree whose name has been changed to senior expert.

The question was asked, why do the questions on the competitive test assume the knowledge of a high school education from an industrial school while high school graduates in math and the natural sciences have no knowledge of these things. He answered: On the basis of the new technical and engineering instructional system, the formation of technical and engineering schools was proposed, in order to make use of graduates from these schools in higher educational programs. These schools have not yet been established. In the meantime this will be regarded as an encouragement for technical high school graduates, although technical high school graduates, like high school graduates in math and the natural sciences, are also unable to answer general and mathematical test questions. We seek to select the best and at the same time we will not block the way if someone has a diploma in mathematics and the natural sciences but also succeeds in these tests and has an interest in these fields. The way is open for him to advance.

It is necessary to note that the application form for the competitive tests for technology, engineering, agriculture, and theology, are reprinted today in KEYHAN on page ten.

9310

CSO: 4640/64

PERSONALITIES VYING FOR SUCCESSION IN IRAN

London AL-DUSTUR in Arabic No 261, 22 Nov 82 p 84

[Article by 'Ali Nurizadeh]

[Text] Travelers from Tehran relate the story of the day when Ayatollah Hoseyn 'Ali Montazeri, a possible successor to Khomeini, entered Jamaran palace, Khomeini's home, and said to him:

"O my great leader, out of their enormous love for you your helpers have made hundreds of rhythmically balanced and rhymed slogans. We hear every day over radio and television, for example, the slogans 'Our party is the party of God and our leader is the spirit of God' and 'We are going down one path in following the line of the Imam the Leader.'"

Khomeini listened to Montazeri who finished by saying: If you disappear one day, even after 120 years I shall be your successor and there will be no slogan in my name. My only wish is that you give orders to the poets to create appropriate slogans for me.

Khomeini looked at Montazeri with the look of an intelligent man gazing at a fool and said: Don't rush! I know the people are now thinking while I am alive and well of the man who will succeed me. Don't be sad, but they have in fact already begun to change the names and slogans, saying:

"Our party is the party of 'Ali (a reference to Imam 'Ali) and our leader is Montazeri." They also say: "We are going down the path of the holy man of God (one of the titles of Imam 'Ali) and after Hoseyn comes 'Ali (part of Montazeri's name). This story, which the people in Tehran keep telling, reflects the man who came [in answer to the people's dreams], then betrayed them and betrayed their hopes. He is now a captive of his malice and hatred. He knows better than anyone else that his end and the end of his regime are very near.

Khomeini's associates know the gravity of the situation and realize the people will bury Khomeini's regime along with his body. And so they have begun to nominate themselves as a successor.

The regime announced at the time it began to think about the matter that Montazeri is the most qualified among those close to Khomeini to be his successor. However, because of the serious divisions among Khomeini's associates, Montazeri received only testimonial from the group of Khamene'i, president of the republic.

Khamene'i's group includes a left wing in the Islamic Republic Party and a "Forward Line" group consisting of students and mullas who seized the American hostages. They are led by the engineer Prime Minister Musavi, a brother of Khamene'i, and Deputy Foreign Minister Hoseyn Sheykh ol-Eslam. This group suffered a great setback after the Russian diplomat Kuzichkin fled to the West and revealed Moscow's plans and the names of the Kremlin's agents in Iran. The relations of this group with the communists and the Soviet Union are no secret to anyone.

Rafsanjani and his group benefited from this setback by the shrinking of the role of Khamene'i and his group and by the resignation of some of his men from office.

Rafsanjani was able to force the members of the State Council to approve the creation of a new ministry called the Ministry of the Revolutionary Guard and the appointment of Mohsen Rafiq Dust, brother of his wife, as Minister of the Revolutionary Guard. Rafsanjani also relied on Hojjat ol-Eslam Khatemi, one of his aides, and the Ministry of Islamic Guidance, i.e., Ministry of Information. Mohsen Reza'i, leader of the revolutionary guard and a relative of Khamene'i, was a victim of these maneuvers.

It is now clear that Rafsanjani began to play the card of the "liberal man" and candidate of the religious right for the leadership of the country. In doing so he did not forget what happened to Bani Sadr who performed this role before and lost the presidency at the end of the game. This may be why Rafsanjani is trying to play his game shrewdly and cautiously, relying on the all-out support of the right wing of the Islamic Republic Party. Gathered around him at the same time is an extremist Shi'ite "Hojja" group which was organized in the days of the Shah to combat Bahaism. It is the bitterest enemy of communist. The adherents of this group express their thoughts openly, saying that the true Islamic republic will not come into being until the "awaited Mahdi" appears and that Khomeini's duty now is to facilitate the mission of the promise Mahdi.

The "Hojja" group does not accept theocratic rule and it calls for Islamic unity and rapprochement between the Arab states and Iran. It also calls for the proclamation of a holy war against the communist "atheists" in the Soviet Union and Afghanistan. This group nominates Rafsanjani for the leadership of the country after Khomeini's death.

A third group called the "Fedayun Eslam" led by Sadiq Khalkhali, the regime's executioner, supports Rafsanjani. A fourth group representing the central wing of the Islamic Republic Party is led by Hojjat ol-Eslam Musavi Ardabili, president of the High Judicial Council, and Hojjat ol-Eslam Mahdavi Kan, chairman of the "revolutionary committees" and temporary prime minister after the death of Raja'i. He is now the spokesman for the "Ulema Tehran" association.

This central wing calls for the association to lead the country after Khomeini. Those favoring the call believe the leaders of the Islamic Republic Party will be unable to fill the vacuum after Khomeini's death and that it is incumbent upon them to choose the council for the leadership.

There are six ayatollahs and hojjat ol-oeslams helping the central wing and supporting its call: Grand Ayatollah Najafi Mar'ashi (80 years old), Grand Ayatollah Mohammed Reza Golpayegani (82), Grand Ayatollah 'Abdollah al-Shirazi (79), Ayatollah Hoseyn 'Ali Montazeri (64), Ayatollah Musavi Ardabili (60), and Hojjat ol-Eslam Mahdavi Kan (56).

The central wing believes each ayatollah candidate has followers who support his election and if he is not elected, the future of the Islamic Republic will be in jeopardy.

There is a group among the pillars of the regime led by Khomeini's son Ahmad. It hasn't as yet announced its views, but it is reported to be backing the central wing in its capacity as unifier of the different tendencies.

Contrary to what the central wing says about its claim of representing the different tendencies, two of the leading ayatollahs with more than 10 million followers are not included on the list of candidates. One is Ayatollah Sayyid Kazem Shari'atmadari who has been placed under guard and forced to remain in the city of Qom; he has 8 million followers in the Azerbaijan region. The other is Ayatollah Hasan Tabataba'i Qomi, an uncle of Iman Musa al-Sadr, who is kept in demidetention in the city of Mashhad in Khorasan; He has more than 2 million followers.

Some say the regime will get rid of Shari'atmadari and Tabataba'i before Khomeini dies and by special means. Be that as it may, the general election for the Council of Experts will take place in Iran during the coming weeks. Khomeini may charge the council with choosing an individual or group as successor.

The people know the election play will be like the one that was performed during the elections for the Legislative Assembly or Islamic State Council. They know now who will be elected and that the most likely name is that of 'Ali Akbar Hashemi Rafsanjani, president of the State Council. If the Council of Experts chooses a group as a successor, Rafsanjani will be the first name in it.

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CSO: 4604/7.

POLITICIAN'S VISITS BREAK POLITICAL CALM IN CAPITAL

Lahore NAWA-I-WAQT in Urdu 27 Nov 82 pp 9, 12

[Islamabad and Rawalpindi Diary by Ikram Sheikh: "Political Freeze in the Capital; Frequent Visits of Politicians"]

[Excerpts] Political circles have cooled somewhat after the failure of the roundtable conference called by Maulana Shah Ahmad Noorani, and they have made a new effort to ponder their future framework. Although the capital, Rawalpindi-Islamabad, is no longer the center of political activity, the presence of some important personalities and visits of others do stir the political climate of this place.

Gen (Ret) Tika Khan, Sardar Shaukat Hayat Khan and Mr Arshad Chaudhri reside here. Recently, however, Khan Abdul Wali Khan, Begum Nasim Wali Khan, Malik Mohammad Qasim and Prof Ghafur Ahmad paid visits here and by exchanging views with them, we learned about the trend of existing conditions. Khan Wali Khan came here from Peshawar for the treatment of his brother, Mr Abdul Ghani Khan, who is 2 years older. He returned to Peshawar with his brother. He stayed at Sardar Shaukat Hayat Khan's residence. During his stay, the brother of former foreign minister Agha Shahi, Mr Bakar Ali, invited him for a dinner. According to one report, a former federal minister, Gen (Ret) Ghulam Hasan also participated. Malik Mohammad Qasim also had a 1 and one half hour meeting with Wali Khan, but he refrained from telling us anything about the meeting; he said only that ordinary things were discussed. A few journalists also met with Wali Khan at Sardar Shaukat's residence. This meeting was brief, but it nevertheless provided an estimate of the direction in which things were moving. During this period, a trade delegation from India also came to Islamabad. One evening, during a reception given by the Indian ambassador, a few invited officials went to Sardar Shaukat Hayat's residence for a meeting with Wali Khan. It is said that the members of the Indian trade delegation were also among those people.

Malik Qasim wanted to go to Hazara from Rawalpindi, but he had to return due to a restriction on his entry to the Frontier Province. So, he stayed at a grand bungalow on (Sakeeth) Road in Satellite Town. Here, the Muslim League members from the Frontier Province cities of Mardan, Kohat, Bannu and Peshawar, and from Punjab, Gujranwala and Lahore, met with Malik Qasim. Malik Mohammad Qasim said that since he had been barred from entering the Frontier Province

for the past 1 and one half years, people from the province come here to meet with him. Malik Sahib talked to them about organizational matters and told them that since at present, there were no indications that elections will be held in the country, they should continue their organizational activities so that when the time is ripe, their party's homework will already be done. Malik Qasim's viewpoint about the postponement of the roundtable conference was that one should be neither dismayed or happy about this, since systematic work is being done to restore the democratic process in the country. Nevertheless, hinting about Pir Pagara, Malik Qasim said that he does not deserve as much publicity as the newspapers give. When he was told that Pir Pagara's remarks are designed to provide amusement for the people and a change of pace for them, Malik Qasim said: That is why we say that Pir was joking with the nation and therefore his remarks should not be given so much publicity.

While on his way to Lahore to participate in an important meeting of the Jamaat-e Islami's high command, Prof Ghafur Ahmad stopped over in Rawalpindi and exchanged views about the country's situation with journalists. He also addressed a congregation for Friday prayers at a local mosque and then returned to Lahore. Thus, there is a political freeze in Rawalpindi and Islamabad, but, at times, visits of such personalities do break the ice.

9779

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PAGARA LEAGUE ASPIRATIONS, PPP POWER STRUGGLE DISCUSSED

Lahore NAWA-I-WAQT in Urdu 27 Nov 82 pp 9, 12.

[Karachi Diary by Ilyas Shakir: "Pir Pagara--The Defunct Muslim League's Role in Politics Is Inadequate"]

[Text] The defunct Pakistani Muslim League's leader, Pir Pagara, has announced a roundtable conference on behalf of his party. This is the second effort made within a year to call a roundtable conference. Along with the announcement for this conference, Pir Pagara Sahib criticized his party and said, "The Muslim League is not performing its role in politics adequately. It will be made more active now."

Just read in Pir Pagara's own words what his perception of the Muslim League is and what kind of a party he wants it to be. This conversation has been compiled from various informal meetings with Pir Pagara Sahib. Pir Pagara Sahib says, "The Muslim League is the only Islamic party. Listen to this and inform others as well. All other parties are prone to sectarianism. Therefore, the sector favoring Islam should cooperate with us. The Muslim League will enforce an Islamic government exactly the same way the last successor of the Holy Prophet, Hazrat Ali, did. In the Muslim League administration, there will be one law for all Muslims. We will in no way interfere in any Muslim's worship, family affairs and distribution of inheritance. Enforcement of justice, establishment of government and matters related to the distribution of taxes will be handed over to the government."

During a meeting, when Pir Pagara Sahib was asked about the future, he replied that he had already said that a Muslim League government will be formed. The Muslim League will assume power. When these people leave, power will be surrendered to the Muslim League.

After Begum Nusrat Bhutto's departure overseas for treatment, an internal argument has begun among various elements of the defunct People's Party about why, when leaving for treatment, Nusrat Bhutto did not hand over party leadership to another. Similarly, the "happy thought" circulating among top circles has once again acquired the form of a certainty that in Begum Nusrat Bhutto's absence perhaps something will be resolved concerning the restoration of democracy, since the common impression is that Begum Nusrat Bhutto is bent on a policy of confrontation with the administration, while the remainder of the party's leader believes that democracy could be restored through agreement with



the government. Nevertheless, Begum Nusrat Bhutto has already left the country, and in leaving, instead of appointing a "number 2," she announced the establishment of a 12-member "guiding committee." This announcement brought great disappointment to the leader of the local People's Party of Karachi and the Urdu-speaking leaders who are known as the new Sindhis, since they feel that the party has once again disappointed the Urdu-speaking members and has in effect expressed no confidence in them. We had a detailed discussion on this subject with one of the local leaders of the defunct PPP. Prior to his conversation, he asked that we keep his name a secret because he thought that this was an internal party matter. Nevertheless, he wished to take the matter to the press as this sort of obvious narrow-mindedness does not suit a national party. According to him, the announcement of the names of the "guiding committee" means that the party's policy is the same as it was in 1977. A few weeks before his execution, Bhutto said that if the people of Karachi were with him he would not have been going to the gallows.

According to this leader, the names of the guiding committee's members have astonished them. They include even those members who were called "traitors" by Benazir Bhutto herself, who has expressed no confidence in them in her private gatherings.

This leader of the Karachi PPP in a screaming voice said, "When the issue of the highjacking of the plane is raised, the Karachi PPP members are made the scapegoats. When a list of would-be prisoners is prepared, the Karachi members top the list. However, when the names of the "guiding committee" are announced, those people head the list whose requests for pardon [for bad behavior] are known word by word to the party members and whose personal and personality conflicts have severely and irreparably damaged the party."

According to him, the announcement of the members of the "guiding committee" has proved that 70 Clifton has not learned a lesson from past experiences. It appears that the new Sindhis in the party will be treated as step-brothers.

According to him, it should be borne in mind here that the basic cause of hatred for the defunct People's Party among Karachi, Hyderabad, Sukkur and Mirpur Central was the conflict between the new and old Sindhis, and the common perception was that the paths of inherent progress for new Sindhis were being barred and the doors to their employment and education closed. Later on, to compensate for this, Bhutto removed his political ally, Mir Rasul Bukhsh Talpur, from governorship and appointed Begum Rana Liaquat Ali Khan as governor of Sind, so that the Urdu-speaking community might not feel a sense of deprivation. Nevertheless, he failed to erase this impression up to the level of the provincial government and secretaries, which consequently took the form of an enthusiastic campaign in 1977. Prior to this, in 1972 Sind had already become a victim of linguistic riots in which numerous people were killed and property worth hundreds of thousands of rupees was destroyed.

It is also said that the guiding committee appointed by Begum Nusrat Bhutto for party leadership is one that has never agreed on anything at any stage because of the presence of the trio from Sind in the form of Ghulam Mustafa Jatoi, Mumtaz Ali Bhutto and Abdul Hafiz Pirzada, although Mumtaz Ali Bhutto, after

becoming a member of the guiding committee, has left for a tour of Sind. According to a political source, the guiding committee appointed by Begum Nusrat Bhutto means nothing more than that she has left the situation as it was before, since the committee is without the leadership of a single person and will never come to a joint decision. According to political circles, Sheikh Rashid has been appointed the spokesman for the guiding committee. This clearly indicates that all doors for agreement are closed! Whereas Ghulam Mustafa Jatoi, a person marching forward with slogans of justice, has been sent to the MRD to lead the party, where it is feared that Mr Jatoi's current influence would be somewhat diminished. There was a strong belief that he would be made the party's sole spokesman. However, Begum Nusrat Bhutto has not appointed anyone to represent the party, rather, the chairman of the 12-member guiding committee is Benazir Bhutto. Begum Nusrat's viewpoint that it is not natural for the members who form the guiding committee to mutually agree on something is fully justified. They never showed unity during Bhutto's lifetime, so how can one expect them to do so now?

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AUTHORITIES WARNED ABOUT PAKISTANI LEADERS' CLOSE TIES WITH KABUL

Lahore NAWA-I-WAQT in Urdu 28 Nov 82 p 3

[Editorial: "How Long Will This Tardiness Last?"]

[Text] According to a newspaper report, an exiled, self-styled tribal leader Nawab Khair Bukhsh Marri, recently inspected the so-called camps in Qandhar where members of the Murree tribe reside. According to this report, Nawab Khair Bukhsh went from Kabul to Qandhar and returned in an Afghan Airlines plane. Many years ago, Nawab Marri went to England for "treatment," but, since he was refused an extension of stay there and could not find a place to live in Paris, he moved to Kabul permanently. The above report shows us how much he is benefiting from the graciousness of the Karmal government established in Kabul by the Soviet Union. This fact also invites us to examine the truth behind the claims of patriotism made by just those people who support Nawab Marri and other exiled, self-styled tribal leaders in the same category.

It is rather strange that the Red Shirt leader Khan Abdul Ghaffar also goes to Kabul whenever he wishes. He stays there for a long time as an official guest and then, on his return to Pakistan, he makes loud pronouncements about saving the Pakistani people as well. However, he is never asked what "services" he provides in Kabul in return for the many favors he is granted there. If such matters are not dealt with realistically in the future, even the "two brothers" who have resided in Kabul for so long but are described to be especially active in subversive activities in Pakistan will be able to say that they too, with a passion for service to Pakistan, are living in Kabul as official guests. Affection, devotion or tenderness have a place of their own, but not accepting the fact and purposely ignoring its implications is a weakness that runs counter to faithfulness to the nation and country. Therefore, not recognizing one's responsibilities and being tardy in performing these responsibilities can prove extremely harmful, even extremely dangerous.

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PAKISTAN

BRIEFS

AID FOR AFGHAN REFUGEES--Australia has donated 25,000 tons of wheat worth nearly \$5 million for distribution among Afghan refugees in Pakistan. The Australian ambassador in Islamabad, Mr Handmer, handed over a cheque for \$4.7 million yesterday to Pakistan's food and agriculture minister in payment for the wheat. Mr Handmer said Australia had so far donated \$23 million in aid to refugees in Pakistan. [Text] [Melbourne Overseas Service in Burmese 0830 GMT 14 Jan 83 BK]

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