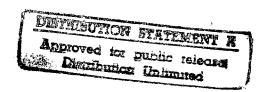
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## JPRS Report



# Near East & South Asia

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### **REGIONAL AFFAIRS**

### Sketch of Iranian Weapons Buildup 92P40171A

[Editorial Report] The Tel Aviv-based military publication BAMAHANE carries an article in Hebrew in its 25 March edition, page 8, on arms acquisition by Iran. The magazine interviewed Dr. Ze'ev Eytan, a military affairs expert at the Center for Strategic Studies, who expressed concern about the arming of Iran. He said that despite a current "arms acquisition crusade," Iran still does not pose a real threat. Its army is still relatively weak, and the effects of its war with Iraq are still present.

Dr. Eytan says that "they are building for the long term," and today they are "picky" about what they acquire. Eytan says most of their weapons are from the time of the Shah. In the past, they bought them for huge sums from the Chinese and North Koreans through middlemen or bought stolen items from American ships in San Diego. Later, they were able to buy U.S. surplus from the Vietnamese.

Dr. Eytan then says that Iran wants to be perceived again as a "decent country." This does not mean that they are compromising on their fundamentalism, but they "detest being ostracized."

Eytan does not see a direct threat to Israel from Iran; this would only come about in a coalition with states such as Syria and Libya. Iran's chief concern, though, is Iraq. He says that even though Iran talks about destroying Israel, "no one in Iran plans to go out tomorrow to fight against Israel."

BAMAHANE says that Iran is currently buying quality weapons systems from Eastern Europe, China, and other nations. This includes T-72 tanks, MiG 29's, Sukhoi 24's, and different types of ground-to-ground missile systems. The magazine adds that France is helping to maintain a missile boat it sold to Iran at the start of the war with Iraq.

Dr. Eytan estimates that Iran has more than 200 combat aircraft. He adds that the Iranians have a proud history and are merchants "who know exactly what they want."

### Egypt Acts To Limit Libyan Car Smuggling 91AF0648A London AL-HAYAH in Arabic 10 Mar 92 p 10

[Report from Cairo by Salwa Salah-al-Din: "Egyptian Customs Moves to Curtail Car Smuggling from Libya"]

[Text] Egyptian Customs has curtailed the illicit trade of smuggling Libyan cars to Egypt, whereby certain individuals reaped windfall profits of millions of pounds when the border between the two countries were reopened last August. Egyptian authorities had issued a decree allowing the entry of Libyan cars into Egypt under a temporary system, which would allow the owners of those cars to have them during their stay in Egypt for [up to] two years, in return for sliding fees that vary according to car make and model, style, year of manufacture, and engine capacity. The decree caused a boom in the Libyan used car trade, in view of their low price and attractiveness to Egyptian buyers.

Those wishing to buy inexpensive cars had the opportunity to acquire cars with Libyan plates without having to pay customs fees, as long as they obtain powers of attorney from the original owners allowing them to drive those cars in Egypt and as long as they visit Libya once a year to renew registrations and pay relevant fees.

The Egyptian Ministry of Economy strictly regulates the entry of cars into Egypt and prohibits importing them in commercial quantities. The ban exempts Egyptians who work abroad for a year or more, provided that they are 18 years of age or older, and bring in no more than one car every four years. Furthermore, the imported cars must not be diesel-fueled, in order to protect public health and the environment.

Customs fees on those cars are discounted according to their age upon entry Their value is reduced by 10 percent one year after production, and by an another 5 percent for each additional year, up to a maximum of 30 percent.

Auto customs revenues are estimated to account for 11 percent of total customs intake last year, when customs collected 259 million Egyptian pounds on the import of 20,000 cars.

Because of the considerable influx of Libyan cars into Egypt and of the rouses used by car showrooms and dealers to circumvent auto sales laws under the guise of temporary status, the Egyptian Customs Administration decided to limit to six months the entry of Libyan citizens' cars arriving for temporary stays in Egypt. The duration of temporary entry is renewable under specific circumstances, but only the owners of those cars are entitled to drive them or renew their temporary status. Powers of attorney to others are not acceptable.

The law requires the submission of formal Libyan customs forms on cars coming into Egypt, and of affidavits pledging the return of those cars to Libya once their temporary status expires.

The Egyptian Customs Administration and the Border Police have initiated several campaigns to seize cars on temporary status that are not driven by their original owners. A considerable number of these campaigns were carried out in the Governorate of Alexandria. There, a large number of Libyan cars were found on the streets of Alexandria, driven by Egyptians who bought them from Libyans at low prices and without paying the required customs fees.

Those campaigns led to the confiscation or seizure of more than 120,000 cars that have been impounded at Egyptian Customs lots until a decision is made on their disposition.

The new regulations have greatly shaken auto markets in Egypt. Prices tumbled as Libyans tried to get rid of their cars quickly. It was the first time since the sixties that imported famous-make cars sold on Egyptian markets for less than 5,000 pounds, when those same cars would command upward of 40,000 pounds when legally imported and the customs duties on them paid.

To release an impounded car, the Customs Administration requires the presence of its owner and the payment of a 2,000-pound fine. A power of attorney holder who wishes to import [an impounded car] would have to pay customs duties on the appraised value of the car, as well as the 2,000-pound fine.

### Joint Egyptian-Libyan Marketing Company Founded

92AF0648B London AL-HAYAH in Arabic 1 Mar 92 p 3

[Report from Cairo: "Egyptian-Libyan Company for World Marketing Founded"]

[Text] Agreement was reached by Egypt and Libya on founding the first Egyptian-Libyan company for international marketing. The enterprise is to be a joint venture of a group of leading businessmen in Egypt and the Arab Libyan Company for Foreign Investment, which is responsible for Libyan investments abroad.

The purpose of the new company is to promote trade and investment and provide import-export services.

The company, whose articles of incorporation will be signed soon, is to have an authorized capital 20 million Egyptian pounds, of which 4 million pounds will be paid.

[In another development], it has also been decided to form an Egyptian-Libyan joint commission to promote trade and investments between the two countries by supporting and implementing government resolutions [in that regard] in order to increase the volume of trade between the two countries and to give preference to Arab products.

### Egyptian Council Calls for Unity With Syria 92AF0648B London AL-HAYAH in Arabic 1 Mar 92 p 3

[Report from Cairo: "Egyptian Parliament Committee Calls for Unity Between Egypt, Syria"]

[Text] The Arab Affairs Committee of the Egyptian People's Assembly emphasized "the need for the comprehensive Arab economic and political integration of all countries of the Arab world in general, and of Egypt and Syria in particular, in order to create strong Arab entities, in light of current world developments."

In a meeting yesterday with a Syrian People's Assembly elegation led by Muhammad Shams-al-Din Qanut, the committee underscored the need for a "gradual achievement of Egyptian-Syrian unity by coordinating the two countries' positions on common Arab and world issues and by supporting Arab negotiators at the peace talks." The committee also called for "imposing the principles of international legitimacy on Israel."

The two parties condemned "terrorism of any kind and rejected any sort or type of aggression against the Arab people of Libya."

It is noted that the Egyptian-Syrian unification experiment of 1958 ended in failure and was scrubbed in 1961.

### **PALESTINIAN AFFAIRS**

'Ashrawi: Transitional Period, New Israeli Party 92AE0327A London AL-SHARQ AL-AWSAT in Arabic 16 Apr 92 p 2

[Article by Saniyah Mahmud: "'Ashrawi: We Agree to Any Neutral Site for Resuming Negotiations; 'Urayqat: Our Visit to Egypt Is Meant To Send Message to Israel"]

[Text] Palestinian Spokeswoman Dr. Hanan 'Ashrawi has asserted that the Palestinian negotiation delegation agrees to resume the peace process at any neutral site, provided that it offers the required facilities and that it doesn't influence the delegation's work negatively. Delegation Member Dr. Sa'ib 'Urayqat has pointed out that the delegation's visit to Egypt is intended to send Israel a signal that Cairo supports the Arab, especially Palestinian, negotiator. He said that only the Palestinians have the right to form their delegation, whether from the interior or from abroad, and that Israel is trying to dictate its will to 36 countries taking part in the multinational negotiations by rejecting Palestine's participation in the refugees committee emanating from the multi-national negotiations.

AL-SHARQ AL-AWSAT conducted an exclusive interview with 'Ashrawi and 'Urayqat during their visit to Cairo.

Hanan 'Ashrawi said: "The draft Palestinian program for the transitional period is divided into three parts: The first concerns expanding the powers of the transitional period and the transfer of authority. The second part concerns the conditions that we need in order to prepare for electing the authority (self-rule government). The third part deals with the mechanism of elections that lead to the next phase." She asserted that the delegation has drafted a number of working papers on settlement activity, its ramifications on the peace process, and on how this activity contradicts the peace process requirements and the attainment of human rights. In this regard, Israel must be compelled to implement the fourth

Geneva treaty in its capacity as an occupying country. Regarding the Palestinian position on Israel's attempts to shift future negotiations to an area close to the Middle East, 'Ashrawi said: "Israel has failed to shift the negotiations from Washington to the Arab region. From the outset, we have been prepared to negotiate in any neutral site that offers us facilities and services and that doesn't influence the negotiations negatively or put pressure on the Palestinian delegation. We were prepared to begin the negotiations in Madrid. But the conference sponsor (the United States) proposed Washington as a compromise, keeping in mind that Washington isn't neutral in the true sense of the word because there is no official Palestinian representation to counteract the Zionist lobby's presence and Congressional pressure. Through a unanimous Arab resolution, we have agreed on alternative sites that offer the requirements which coincide with the Arab-Palestinian perspective of the Palestinian march toward peace."

'Ashrawi also said that negotiations are part of the entire political process, including the intifadah, Palestinian public opinion, the endeavor to influence Israeli public opinion to alter its policy, relations with the two sponsor countries and the effort to develop these relations while maintaining a degree of neutrality, and relations with European countries that can play an influential role in the peace process. "We are working to gain the support and backing of countries such as Japan and Canada, and to involve them in the peace process. This is in addition to presenting our cause to world public opinion under objective circumstances, with which we have to deal responsibly and dynamically."

As to how much influence the formation of a new party in Israel—comprising Israelis and Palestinians living in Israel since 1948—will have on the peace tendency within Israel, 'Ashrawi said: "This party is not from the occupied territories. But if if is formed objectively and carefully, it will have a positive impact on Israeli public opinion and it could constitute a step toward peace. We in the occupied Arab territories don't participate in anything Israeli, and we reject the extension of Israel's sovereignty and the imposition of Israel's law. We are totally separate. Those Palestinians who have participated in the party have been living in Israel since 1948. They have participated in their capacity as Israeli citizens."

As to whether Hanan 'Ashrawi is one of the Palestinian leaders eligible to head the PLO after 'Arafat, she said: "It is difficult for another person to replace 'Arafat, because he is the symbol of national unity, of the continued struggle, and of the Palestinian national identity. In addition to his political status, he has a special place and it would be difficult for anybody to fill the void that would be left by 'Arafat. Israel itself is aware of 'Arafat's importance, despite the absence of the human dimension and the prevalence of the racist element in Israeli society. Nothing more is expected of the Israelis, because their practices confirm practically that they don't respect human rights. As for the U.S. contribution

to the operation to rescue 'Arafat, she said: "I don't believe that they have participated in the rescue operation. The neighboring Arab countries, including Egypt and Libya, took part in the operation and other countries provided assistance."

On his part, Palestinian delegation member Sa'ib 'Uraygat said that Israel must realize that Egypt stands behind the Arab, especially Palestinian, negotiator, and that the delegation's visit to Egypt is a signal on this. He pointed out that the Arab parties involved in the peace talks have selected 10 sites, including Madrid, Geneva, London, Paris, and Rome, so that the next round of the peace negotiations can be started in one of them. 'Uraygat added: "The Palestinian delegation is fully aware that the negotiations require a clear vision and great patience. Our decisions and actions must not be a consequence of snares that the Israeli side sets for us.' He urged good coordination among the Arab parties involved in the bilateral and multilateral talks, until Israel acknowledges the principle of land for peace and until it withdraws from the occupied Arab territories and halts the settlement activity, so that the peace process can succeed, because the two cannot continue at the same time.

'Urayqat pointed out that "The Arab nation's interests can only be achieved collectively, not separately. The United States is aware that the Middle East region is the heart of the world, and that it has 69 percent the world's oil reserves. The Arab world possesses the mainstays and the resources and it doesn't need to innovate them. All it needs is to utilize them properly with a new approach. Without profound unity, we will end up on the peripheries of the international blocs."

'Urayqat urged the Arab leaders to pay attention to the new world order and to their place in this order because "if they don't move promptly to coordinate among themselves, it will be the ultimate catastrophe for the Arabs."

In response to a question on Israel's rejection of participation by diaspora Palestinians in the refugees committee emanating from the multi-national negotiations, he said: "Israel is trying to dictate its will to 36 countries participating in the multi-national committees. But we deal with whomever we want and choose to deal with.

"We went to Moscow as a complete delegation from the interior and from the diaspora to reaffirm that we will take part in all opportunities for action, if we can. But we were prevented."

He pointed out that Israel is currently creating some sort of despair and frustration in the Palestinian and Arab citizen's mind to compel him to withdraw from the peace process.

He said that the negotiations, in their acknowledged form, haven't yet started. The Arab, especially Palestinian, objective is to implement Security Council Resolutions 242 and 338 and the principle of land for peace.

Editorial: Rabin Win Will Hurt Peace Prospects 92AE0276B Jerusalem AL-FAJR in Arabic 24 Feb 92 p 7

[Article by Sa'id 'Ayyad: "Yitzhaq Rabin Win of Labor Party Chairmanship Will Increase Prospects of Peace Process Failure"]

[Text] Yitzhaq Rabin's victory in the Israeli Labor Party chairmanship elections yesterday morning, and the likelihood of him becoming candidate to lead the next Israeli Government if the Labor Party wins the elections scheduled to be held next June, has proved that a great distance separates Israeli public opinion from peace.

Rabin leads the party's hawks. He is the most extremist among the party's key leaders. He is also the engineer of the policy of breaking Palestinians' bones. His win in a party that claims to be liberal means that the base of this party, which enjoys the support 40 percent of the electorate, has turned into hawks. With these hawks having doubled in number, it is highly likely that they will kill the dove of peace that was launched in Madrid on 30 October, since the distance between the Likud bloc from the Labor Party is extremely close. This is certainly a clear indication that the Israelis have not yet politically matured so as to get involved in the peace process. On the contrary, the possibility of undermining it, or at least obstructing it and keeping it at a standstill is something to be expected any moment, since Rabin's views are no different from Shamir's in this regard. Politicians describe Rabin as the one who has Shamir's brains in his head and wears the garb of the Labor Party.

In 1974, Rabin was forced to resign the premiership of the Israeli Government for "well-known domestic reasons," at which time his policy was no less extremist and aggressive than Shamir's.

During his time in office, repression in the occupied territories escalated and military orders aimed at consecrating occupation were redoubled. He resisted, by force and threats, all peace initiatives that aimed at ending the Arab-Israeli conflict.

Rabin worked under Shamir for two years as minister of defense, until the government coalition between Likud and Labor became unravelled in early 1991. Rabin was Shamir's strong arm in the occupied territories. He was the initiator of the "big stick" policy after having demolished the carrot. When he left the Ministry of Defense, he was responsible for the sufferings of the Palestinian people more than any other minister. Shamir was sorry to see him go, and it was said that he tried to bring him back to the government, but Rabin preferred to stay outside the government for his own reasons.

Rabin is credited with drawing up Shamir's political plan, which he announced in May 1989. In it, he rejects the establishment of a Palestinian state and the Palestinian people's right to self-determination.

When the current peace process began, Rabin stood at the extreme right of the Labor Party and his views coincided with Shamir's hard-line views, since he opposed the policy of halting settlement and even called for intensifying it.

The only difference between Rabin and Shamir is that the former pursues a double-faced policy, in that is he says one thing and does another. He makes the other party believe that he is pursuing the same path and that he will meet him halfway, unlike Shamir, who attacks right from the beginning.

Although this dangerous policy is one of the mainstays of Labor's strategy, Rabin was more skilled and more imaginative in implementing it. Therefore, observers say that his winning the post of prime minister of the Israeli Government in the coming elections means that the present gap that divides the Arabs and Israel will become even deeper and wider, and talk about peace will be no more than just press headlines.

Rabin, who is known for his policies, is not the upcoming Israeli man of peace in the eyes of the Palestinians. Rather, he is a carbon copy of Shamir, only he can talk more flexibly.

Khalid al-Hasan Denies Confederation Imminent 92AE0299B London AL-SHARQ AL-AWSAT in Arabic 27 Mar 92 p 8

[Interview with PNC Foreign Affairs Committee President Khalid al-Hasan by Huda al-Husayni, date and place not given]

[Text] There has been much talk recently of Palestinian-Jordanian confederation. Since the Jordanian-Palestinian Accord, they have spoken of confederation. There are always supporters and detractors. Confederation requires two states and two peoples. The two peoples exist, one state exists. [As for] the second, says Khalid al-Hasan, "when the Israeli withdrawal takes place, the Palestinian state will be established."

When King Husayn was asked, upon returning from his trip to Washington, whether Jordan's position on confederation had changed, and whether talk of confederation was premature before a settlement, he said on Jordanian television on the 18th of this month [March]: "We have been offered nothing new, particularly since talk of this subject has been going on for years. The dialogue is ongoing, and when the right time comes, we will move on to what suits our mutual interests, not the interests of individuals. The interests of the two sides are in one family—the Palestinian cause and the Arab cause!"

Palestinian officials went back and emphasized the necessity of setting up a confederal union even before a settlement! Jordanian officials replied that mere talk of this issue while negotiations with the Israelis were continuing could complicate matters, especially, in the view

of Jordanian officials, as Washington does not see talk of confederation as appropriate now.

AL-SHARQ AL-AWSAT'S dialogue this week is with Khalid al-Hasan, member of Fatah's Central Committee and President of the Foreign Affairs Committee in the Palestine National Council [PNC]. Khalid al-Hasan says "What is needed now is not the establishment of a confederal union, but the declaration that the future of the relationship between the Jordanian state and the Palestinian state would be a confederal union. Thus, starting now, mutual Jordanian-Palestinian dealings should be on this basis from the semantic standpoint, which is the indicator of the shared life of the two peoples, for a feeling of psychological stability."

[Speaking] of his personal plan, Khalid al-Hasan says that it can be achieved after about twenty years, but not now, since Jerusalem will be the capital of a confederal union among people, not states, including everyone living in Jordan and all of Palestine. Or, Jerusalem will be a single communal city, but politically two cities, the eastern part the capital of Palestine, and the western side, "they [the Israelis] are free [to do as they like] in it." He said that by way of this initiative, he could search for a humanitarian solution to preserve the honor of the national identity.

In the dialogue, Abu-Sa'id [al-Hasan] discusses the peace negotiations, which have not produced anything, after clarifying his position on them. He said that choosing Resolution 242 as international legal basis for peace negotiations did not mean moving closer to the Palestinian issue, but wiping out the 1967 aggression. On pulling out of the negotiations, he said that the matter depended on a decision from the [Palestine Liberation Organization, PLO] Central Committee, as no one had the right to dictate participation or pulling out, neither the Executive Committee nor the President of the Executive Committee.

He said that the U.S. position on Jerusalem was a religious, not a political, position and that Washington was not standing justly on the side of the Palestinian people.

He further asserted that there was no difference between Yitzhak Rabin and Yitzhak Shamir. He spoke of the Israeli-American partnership, the settlements and their construction, Palestinian autonomy proposals, and the UN. He also spoke of the Hamas victory in the the Ramallah Chamber of Commerce.

Herewith, the text of the interview:

[al-Husayni] You talk a great deal these days about a confederal union. Do you, as Palestinians, want it—between Jordan, Israel, and Palestine, for example?

[al-Hasan] What's needed now is to implement anything related to successive national councils, including the last council, because the ceiling of the relationship with Jordan is the confederal union, and the union proposed

by the PLO is a confederal union between the state of Palestine, after the settlement, and the Hashemite Kingdom of Jordan.

[al-Husayni] But there is talk that you want a confederal union before reaching a settlement.

[al-Hasan] No. What is needed now is not that, but the declaration, from now on, that the future of the relationship between Jordan and the state of Palestine will be a confederal union relationship. Because the confederal union requires, in the end, the consultation of people resident in Jordan and in the Palestinian state. However, we must announce this direction now, and the result of this declaration must be that Palestinian-Jordanian dealings be on this basis in practical terms.

[al-Husayni] Meaning?

[al-Hasan] Special passports for Palestinians, for instance, and special interests for Palestinians in the West Bank and Gaza Strip, so that dealings would be not as if Jordan had nothing to do with the Palestinians, and that the relationship should not confined to being the relationship of brothers in Arabism, but also the relationship of a shared life, because that is the reality.

The reason for the succession of events, or declaring this before independence, is because everyone feels a kind of comfort and personal stability, because the West Bank has no outlet to the world, neither by sea, by land, nor by air, except through Jordan or Israel. It's the same with Gaza, except by sea. And also, the Palestinians in Jordan are the relatives of those in the West Bank and Gaza, whether in terms of intermarriage or the interests built up over the last 44 years, and even before. There is a momentous subject coming—this situation is the rejection of the reoccurrence of what happened in the past. In the past, when Jordanian-Palestinian unity took place, the practical result of it was the elimination of the Palestinian character or national identity, and reality showed that the Palestinian people rejected this. Nor is it possible for us to ask Jordan to reject its national identity. There is a time coming that will become clear when the negotiations are over and the Israeli forces have withdrawn: what is the nationality of the Palestinians in Jordan? Will they go along with their interests and take Jordanian citizenship? Or with their soul, conscience, emotions, and identity, take Palestinian citizenship, and embrace their interests? This is a challenge we must not put to the Palestinians. Also, is it in Jordan's interest for all the Palestinians there to be Palestinians and leave Jordan, or live there as foreigners? The political, social, commercial, economic, moral, intellectual, and ideological fact rejects all this. So the solution must comprehend all these matters, so that there will be no one facing this challenge, and the way to this is a confederal union.

[al-Husayni] Sometimes you demand confederation before the end of the talks, as happened last week, and sometimes you insist upon it after the [creation of the] independent state. [al-Hasan] There has been no demand to implement the confederation now. What is needed now is agreement on a declaration that the future is a confederal union.

[al-Husayni] When would total implementation be?

[al-Hasan] After the Israeli withdrawal is complete. Now, it is not possible to implement a confederal union with the people under occupation, especially since Jordan has dissolved its ties to the West Bank.

[al-Husayni] Implementation after the Israeli with-drawal, or after the independent state?

[al-Hasan] When the Israeli withdrawal takes place—that means that the state has been established.

[al-Husayni] What about the plan of [former Likud Central Committee member Moshe] 'Amirav and [AL-FAJR editor Hanna] Sinyurah regarding Jerusalem, with its annexation of extra land for it, then partitioning it into 20 cities?

[al-Hasan] That's all nonsense. Here, I am giving my personal opinion, not the PLO's view. Jerusalem would be the capital of a confederal union—along the Swiss model—among people, not among states, as it includes everyone living in Jordan and in all of Palestine, and the local authorities organizing on the basis of cantons, with Jerusalem as the capital of this new state; or Jerusalem would be a single communal city, but two cities politically, the eastern part being the capital of Palestine and the western part, they [the Israelis] being free in it."

[al-Husayni] You said that Jerusalem would be the capital of Jordan and—[al-Hasan] The capital of the confederal union, along the Swiss model.

[al-Husayni] Yes, and you mentioned that it would be the capital of those living in Jordan and those living in all of Palestine.

[al-Hasan] Among people, not among governments or states.

[al-Husayni] Yes, all of it—what do you mean by all of Palestine?

[al-Hasan] Palestine under the [British] mandate, i.e., Israel, the West Bank, and Gaza.

[al-Husayni] Meaning that in the end, you will reach confederation between Jordan, Palestine, and Israel?

[al-Hasan] According to the Swiss model. This is my own personal view I'm putting forward for discussion.

[al-Husayni] You're putting forward your view and Switzerland as a model. Don't you think the region still lags behind—that its mind would not accept this union?

[al-Hasan] This is a matter that I put forward for 10 or 20 years down the road. It cannot be implemented now, because Israeli hatred and racism reject any humanitarian solution.

[al-Husayni] You mean that you are seeking a humanitarian solution in this suggestion?

[al-Hasan] I am seeking a humanitarian solution that preserves the honor of the national and political identity of all, especially the Palestinian people.

[al-Husayni] Why, every so often, does the PLO in Tunis issue a communique in which it defends the recent peace talks?

[al-Hasan] I really don't know, they don't need to defend anything. Really, if the PLO is committed to what the National Council and the Central Committee decided, it doesn't need to defend anything. I say this, because during the last three months, I was absent because of my health, and so I don't know what went on.

[al-Husayni] It is said that, before the last National Council, you were one of the ones who wanted there to be a change in this structure of the organization, and at the same time, you are accused of having, during the National Council, "jinxed" the whole process of criticism.

[al-Hasan] First of all, I reject the term "accused." I absolutely reject it. Basically, indeed, I did, and still do, want basic changes, not only in the PLO, but even in Fatah. It is returning to true democracy in an integral fashion, and to integral collective leadership, as well.

As to what went on in the National Council, the National Council doesn't look into the PLO's internal situation, and I have no right in the National Council to research Fatah's internal affairs. The latest National Council was devoted to the political subject, and so therefore, as a reminder, I explained what our demands were and what the Israeli positions were. I explained the mind-boggling scale of contradiction between what we want and what America wants. I explained that the choice of [UN Resolution 242 as an international legal basis for the peace negotiations does not at all mean getting closer to the Palestine issue, but merely eliminating the traces of the 1967 aggression. I asked the PLO to go no farther in the framework of Resolution 242 than the 1967 aggression. As to the Palestine issue, it remains for [future] generations. I said we must not give up the right of return, because I am from Haifa, and if the right of return is lost, then I have no place in the PLO. I said that the subject was very tricky, so we continue to improve the conditions for our entry into the negotiations. However, the decision to enter had to be, not through a decision from the Executive Committee, nor from the President of the Executive Committee, but from the National Council or the Central Committee. They are the authorities, and the credibility of any agreement must come from the National Council alone.

That's what I said. But did they commit to it or not? I came back from my sick leave two days ago, and we'll know in the days to come. That is my position. I did not "jinx" anything or expose anything.

[al-Husayni] Why are you, as Palestinians, taking part in the peace talks?

[al-Hasan] Non-participation in the peace talks would not be in keeping with the times, with this stage. Non-participation was impermissible, especially since participating in peace [negotiations] doesn't cancel our right to pull out, if that were necessary, if the path of peace contradicts Palestinian interests and the demands of this phase.

[al-Husayni] You are participating on the basis of Israel's withdrawal from the territories occupied after 1967, not on the basis of a solution to the whole Palestinian question!

[al-Hasan] That's my opinion. I don't know what's going on right now.

[al-Husayni] Is that possible?

[al-Hasan] I told you, I was ill for three months.

[al-Husayni] You don't know, for example, what the peace talks have achieved so far?

[al-Hasan] They haven't achieved anything. I know that they haven't achieved anything and won't achieve anything, because negotiating with Zionists is like negotiating with the wall. Because either you give in and bang your head against the stones of the wall, or nothing. This is how the Zionists understand negotiations, because they have so much racism and phony bragging, which makes them talk to people as if they were talking to animals. Thus, the only thing that will happen in the future is that America will play the role it played at Camp David: i.e., coming up with the whole agreement, putting it on the table and asking the sides to sign it.

[al-Husayni] But with the work, you are compelled to negotiate with your enemy?

[al-Hasan] We are negotiating, but the negotiating is useless.

[al-Husayni] Is it true that you will pull out of the peace negotiations if the United States gives—

[al-Hasan] That decision depends on a Central Committee decision. No one has the right to speak of withdrawal or of going into the negotiations. Only the Central Committee has that right. The Executive Committee does not have that right, and Yasir 'Arafat does not have that right. Only the Central Committee.

[al-Husayni] But Nabil Sha'th said last week that you would pull out of the negotiations if America gives the loan guarantees to Israel.

[al-Hasan] I don't know. Nabil Sha'th said it—ask him. Now, the Central Committee is not meeting, perhaps he said that proceeding from the talks he had with the central leadership, with the Executive Committee. But

even the Executive Committee cannot decide to withdraw when it wants. It must convene the Central Committee and suggest pulling out to it. This is what will happen on the 29th of this month, when the Central Committee meets—show it all the results, and it will decide to resume the negotiations, to resume participation, or to boycott them.

[al-Husayni] You said that the end will be like what happened at Camp David—America will come up with an agreement and ask for signatures. What do you expect that agreement to contain?

[al-Hasan] Really, there's no way of knowing.

[al-Husayni] Proceeding from the current negotiations and developments—

[al-Hasan] There are vague issues. With the Americans, the religious aspect of the subject of Jerusalem overwhelms the political aspect. With the subject of borders, America takes the principle of making minor adjustments on the borders of both sides. On the subject of a Palestinian state, America is still against the Palestinian state. With the subject of refugees, America is against the return of the Palestinian refugees.

America's position is neither completely beside the Palestinian people, nor is it just, according to international law, because it stems from UN Resolution 242, not Resolutions 181 and 194, so there is nothing pleasing in the features of America's position, except for the withdrawal from the territories occupied in 1967.

[al-Husayni] But Yitzhak Rabin, too, said in a lecture in Canada recently that he rejected withdrawal from the territories, but accepted the granting of autonomy.

[al-Hasan] That is the tragedy with the Zionists, whether Rabin or Shamir. Now they've started to say that the word "withdrawal" means the withdrawal of the military administration, not the withdrawal of the army. They are contentious, and they don't even respect their own intellect, let alone others' intellect.

[al-Husayni] And if they persist in refusing to withdraw from the territories?

[al-Hasan] This issue, the struggle in it is ongoing, and the Palestinian people will take their rights justly. I'm not saying completely, at least at this point, but justly.

[al-Husayni] Israel will withdraw in exchange for what; What can you offer Israel?

[al-Hasan] In exchange for safeguarding the future of generations, of the life of the Jews in Palestine as Jews.

[al-Husayni] How? I mean, will they diminish [in number]?

[al-Hasan] Because all the developments in the region in terms of culture, the return to the Arab self, of economic development, or of the balance of power in the world—all of it bespeaks the fact that the artificial structure called Israel cannot live long.

[al-Husayni] We're back to what President Jamal 'Abdal-Nasir said, that Israel was a foreign growth planted in the region.

[al-Hasan] Actually, that is true. So, when the Palestinian side comes and offers a humanitarian solution to those people—because in our culture this is required—in exchange for this, they practice acts every day intended to increase the depth of hatred in our hearts so that we will reject this.

[al-Husayni] Meaning that now Israel is in need of Palestinians in order to exist?

[al-Hasan] For the Jews to remain, not the state.

[al-Husayni] There is talk that President George Bush's thinking is that he wants to succeed in what former presidents failed to achieve, which is a halt to settlements. If that happened, and construction ceased, do you think the Americans would keep up the momentum to solve the whole Palestinian issue?

[al-Hasan] The Americans, with or without settlements, can solve any issue. They are not incapable of stopping the settlements if they really want to.

President Bush wants to stop the building of settlements with Israel's approval, he doesn't just want to stop the building of settlements. If only there were a real American will to stop the settlements. Israel gets up to \$15 billion in annual aid, between the official amount and the CIA's aid, for the services it offers America, the loans forgiven, tax-exempt contributions, and so on. The \$4 billion from Congress is only the official part. Every person in Israel gets \$1,500 per year from America. If America wanted to, it could do it. But it wants everything to be done with Israeli approval, in the hope that the Israeli leadership's thinking will attain some kind of wisdom, but this is impossible.

[al-Husayni] But there are those in the West who think that the partnership between America and Israel, which has lasted more than a quarter of a century, is beginning to show signs of imminent collapse.

[al-Hasan] No, but it is beginning to show signs of the collapse of mutual interests; that is the precise meaning. But some of these mutual interests had a day-by-day nature, and ended with the end of the Soviet Union, the end of the Cold War, and the end of the Gulf war. Some of the interests were related to strategic interests and are still around. So Israel is now no longer a forward police station, but has become a strategic reserve. If there is any development unacceptable to America in the Arab world, Israel will strike at it, in addition to Israel's intelligence, economic, and military services that it undertakes for America in the Third World.

[al-Husayni] But Israeli Prime Minister Shamir said a few days ago that, for the first time, an American administration came and linked economic aid and political change in the territories—

[al-Hasan] That's untrue. Because, before now, Israel never requested \$10 billion to build settlements, and before now, there wasn't a foreign minister [Levy] signing a paper saying that he would not spend one penny of American money on building settlements.

[al-Husayni] Is it possible to say that, despite all the recent developments, you insist that Israel still has the upper hand in the region?

[al-Hasan] Israel, through America, has an upper hand, but not the upper hand, because Washington wants to maintain a balance in its relations in the region.

[al-Husayni] What kind of new Israeli government do you expect?

[al-Hasan] They're all the same. I expect there to be a coalition with a Labor Party majority, but Rabin and Shamir are the same. Rabin gives you the poison with honey, and Shamir gives you the poison with ice. Shamir enjoys the sight of you dying; Rabin doesn't want to see you die, but leaves you to die alone. That's the only difference.

[al-Husayni] Israel has protested the PLO's decision to offer a copy of its autonomy proposals to the UN Secretary General, on the basis that this means the PLO's intervention in the negotiations, and giving the UN a role.

[al-Hasan] Basically, the true father of Israel is the UN. Abba Eban says that the only birth certificate Israel has is the UN resolution; 242 is a UN resolution, and 338, 194, and 181 are all UN resolutions. So the UN should lead the negotiations, as Dr. Butros Ghali says, and the negotiations should be under its sponsorship.

[al-Husayni] Do you think that this Israeli protest might affect the course of the peace negotiations?

[al-Hasan] That all goes back to America, and the meaning of the PLO sending a copy of "Autonomy" to the UN. Did it send secrets? Was it the Palestinian delegation that sold the secrets of American nuclear technology to China? Or in the past, to the Soviet Union? Was it us or Israel who sold all the American secrets, or—The Palestinian autonomy proposals had been published in all the newspapers.

[al-Husayni] Before, you used to put all the blame on Israel. Now we notice that you put all the blame on America.

[al-Hasan] I have never in my life put all the blame on Israel. I have always said that Israel was given the freedom to play in the American strategic sphere, and when the American strategic sphere contracted, it would "take a beating." I differ from all those who say that Israel rules America; that contracts all the demands of logic. Israel is a little cog in American politics.

[al-Husayni] But now, its selling the secrets of the American Patriot to China means that it has overstepped the bounds of the American strategic sphere.

[al-Hasan] Exactly.

[al-Husayni] It hasn't taken a beating, as you say?

[al-Hasan] Who told you that? First of all, the emergence of the news abroad is helping to change American public opinion. Secondly, discussions are going on secretly to deal with this problem, as well as with the former (Jonathan) Pollard problem. These matters will have their significant results.

[al-Husayni] Significant, in the Arabs' interest?

[al-Hasan] Not in the Arabs' interest, but against Israel's interest.

Israel has asked Washington to support it, to be one of the 10 countries on the UN Security Council that meet with the five permanent member states. What explains this?

This is a delusion even delusion doesn't dream of. The world rejects it.

[al-Husayni] Where do you expect Israel will respond to the destruction of its embassy in Buenos Aires?

[al-Hasan] I don't know. I hope Israel realizes that this phase is the phase of Arabs returning to themselves; the return of martyrdom to Arab psychology, making the long hand [retribution] not in Israel's interest. Thus, if Israel is a sensible state, it must halt its terrorism as a state—the organized terrorism it practices. Otherwise, it will be facing a stage, very soon, which we call the war of the streets, which is a war more perilous than all the armies, and then no one knows the scale of harm that will befall everyone. But the capacity of the Arab people to endure is much greater than the endurance of the Jews of Israel.

[al-Husayni] Do you see something positive in the spread of fundamentalism now?

[al-Hasan] First of all, the meaning of the word fundamentalism has been perverted. You mean extremism. Islam rejects extremism. But fundamentalism is something else, because the best thing about Islam is its fundamentals. Thus, fundamentalism is grasping Islamic law from the source, far from all the innovations and errant sects.

Fundamentalism is a beautiful thing. What is transpiring now is the Arabs' return to the cultural self after colonialism smothered it from the 1880s until now. Now there is a return, and this return is transforming Arab reality from a state of nonexistent cultural and intellectual weight, to a state of weight.

[al-Husayni] Through the present Islamic movements?

[al-Hasan] No, the present Islamic movements are the indication of the alertness of Arab emotions, but the Islamic movements capable of leading the Arab nation with true Islam have not yet appeared.

[al-Husayni] Hamas won the chamber of commerce elections in Ramallah, and there is a belief that this is a prelude to their winning in the Jerusalem Chamber of Commerce. Are you, as Fatah, uneasy that Hamas, the Islamic movement, has begun to take your place in the field?

[al-Hasan] Why should we be uneasy, as long as the subject is democratic? Whoever enters the democratic game must be content with its outcome. Instead of worrying about Hamas we should know why we are lagging behind. We should re-examine our calculations and correct the mistakes we have made. That is only logical. And, too, Hamas comes from the Palestinian people. I mean, do we want to coexist with the Jews, and not with Hamas?

[al-Husayni] It is said that leaders inside have asked PLO Chairman Yasir 'Arafat to mend his relationship with the Gulf states at any cost, because this great estrangement has had a great impact at home. Is that true?

[al-Hasan] If that request were true, I wouldn't condemn it, and if it hasn't been advanced so far, I condemn that. The truth is that Yasir 'Arafat asked me about it, and he knows more than anyone else, because we don't know what he hears.

[al-Husayni] Is it possible you don't know?

[al-Hasan] Why shouldn't it be possible?

### Nabil Sha'th Presents Argument for Confederation

92AE0299A London AL-HAYAH in Arabic 15 Mar 92 p 3

[Article by 'Ali Nun]

[Text] London—Dr. Nabil Sha'th, political advisor to Palestinian President Yasir 'Arafat, said that a decision was made on the subject of a Palestinian-Jordanian confederation during the meeting of the Palestinian Council in Algiers in 1988, and that the Palestine Liberation Organization [PLO] was committed to this confederation "between two independent states." He added: "We clarified this in the Palestinian-Jordanian Accord in 1985, and subsequently in the agreement concluded before the opening of the Middle East peace conference in Madrid last October."

He explained, in a statement to AL-HAYAH, "that the future formula for Palestinian-Jordanian relations is still open, and our emphasis on the establishment of a confederal union is ongoing."

He said, in response to a question on the timing of the re-statement of this subject, and his emphasis, that it had come after the fourth round of bilateral Arab-Israeli negotiations, and "before the Jordanian ruler King Husayn left for Washington, as he wished to know our concept of future relations, and whether the confederal formula was still open. We assured him that we had not changed our opinion; that, on the contrary, we still insisted upon it. After the final resolution, and self-determination, the confederation comes to link the two states."

Will this initiative of the Palestinian side help the process of the current peace negotiations, or hinder it? Sha'th's view is that "the confederal initiative can help develop the peace process. However, preserving the Jordanian-Palestinian relationship is one of our primary and most important wishes. We were careful to reassure King Husayn, through the statements of Mr. Yasir 'Abd-Rabbu, the spokesman of the Palestinian leadership, on the instructions from the of the PLO's Executive Council, that the organization's plans had not changed, and that its desire to preserve the momentum of the relationship with Jordan had not faded."

On the reason for American criticism of the Palestinian delegation in the fourth round of the negotiations, Sha'th believed that "the first and principle reason is that the American administration was in the midst of a week full of clashes with the Israelis, and escalation in the direct crisis due to the loan guarantees, so the decision was made to create a kind of balance by criticizing the Palestinian delegation, as they had done last December when they went to the UN to request the cancellation of the resolution equating Zionism with racism. All this, in my view, is from the remnants of the special strategic relationship between America and Israel, which is now changing."

On the direction these changes are taking, he said: "in the direction of diminishing the strategic Israeli role. This idea is the basis of everything happening now, otherwise the present negotiations are pointless. The root of the peace negotiation process is this American course towards diminishing Israel's strategic role. The current test, now, is the loan guarantees. The Americans are so far refusing, because of the peace process, to give one cent to Israel. If the American administration retreats from this position and gives the loan guarantees, we will not continue in the negotiations for a single day. This position is clear and known to everyone."

As to whether there were other reasons for the American criticism of the Palestinian delegation, apart from that balance, Sha'th said, "The American administration was afraid of the absence of the Palestinian delegation from continuing in the peace process, based on the wish to wait out the Israeli elections. There was great unease, especially when the Palestinian delegation did not respond, that we were playing this election game. It is our right to constantly review our position, and it is the right of every Arab side to do that. But we will not get into the game of the Israeli elections, despite their effect on the peace negotiations. We are aiming at obtaining

our rights. As long as the United States holds to its position, and as long as negotiation continues, we will continue to participate."

It is likely that the resumption of negotiations, and the holding of their fifth round, will be "in the third or fourth week of this April, in Washington."

He confirmed that "the Israelis are not strong enough to boycott the negotiations because of the site" and that "there is no Palestinian or Arab problem with moving them to western Europe, but not to the Middle East, so that we are not obliged to accept conducting them in the shadow of the Israeli occupation."

On the means of getting out of the fluctuating state of negotiations, he said that "one of the most important priorities of the Palestinian delegation, and topmost among its priorities, is a halt to settlement, a total halt, and our hope is that America will succeed in that. We have no illusions. The crucial priority is to stop settlement. All the forces that oppose the negotiations build their position on the basis of our question: How can we go on with the process while settlement [activity] continues? If we were to choose among several options, we would unhesitatingly choose a halt to settlement, first of all. Secondly, the American administration must pressure Israel to impose its respect for and acceptance of the principle of land for peace. Now we are speaking of a transitional phase, and we have offered our concept and our plan aimed at the recovery of Palestinian territory, to become a whole state."

On the coordination between the Arab delegations and fear of some of progress that might obtain one path rather than another, he said, "The Arab positions are still linked, and the conditions are one—we agreed on them with all sides, including Syria. But we cannot imagine that Syria could think or demand that the Palestinian path should stay in the same mode as the Syrian or Lebanese path, because basically we are three years behind the rest of the delegations. I mean, we are speaking of a transitional phase lasting three years, and the rest of the delegations are speaking about peaceful withdrawal."

Article: Confederation Unlikely in Near Future 92AE0299C London AL-SHARQ AL-AWSAT in Arabic 20 Mar 92 p 14

[Article by 'Abd-al-Jabbar 'Adwan]

[Text] [begin AL-SHARQ AL-AWASAT introduction] 'Abd-al-Jabbar 'Adwan sees, in this analysis, that the issue of Jordanian-Palestinian confederation has been blown out of proportion, and that the interests of both sides are to postpone the declaration until after the end of the Israeli occupation, otherwise the [West] Bank will be lost and Jordan will become an Israeli target. [end introduction]

The subject of confederation between Jordan and Palestine is occupying many Palestinians' time, and it appears that the anticipated declaration of this confederation will not occur soon, as most people think, for global reasons, most importantly the American position; and for exclusively Palestinian reasons, with the emergence of growing opposition to the idea, which now proves to have been hasty. Also, a discrepancy in the Palestinian and Jordanian concepts of it has become apparent.

Informed sources close to the Palestinian leadership now point to the "fact" that all the leadership wanted from the idea was the support of King Husayn on his world tour, which included a meeting with the American president and some European leaders. The Palestinian decision to consent to confederation is like someone who clips his fingernails with a cleaver and chops off some of his fingers. It would have been possible to give King Husayn other, less controversial things, such as Palestinian consent to continue negotiating, or holding a new round [of negotiations] before the Israeli elections, or agreeing to participate in the committees of the multilateral Moscow conference, or even future agreement upon consulting the Jordanian-Palestinian masses on confederation. Bearing in mind that what the PLO offered King Husayn on the eve of his recent visit implicitly contained all these cards at once, and also surpassed the will of the two peoples regarding their right to consult and choose regarding confederation. Also, the PLO offer flexed the muscles of the Palestine National Council and amended its decisions, one of which stipulated establishing the confederation after Israel's withdrawal and the establishment of a Palestinian state. This did not mean, as some interpreted, that the National Council agreed to confederation, and that the Palestinian state has existed since 1988, when the Council proclaimed it.

In general, the Palestinian decision given to king Husayn will be withdrawn, in practice, without necessarily being announced. The fact of the matter is that the United States, whose consent everyone seeks, has not consented to these "rash" ideas. The first opposition that reached the PLO, like the Jordanian opposition, says "no confederation between the state of Jordan and the state of Palestine," and "no confederation between Jordan and the PLO, but confederation between Jordan and 'the Palestinian entity." This entity's form is unclear, but it must be linked to the peace process and the people inside Palestine. In short, it is handing over part of the matter to Jordan in a more comprehensive political context, excluding the PLO and its basic identities.

Nor is there anything on the horizon to indicate American encouragement or demand for Jordan to achieve confederation. The American administration continues to encourage the current peace process, which Secretary [of State] James Baker needed eight months to engineer and design, until it began five months ago, according to the American plan. It has not failed yet, and its negative or positive outcome will not emerge until after the Israeli and American elections. This is why the administration

does not encourage the destruction of this structure after its effort to intervene in a new whirlpool: confederation, a struggle over the PLO's role in it, Israel's view of it, etc.

It is worth remarking that not a single member of the Palestinian delegation has announced his frank consent to the idea of confederation, which surprised them. Every one of them has his caution, and his shame too. The general concept is that Jordan requested confederation and the Palestinian leadership agreed. Caution about the idea, and the delegation members' timidity at opposing it, is rooted in their understanding that going along with confederation now conflicts with their independent Palestinian negotiating mission, and with the goal of negotiations. The goal, from their point of view, is the establishment of a Palestinian state and the right of self-determination after the end of a transitional period of autonomy, thus attaining a final solution according to the American engineering of the peace process. No one supports the idea publicly, because Palestinian public opinion, which is itching for independence, is not convinced that a confederation before the end of the occupation will have a greater effect on the return of the territories than the the effect of the current Palestinian delegation. So why jump from one position to another if the goal is not to offer a free, new, unnecessary concession, and negate oneself?

There are those who see, in the confederal issue, a complex strategy like the fulfillment of an American request. A second [group] thinks it was carefully prepared to embarrass America. A third is convinced of an American-Arab plan against the Likud to make Rabin succeed in the Israeli elections. Yet a fourth believes that the PLO and Jordan are preceding Israel in applying confederation, according to information that Israel will propose Israeli confederation with the West Bank and Gaza Strip. And of course, there are those who advance interpretations of confederal leadership and how each side can take advantage of the other. Well-intentioned people think it is a trick on Israel, with confederal Jordan-after regaining the West Bank from Israelrestoring Palestinian sovereignty to it! That, of course, is without forgetting legal opinions and the interpretation of UN Resolution 242. People who think this way say that Jordan was sovereign over the West Bank before the occupation, and thus Resolution 242 confers upon it restored sovereignty over the West bank (but what about Gaza?). People who think this way are convinced that there is no Palestinian people or land, and oppose the UN resolutions that acknowledge the existence of this people and the Security Council resolutions, among them its recent resolution that spoke specifically of "occupied Palestinian territories." All these heresies ignore the fact that force is the only element of Israeli policy, and that the Arabs have no lack of political and legal justifications.

I, personally, believe that the confederal issue was born of a slip-up of the Palestinian and Jordanian leadership after advice from Arab leaders. The PLO, eager to end the occupation as soon as possible, responds to any advice or Arab steps, even when the subsequent steps are sometimes contradictory. Some of this advice to the Palestinians in the peace process, for example, was to increase proposals offered to Israel, "one proposal on top of another," to maintain the continuity and vitality of the negotiations. Jordan, too, follows this path, so the king asked the PLO to define its position on cooperation between the two sides before his world tour, so as to know whether to ask for the return of the West Bank, or be content to appeal for a solution to the border, environment, and water issues between Jordan and Israel.

The Palestinian reply, delivered by Yasir 'Abd-Rabbu to King Husayn, was a tacit consent to establish a confederation. The king was pleased, and praised the messenger highly, which suggests that he had not been expecting such a positive response. Immediately after that, the matter grew and Hanan 'Ashrawi issued Palestinian statements saying that the signature on confederation was coming soon, perhaps in April, after the expected meeting between the Palestinian president and the Jordanian king, which led to rapid reactions on the matter before time could be wasted.

I believe that the Jordanian leadership does not approve of the declaration of confederation with Palestine before the end of the Israeli occupation and the creation of a formula to obtain the agreement of the two peoples. That would get the country into uncounted problems, especially problems with Israel, as the Likud and Labor have agreed upon "the Jordan option" to solve the Palestinian question. The Likud, Sharon in particular, believe that "Jordan is Palestine." This concept has dangerous dimensions if confederation takes effect before the end of the occupation. However, the opposition Labor Party sees the possibility of shared Jordanian-Israeli administration of the West Bank. This is not in Jordan's interest, not at the international, Arab, or internal Jordanian levels, and this will not delight the people in the occupied territory. Jordan's interest and Arab interests are to end the occupation and to give the two peoples a choice, and then to decide upon confederation.

The belief that the issue of confederation, as it is put forward now, resulted from an unintended lapse, or at least had not been expected to be so monumental. This is an idea strengthened by the fact that continuity between the Palestinian delegation and between Jordan and the PLO after the recent Washington round, saw no discussion of confederation. Instead, the delegation decided, along with the PLO, to continue the peace process, implement the conference's specialized multilateral committees, and the principle of elections in the occupied territory. This went on in the context of continuing the current peace process, not jumping ahead to confederation.

Perhaps it is important to point out that the majority of Palestinians do not oppose confederation with Jordan, or union with any Arab country, but [only] after the actual end of the Israeli occupation, or at least the achievement of an international document guaranteeing Israel's withdrawal and mandating the immediate establishment of a union between the state of Jordan and the state of Palestine. There must be a Palestinian state, even if just for an hour, so that the Palestinian people may preserve their option for the confederation solution, and also to guarantee this right for Jordan. Who knows what time will bring for a confederal state that some see as Jordanian, and which Israel sees as Palestinian.

### **JORDAN**

### Minister: Road Projects To Alleviate Unemployment

92AE0272A Amman AL-DUSTUR in Arabic 3 Mar 92 p 10

[Article by Maha al-[Qatawinah]]

[Text] Amman—Minister of Public Works and Housing Engineer Sa'd Hayil al-Surur announced a plan that the ministry will launch next week with the aim of alleviating unemployment among engineers by creating 1,450 jobs for engineers and foremen.

The minister announced this at a press conference that he and Isma'il [Baryush], the engineers' labor leader; and 'Awni al-Sakit, the contractors' labor leader, held to discuss details of this plan, which the cabinet endorsed recently.

Engineer al-Surur said the ministry will build, improve, and maintain roads at a cost of 63 million Jordanian dinars this year; in addition to implementing projects for the construction of various government buildings costing 80 million dinars, by inviting bids from contractors or through direct implementation by the ministry's departments.

The minister said these projects will provide 650 new jobs for engineers and 7,000 jobs for laborers. Public works directorates in all the kingdom's provinces will establish additional work squads to do maintenance work. Laborers will be used to build culverts, road shoulders, retaining walls, and maintain traffic safety signs and other works, all of which will create 100 job opportunities over a period of eight months.

#### **New Graduates**

In the field of training, the minister said the ministry will continue to implement the program to train new graduate engineers by taking in 150 new graduate engineers. It will finance the program from allocations available to it. The number of those who join this program could increase, depending on allocations and contributions it receives from the various ministries, departments, and offices participating in the program.

In the field of projects, the ministry, within the next two months, will appoint 50 new graduate engineers to maintain school buildings. Their work will end with the end of these projects. Additionally, the post of new graduate engineer will be created in ongoing projects that are supervised by consultant engineers. About 90 engineers will benefit from the creation of these jobs.

In the field of qualified technical personnel, the ministry will create additional jobs in the projects it is carrying out, depending on the cost of the project. A foreman, surveyor, new graduate engineer, or a field engineer will be appointed in projects costing 30,000 dinars to 50,000 dinars. In projects costing 50,000 dinars to 100,000 dinars, one new graduate engineer will be appointed; and in projects costing from 100,000 to 200,000 dinars at least one engineer with 3 years of experience and a new graduate engineer or two foremen will be appointed; and for projects from 500,000 dinars to 1 million dinars, three engineers with at least three years experience and one new graduate engineer or two foremen will be appointed.

For projects costing 1 million dinars or more, a minimum of three engineers will be appointed, with specializations and experience to be spelled out in the terms of the contract, depending on the nature of the project and its specialization; and two new graduate engineers or a foreman, and an additional new graduate engineer will be appointed to every project costing 1 million dinars or part thereof for a maximum period of one year.

### **Consulting Sector**

One new graduate engineer will be appointed in projects costing 250,000 dinars to 500,000 dinars; and two engineers will be appointed to projects costing 2 million dinars; and three new graduate engineers of various specializations will be appointed to projects costing 2 million dinars or more for a maximum of one year.

The engineer in question will be nominated by the ministry for a period of one year, after which the trainee will be replaced by another new graduate.

Eng. Surur said these projects will create about 800 jobs for trained workers and 150 jobs for trainee engineers, and jobs for about 140 new graduate engineers. The ministry will create other job opportunities in projects during the year, depending on the number of bids for project implementation and on requests for project supervision. All in all, this will create job opportunities for 300 engineers and 60 foremen, which will bring the total of newly created jobs to 1,450 for engineers and foremen.

'Awni al-Sakit, the contractors' labor leader, called for the need for major industrial companies—such as the phosphate, cement, and potash companies—to contribute to this program by employing a larger number of unemployed engineers. He also called for compelling foreign contractors to employ Jordanian engineers in the projects they are implementing in the area. He also called for paying attention to the various export fields, in view of the jobs they create, especially in the contracting sector, which absorbs 18 percent of the local labor force.

Al-Sakit said that intensive contacts with sisterly Arab countries, especially Libya and Yemen, are underway to create jobs for unemployed engineers. A delegation consisting of a representative from each of the Ministry of Public Works and Housing, the contractors' union, the engineers' union, and from the consulting bureau will visit these countries after the end of the holy month of Ramadan.

Engr. Isma'il Baryush, doyen of engineers, said the aggravating unemployment problem among engineers is due to the large annual number of graduates, which reaches 1,500 engineers, and the return of many qualified engineers from the Gulf countries.

Engr. Baryush called on local industries to employ engineers relevant to their specialization; not just for the purpose of employing them, but also for maintaining the quality of their products. He also called for involving the concerned professional unions in drafting the education policy.

The conference was attended by Rashdan al-Rashdan, secretary general of the Ministry of Public Works and Housing, and Eng. Mahmud al-Madi, the ministry's assistant secretary for road affairs.

### Government To Assist Farmers After Storm Damage

[92AE0296A Amman AL-DUSTUR in Arabic 9 Feb 92 p 3

[Article: "Dr. al-Khasawinah: Proposed Fund Requires Collaboration of Government, Private Sector; al-Tawil: Recurring Frost Damaged 28,000 Dunnams of Bananas, Vegetables; Dr. Abu-Gharbiyah: It Is Up to Treasury To Finance Fund, But With Farmer Contributions"]

[Text] In the aftermath of floods that swamped some of Jordan's farmland in 1987, his royal highness Crown Prince Hasan called for the creation of an agricultural insurance fund to aid farmers victimized by natural disasters. That was perhaps the first such call in Jordan for such an enterprise, which would help farmers carry out their important role in society by assuring citizens of daily sustenance at suitable prices.

That was approximately five years ago. Since then, our farmers have suffered all sorts of natural disasters brought about by floods, erosion, gales, storms, pests, droughts, water shortages, and frost. And yet, that blessed call remained unrealized, therefore contributing (among other factors) to worsening the plight of farmers, and consequently aggravating our food shortage and preventing us from assuring a minimum of food security.

The problem is recurring this agricultural season, now that many farms have been hit by frost, especially in the lowlands. This foretells an adverse crop season that will primarily impact farmers and pocketbooks of citizens with limited means, who will find it difficult and burdensome to obtain their vegetables and fruits at bearable prices.

Thus, the government has decided to help farmers victimized by recent snowstorms and waves of frost by tapping Ministry of Agriculture appropriations for the reclamation of highlands. The government has also taken steps to make long-range soft loans available to those victims to finance livestock husbandry, construction, and farm equipment. Such measures were necessary in the absence of an agricultural insurance fund that would regularly provide suitable compensation for disasters that befall farmers. It is to be noted, meanwhile, that there is almost unanimous agreement that such a fund is needed.

### The Minister of Agriculture

Agriculture Minister Dr. Fayiz al-Khasawinah believes that an agricultural insurance fund to would help resolve the aforementioned problem has become an urgent necessity. He emphasizes that the Ministry of Agriculture is diligently working for the creation of such a fund through joint action by the government and the private sector. He added that an agricultural insurance fund must be established and must be operated on the basis of sound actuarial practices and accurate statistics. He pointed out that agricultural insurance is an important and separate segment of insurance on par with life insurance, auto insurance, fire insurance, risk insurance, etc.

#### Farmers' Union Director General

Muhammad al-Tawil, director general of the Farmers' Union, has strongly advocated the creation of a fund that would compensate farmers for crops damaged by natural disasters, to be financed fifty-fifty by both government and farmers.

Al-Tawil noted that Crown Prince Hasan's 1987 call for such a fund was followed by studies, working committees, and meetings; unfortunately to no avail.

Detailing his concept for financing the fund, he pointed out that farmers now pay out 6 percent of produce revenues—4 percent to middlemen and 2 percent to the central market. A portion of this 6 percent would be allotted to the fund. The government would contribute the remainder of fund requirements.

On Farmers' Union efforts to survey crop damage, especially in the lowlands, he said that it is doing so through joint action with the Ministry of Agriculture. He added that preliminary surveys of crop damage in the northern lowlands and half of the middle lowlands affirm that the lowlands were swept by waves of frost from 23 January to 30 January 1992, causing severe

damage to 4,646 dunnams of tomatoes, 9,090 dunnams of squash, 4,781 dunnams of eggplant, 6,709 dunnams of sweet potatoes, and 3,062 dunnams of bananas.

It is to be noted here that several agencies are working, with no coordination among them, on surveying frost damage to lowland crops. Joint action by the Farmers' Union and the Ministry of Agriculture aside, [surveys are being conducted by] committees of the Cooperative Organization, the Farmers' Authority, and the Ministry of Water and Irrigation, not to mention the press and the various media. This is causing difficulty and embarrassment to farmers, who have to contend with a multitude of truth seekers without any worthwhile benefit to themselves. It is also to be pointed out that there must be focused, concerted efforts to provide concerned agencies with needed funds and efforts by creating a joint commission, on which all concerned agencies would be represented.

### Dean of the College of Agriculture

Dr. Walid Abu-Gharbiyah, dean of the university's [of Jordan] College of Agriculture, emphasizes the need to create the agricultural insurance fund in order to assist farmers in face of natural disasters. He notes that the issue has been debated for a long time without resolution. He supports the Farmes' Union director's concept for financing the fund, concurring that funding should be partially provided by farmers, and the remainder underwritten by the treasury.

He believes that farmers contend with enough pressures and problems as it is, and that they need special nurturing, especially in tackling low productivity and faltering farm projects. He notes that farming is government-subsidized in both the developed and developing worlds, especially in Europe and the Americas, because of that sector's important role in the economic and political lives of all nations.

Commenting on previous proposals that crops be insured by insurance companies, Dr. Abu-Gharbiyah believes that this would not be feasible in our country, especially in view of the huge premiums that farmers would have to pay those companies. Such premiums would be beyond the ability of our farmers, who are generally poor. Moreover, farm crops in countries that practice this type of insurance are at a lesser risk than our crops.

There seems to be a consensus on the need for promptly bringing the agricultural insurance fund proposal to realization. Why don't all concerned agencies rise to bring this long-awaited proposal to fulfillment?

### Director of Free Zones on Expansion, Goals

92AE0296B Amman AL-RA'Y in Arabic 19 Feb 92 p 6

[Article by Ziyad al-[Shillah]: "Free Zones Authority Has Record Earnings. Investors Multiply, Traffic Increases; al-Qadah: Jordan Is Distinctive World Center Attractive to Arab, Foreign Capital; Free Zones To Be Created at al-'Aqaba, Sahab, and al-Shaydiyah To Propel Economic Development"]

[Text] Fallah al-Qadah, director general of the Free Zones Authority, emphasized that this year the authority intends to pursue all elements of success, growth, and investment. It seeks to develop a competitive investment climate by keeping up with new business demands, providing services, updating procedures, and correcting whatever shortcomings or imbalances may exist.

In an interview with AL-RA'Y on the Free Zones Authority's plans for the future, al-Qadah added that it seeks to attract more Arab and foreign capital. It will also seek to secure domestic capital, prevent its flight, and encourage its investment in commercial and industrial projects that would help develop Jordan and the free zones into a distinguished world center for commerce, industry, and services. The components for success and progress are more plentiful in Jordan than in other countries, he added. Jordan has the advantage of political, security, and economic stability, which instills confidence and assurance in Arab and foreign investors. Jordan, furthermore, enjoys an ideal climate and geographical location, and boasts the availability of skilled labor at reasonable wages, as well as modern services and public utilities. All that underlies the hope that Jordan's free zones will play an effective and positive role in propelling development and the national economy in the immediate future.

### **New Free Zones**

Al-Qadah reviewed this year's planned projects, the most important of which is the construction of new authority offices at al-Zarqa' in order to save effort and money and make it easier on investors. The authority's existing headquarters building at al-Zarqa' is to be used by customs, expediting companies, banks, and services. Another important project involves the creation of a private free zone at al-Shidiyah. That zone would serve the industrial community to be created there by certain Indian companies in a joint venture with the Jordan Phosphates Company.

This year the authority will also create of a special 13,500-dunnam free zone at al-'Aqaba, which would house a synthetic fertilizer complex and new industries planned at al-'Aqaba's industrial free zone by certain Japanese companies in a joint venture with the Jordan Phosphates Company. The local government, in coordination with the authority, has pledged 1,500 dunnams for that purpose. Steps will also be taken this year to attract industrial investment to the region. A Saudi company has applied to lease 400 dunams for a project that includes a slaughterhouse and a meat-canning facility with an export capacity of 120,000 heads of cattle and sheep. The project is capitalized at \$7 million.

The integration of the al-'Aqaba free zone will be assured through the construction of a permanent complex to house commercial activities of all types. A new 200dunam area in al-Zarqa' will also be paved and improved in order to meet mounting investment demand.

#### Legislative, Procedural Measures

Al-Oadah explained the legislative and procedural measures to be undertaken this year by the Free Zones Authority. He pointed out that new instructions on warehousing and investment have been issued to correct existing flaws in a manner commensurate with new work developments and in order to simplify procedures and make it easier on investors. The authority has likewise ratified new instructions on exchange services in the free zones and approved, in principle, a legislative amendment that would permit the sale of sites to superior long-range projects in order to develop and assure investor confidence. The authority has also approved the concept of a special corporate free zone registry that would assure a "single-door" policy towards investors and ascertain that their dealings are confined to the free zones alone. The Institute for Public Administration has also been asked to devise new flow chart and management systems for the authority and to study the feasibility of automating its operations. Preliminary steps towards implementation have already been taken.

#### **Administrative Procedures**

As to administrative procedures, al-Qadah pointed out that allocations have been appropriated to install a new computer system in the authority; to accept tenders for marketing and promoting Jordanian free zones in the domestic, Arab, and international spheres; to improve the quality of workers; and to publish an "investor's guide" to help merchant investors who deal with the free zones through general storage in the authority's public warehouses. He indicated that last year's actual current expenses were 770,954 Jordanian dinars, for an 11 percent savings over the 867,000 dinars budgeted. He explained that authority-generated revenues enabled it to underwrite new expansion and pay off most of its bonds and debt obligations. This year's budget appropriations will make it possible for the authority it to fulfill all its obligations.

#### **Incoming, Outgoing Goods**

Al-Qadah said that 825,719 tons of goods entered the free market last year, a 500-percent increase over 164,876 tons in 1990. Free zone exports to domestic markets and neighboring countries were calculated last year at 777,000 tons, for a 470-percent increase over 165,000 tons in 1990.

### Commercial, Industrial Investment

Al-Qadah surveyed last year's investment activity in the free zones, emphasizing that the number of new investors last year alone was almost equal to the number of investors since the creation of the free zones and until the end of 1990. The free zones now boast some 450 investors, he added.

Al-Qadah pointed out that new investors last year included 11 industrial investors, compared with only nine such investors until 1990. There were also 157 new investors in the commercial sector, compared with only 178 until 1990. Twenty-five new investors in the free automobile market compare with 91 by the end of 1990.

Al-Qadah underscored last year's expansion and achievements. 700 new dunams were fenced, 150 dunams were paved, and 10 new depositories were constructed at al-Zarqa', where 300 dunams were examined and improved. A customs yard has been equipped and is to be isolated from the free zone in order to assure expeditious operations and allow investors freedom and flexibility within free zone investment sites.

#### **Investment Activity**

Mr. Fallah al-Qadah, director general of the Free Zones Authority, said that last year the authority experienced a milestone in its development: increasing demand by domestic, Arab, and foreign investors; and distinctive and comprehensive activity in all fields of endeavor. These include commercial, industrial, and investment activity, as well as steps taken by the authority to meet increasing investor demand for free zone investments.

#### **Authority Revenues**

Al-Qadah emphasized that the authority set new records last year, with revenues of 3.73 million dinars, for an increase of 120 percent over 1990 revenues of only 1.675 million dinars. The number of new investors [last year alone] equalled the number of investors since the creation of the free zones until the end of 1990. Some 450 investors have so far leased investment sites or built industrial or commercial facilities.

### **LIBYA**

### Al-Qadhdhafi on UN's Embargo Measures

92ES0697A Milan EUROPEO in Italian 10 Apr 92 pp 6-14

[Interview with Libyan Leader al-Qadhdhafi by Pierre Laforet at Bab-Azizia; date not given: "Follow Me; Only I Can Save You"]

[Text] Embargo on military supplies; airlines blocked; expulsion of most diplomats from all UN nations. From 15 April (immediately after the end of Ramadan) Libya will be isolated, a nation cut off from the rest of the world. The tension, which grew dramatically over recent weeks, culminated in the 31 March decision by the UN Security Council after heavy pressure by the United States, Great Britain, and France. Another front has been dangerously opened in the already lacerated Middle East grid. Efforts by international diplomats, beginning with the nations of the Arab League, to delay the sanctions and head off the crisis were useless. The "Man of the Desert" flatly rejected the United Nations request to turn over the two Libyan secret agents. They were

allegedly responsible for the air attack in the skies over Scotland (21 December 1988, 270 dead) and in Nigeria (19 September 1989, 170 dead).

Libya is about to be strangled. And how does Colonel al-Qadhdhafi react to the "punishment" dealt him by the international community? By throwing back the challenge. He said it clearly in an exceptional interview with French newspaperman Pierre Laforet which EUROPEO publishes exclusively. The meeting took place in the military headquarters tent at Bab-Azizia. The colonel opened fire immediately.

[al-Qadhdhafi] The nations that decided on the embargo will lose face, certainly not Libya. Hundreds of businesses now operate on our territory: foreign companies, French, English, etc. About 2 million workers will be in trouble. The nations that provoked us and got a certain satisfaction will find that they probably lost many billions which, furthermore, Libya has available. There is no lack of plans. Some are being put into action. Others are being studied. And from now on we will no longer favor those who harm us. Even if we should suffer a short- or medium-term embargo, it does not frighten us. On the contrary. We could fall back on ourselves. Therefore I say clearly: It will be a boomerang for England and France. The United States, which is subtler in these matters, will turn its back on its new enemies [as published]. You know well that when the United States realizes that its private interests are at stake, it prefers to replace the old partners with more interesting ones. And that is what happened in Kuwait. England, France, and the other nations participated in the war. They were promised they would share in the reconstruction of Kuwait, but what happened in reality? When contracts were divided up, naturally American companies grabbed the more lucrative ones. Nothing was left to England and France but the right to honor their dead!

#### [Laforet] And what happened then?

[al-Qadhdhafi] Then, let us say it clearly, France, as did England after all, inherited the rancor of the Arabs. Yes, precisely rancor. The United States cut out the lion's share for itself. Its companies now accumulate billions. That is the game. In reality, the United States dreams of limiting the interests of France, Britain and other European countries. France now has the most suicidal policy. And I find it especially strange that the French people accept it.

[Laforet] What solution should be adopted?

[al-Qadhdhafi] At the moment, France takes orders from the White House, which does not care at all about the French people. I will say more. It would be easy to show that the French government laughs at the interests of the French people. The game is over. In any case, if France should change its policy toward Libya we could examine the possibility of improving our relations. But to permit a nation politically hostile to us to earn money is out of the question. So far we have been too easy on France,

Great Britain and other European nations despite political opposition to us. And companies of these nations, as I have said, continue to operate on our soil. Things cannot go on this way. Now politics and economics go hand in hand and those who benefit from our generosity are those who support our political cause. Those who are against us will be deprived of this "manna." I will add that I will not buy anything from a nation that is hostile to our cause. If it continues this way all Libyan markets will be closed.. We will prohibit the importation of goods coming from enemy nations. I launch this warning to the entire world and I am free, in the name of Libya, to make this decision.

### [Laforet] And what about England?

[al-Qadhdhafi] Conservative policy has ruined Great Britain, demolished the working class and transformed Englishmen into bums. The British government consists of "anarchists," of egoistic dictators and racists. This government detests Arabs. It hates Muslims. It commits outrages against Great Britain although it is the home of a marvelous civilization...And I certainly am not speaking of poor Mr Major!

[Laforet] A summit was planned to unite around the same table the five nations of the Arab Maghreb (Libya, Tunisia, Algeria, Morocco and Mauritania) and those of the western Mediterranean (Italy, France, Spain, Portugal and Malta). The goal was to establish the bases for collaboration between two blocs, north and south. However, following Algerian events, the summit was cancelled. Do you think a resumption of the dialog is possible?

[al-Qadhdhafi] This plan was sabotaged by the position the French administration took. I refer to the problem of Pan Am and the alinement of France with Great Britain and the United States.

[Laforet] Were you indignant about that?

[al-Qadhdhafi] Yes, it was like a slap in the faces of the other nations of the Arab Maghreb. France insulted them. Very, very seriously. Now France seeks to cooperate with them while it walks over our corpses. They believe the Arabs do not have any feelings and that they are fools incapable of analysis. Error. France dares ask for cooperation with the Maghreb while it sacrifices some of it populations. But there are still many elements that push all the the Maghreb nations to ally with Libya.

[Laforet] Do you believe the current elections in the United States can affect international politics?

[al-Qadhdhafi] Clearly, yes. Those elections are poisoning international political affairs. Bush, after all, cannot count on the support of all of his party. More than 30 percent of Republican voters do not support him. The specialists in American domestic affairs believe he will not be reelected easily. It is probable therefore that his communications experts are seeking

arguments that would drag a certain part of ultranationalist opinion into his camp. Information available to me permits me to forecast that the American president will seek to exploit a new attack against Saddam Hussein's Iraq and to damage my country and my regime with economic, strategic and political aggression. Election justifies all means. Even those that violate the people's freedoms and independence.

[Laforet] To what point would the embargo create difficulties for you?

[al-Qadhdhafi] I believe I have already expressed my views in that regard. Do you really believe the Kuwaiti citizens are satisfied with the destruction of Iraq? A few days ago I received a visit from two Kuwaitis. For them, a bomb that falls on Iraq or on Kuwait today is the same thing. Do you believe the Kuwait citizen who dies under bombs is different from the one who dies under bombs in Iraq? You are mistaken. The United States did not defend Kuwait, but more simply its own interests and its own oil. That is what Saddam explained to the people. Now the people know and despite the position we took at the time against Iraq, and in relation to Kuwait, we believe that following Iraq it will be Libya's turn and after Libya, Syria, and then Algeria and finally Egypt. The Arab people have become aware. And they believe the western leaders absolutely have no idea of the hatred they feel against them. They believe that when the Arabs applaud, it means they agree. They are mistaken!

[Laforet] Do you believe the religious fanaticism of the integralists is the motivating force for a fundamentalist hegemony?

[al-Qadhdhafi] Western tyranny against the Arab world certainly is not new. Muslim fundamentalists have long realized that this tyranny is expressed in permanent and generalized insults: against their traditions, their way of life, their culture. The west always has scorned Arab civilization and violated sacred territories. This cannot fail to unleash serious reactions. If you want, let us go back a little further in history. I know how much the name Mac-Mahon [as published] is celebrated in France. At the time of the First World War, during negotiations with the sharif of Mecca, Mac-Mahon could not get a finger into the Arab peninsula. The subject of negotiations was simply a ship, very little, therefore, compared with the western needs of that time. You know that according to our traditions no infidel can tread the sacred soil of the Land of the Prophet. You know what followed. Christianity was considered a branch of Hebrewism. This led to violations of territory and wars. It is not my interpretation of history. These are profound reasons that then led to antagonisms that seem irreversible to us today. These antagonisms are amplified, dusted off for electoral purposes by political adventurers. Go ahead, dump gasoline on the fire. The effect will be explosive. But the fire also is an abyss, and a religious abyss including that of fanaticism that cannot fail to oppose strong Christian nations.

[Laforet] What is your position on these events?

[al-Qadhdhafi] I have just granted an audience to some integralist leaders who addressed a request to me: Whether I would soon be able to ensure the "Holy War." They need a caliph (ed. note: caliph is the Prophet's successor, head of the entire Muslim community). Well, if I were to accept, the world would be in flames. It would split in two. On one side the Christians, on the other the Muslims. I begged them to be patient.

### [Laforet] Why?

[al-Qadhdhafi] I explained that we have not yet crossed the red line, but they insist, they want to go forward. If their demands were not checked they would cross the seas. The request put to me in such a pressing way is that Libya is a nation of the caliph and that caliph would be the successor to the Prophet. They are convinced that the frontiers of the Muslim nation are southern Europe, Sicily, Spain and part of Bulgaria. To listen to these leaders those are "occupied" territories and therefore the borders of the Ottoman and Andalusian state must be renewed. Personally, however, I believe it is inadmissible to think we can divide Italy and Spain. In this case it would be a real colonization of Europe. We know our frontier well. It is North Africa, and we plan to defend it. They, however, do not agree. They believe North Africa's independence cannot be guaranteed without adopting a radical position. The proofs they adduce seem, at least to them, evident and convincing. An example: They consider the Canary Islands "occupied" by Spain and they want to recover them. They are very nationalistic ideas, and that is not all. They would also want a Muslim "nation" in Algeria. Regarding Libya, there is no fundamentalist movement here. But I repeat: Others hope Libya would lead all the movement to avoid any western influence and any kind of colonization. It rebels against subservience to the west and any kind of subservience, cultural, political, or economic. In short we say that in their eyes Libya represents pure and hard integralism. I tried to prevent them from going further. I discuss and I keep them in check as much as possible.

I feel the entire world is under pressure. It is pulled from one end to the other, so to speak, and as always happens, when a rope is stretched too far it breaks. We Libyans were at the center of the conflict, the focal point of these opposing tensions. Now we feel the entire world is relaxing, the passions are cooling.

[Laforet] Don't you believe that different solutions than terrorism to solve political problems can be found? Is the practice of terrorism to solve political problems inevitable?

[al-Qadhdhafi] What you say is right. Be careful: Political problems exist that are the cause of all terrorism. If we want to control terrorism we must solve the political questions. Those of Palestine, for example, of the minorities, or of South Africa. Only then will terrorism end. It is impossible to suppress violence in occupied territories.

It is impossible. It is ridiculous to believe it is enough to demand an end to terrorism without solving political problems.

[Laforet] Do you believe the west can accept or understand your analyses?

[al-Qadhdhafi] I am not pressed for time. I am not a head of state. I read. I am a member of the Academy of Social Sciences. If invited I would be ready to move to give a series of conferences.

[Laforet] In the United States too?

[al-Qadhdhafi] Where is not important. When Ramadan ends I would not ask for anything better than to leave for the United States. I would go to whatever university invited me.

[Laforet] Would you answer all questions?

[al-Qadhdhafi] I am ready to answer everyone, even those who oppose me now.

[Laforet] Why this new attitude of availability?

[al-Qadhdhafi] Because I want them to understand; to demonstrate that the United States makes many mistakes and that its government permits them. That is why I would accept a tour of universities. The problem, if anything, is different. I fear they will find some pretext to answer "no." Surely they will say, "Your safety is at risk." But it is the task of all governments to make arrangements so that I can move about peacefully. It is important and necessary. Our world must turn to the "other world" with frankness and clarity, to exchange opinions.

[Laforet] Speaking of opinions do you believe in opinion polls?

[al-Qadhdhafi] I believe only in direct and popular democracy. Parliaments? They are a big joke. I continue to believe that one day the entire world will understand everything I said in my green book. What really counts is that the people can express their opinions. A referendum certainly represents a kind of democracy, but it cannot be used only once. If we want to be consistent this referendum must be held every month, every week, every day. That is why I believe in the People's Congress. For small groups. The people's congresses really represent the opinion of those who express them. Everyone can express his opinion. That way dictatorship is impossible and the people will govern themselves.

[Laforet] Do you believe that one day your country will possess an atomic bomb?

[al-Qadhdhafi] So long as I live, Libya will not manufacture an atomic bomb.

[Laforet] And what if you were prohibited from doing so?

[al-Qadhdhafi] It would be stupid even to imagine that. No one has the right to prohibit anyone from doing anything in that field. Anyone can build an atomic bomb. If we had wanted to, it would have been enough to make all Libya's funds available to the project. We could invest billions. But Libya is not so foolish as to believe in wasting its money to build the atomic bomb. Instead we spend billions to conquer the desert, to further industrial progress, to advance agriculture, the education of the people, protection of the environment, medical research for aids...

[Laforet] In practice, could you buy anything you want? Would you be able to get an atomic bomb?

[al-Qadhdhafi] Yes. But I repeat: It would be stupid to spend money for the atomic bomb.

[Laforet] Let us discuss the "Pan Am affair." What is your role? Is there now any aspect of the investigation that the public is not aware of? Do you have revelations to make? What?

[al-Qadhdhafi] I have never told anyone what I am about to reveal to you today. A dossier commissioned by Pan Am exists. It was drafted by American investigators (ex-CIA agents) who were able to investigate all aspects of the case. The investigation started from zero. As I said, it was commissioned by the American airline that is now bankrupt. We obtained it for a simple reason. Pan Am could not pay the fee the American investigators wanted. That is why we bought it.

As soon as I received it I sent it to Mr Bush whom I trust. He never answered me. Perhaps he did not have time to go through it because he is involved in the election campaign. I do not doubt that the president is influenced by the attitude of members of his staff who want to make him believe that Libya is responsible. We know who planned the attack. Our country is completely outside of it. It is a shame that at the Security Council no mention was made of the contents of this unquestionable and objective investigation or even of the existence of the dossier. The families of the Lockerbee drama victims are convinced Libya was chosen as the scapegoat. They do not want anything but the truth; they do not want political considerations to hide the truth.

[Laforet] But can the families of the victims see this dossier?

[al-Qadhdhafi] Yes, naturally.

[Laforet] How?

[al-Oadhdhafi] I will send it to them.

[Laforet] Then the truth exists somewhere?

[al-Qadhdhafi] Yes.

### SAUDI ARABIA

Center, School for Strategic Missiles Opened 92AE0291A Riyadh AL-RIYAD in Arabic 1 Mar 92 pp 1, 18

[Excerpts] Riyadh, Saudi News Agency—His Royal Highness, Second Deputy Prime Minister, Defense and Aviation Minister, and General Inspector Prince Sultan Ibn-'Abd-al-'Aziz, arrived in Riyadh yesterday evening from Wadi al-Dawasir after having presided over the graduation of a number of classes from the Strategic Missiles Force Center and School, and after having inspected military sectors in the area. [passage omitted]

Late yesterday afternoon, his excellency was at the inauguration of the Strategic Missiles Force Center and School. His excellency cut the ribbon to open the center. [Passage omitted]

After arriving at the briefing room, his excellency heard a brief explanation of the projects being carried out by the Strategic [Missiles] Force in the area. He then toured the parade field, where the missile force executed a practical application, which won the admiration of his excellency and those in attendance. [Passage omitted]

The results were then announced. The success rate in the commanders' course was 100 percent. The general success rate for the same course is 87.4 percent.

The success rate in the initial basic course for officers was 100 percent. The general success rate for the same course is 89.66 percent.

His excellency then presented a gift in honor of retired Brigadier General 'Abd-al-Rahman al-[Hafzi]. The force's commander then had the honor of presenting the force's shield as a gift to his excellency. [Passage omitted]

His excellency, and those accompanying him, then inspected the Strategic Missiles Force Center and School hospital, which is considered one of the most modern hospitals in the armed forces.

The hospital has 100 beds, and rooms for intensive care, otolaryngology, and cardiac surgery.

Challenges, Opportunities for 1992 Economy 92AE0300A Al-Shariqah AL-KHALIJ in Arabic 1 Mar 92 p 12

[Article by Dr. Henry 'Azzam, chief of the Economic Office, National Commercial Bank, Jiddah: "Horizons, Challenges of Saudi Economy for 1992"]

[Text] The economic horizons of Saudi Arabia look promising for 1992. This optimism centers on evidence that indicates the possibility of improvement in local economic activities. This evidence includes the continuing rise in prices of Saudi shares, since this rise exceeded 80 percent in 1991; the state's expansionist budget for 1992; the lowering of interest rates on the

Saudi riyal; the revival of consumer spending; and the growing confidence of businessmen in the improving economic conditions. In 1991, the gross domestic non-petroleum product rose 7.2 percent, after having achieved 11.8-percent growth in 1990, and 2.7-percent growth in 1989. This growth is attributable to the growing expenditures by the government and private sectors. This growth is also expected to continue without interruption this year.

Among the evidence for improved growth of non-oil sectors is the expansion achieved by the industrial sector, as it recorded a growth rate of 9.1 percent during 1991. This sector is expected to follow up on its gain this year, resulting from expansion in oil refineries, petrochemical projects, and other activities, which are either in implementation or being planned. The agricultural sector's growth is also expected to continue, after having achieved a growth rate of 7 percent during 1991. Contractors are looking at several opportunities in the construction sector. Bids are expected to be offered for economic activities in the government and private sectors. These activities were either in civilian areas, such as municipal services, water, transportation, and communications; or in the field of defense-sector services. The latter has been expanding significantly, which has caused contracting firms to take on greater importance.

With regard to the kingdom's banking sector in 1991, it achieved good results, reflected in their increasing assets and increased profits. Moreover, some of them increased their capital to absorb the expansion of their services. The financial institutions benefitted from the revival that occurred in all aspects of commerce and industry, especially financing the burgeoning import and export operations, offering loans to the government and public sector organizations and, in addition, increased consumer purchasing power. All of these were positive indicators of banking performance. Part of the large allocations, which have been set aside in prior years for debts that might be difficult to collect, has been added to profits, since part of these earnings are current loans. Moreover, the surplus local liquidity which, in the past, mostly found its way outside the country, has now found a greater attraction here that ensures its use domestically. On the other hand, a number of corporations have begun to finance their own expansion plans through issuing new shares, while the Saudi Arabian Monetary Authority [SAMA] has created a system of multi-issues for treasury bonds, for the purpose of providing new investment fields to absorb surplus local liquidity and strengthen the government's financial channels.

In 1990, the kingdom's trade deficit declined to \$4.1 billion, compared with 1989's deficit of \$9.2 billion. It is expected that this deficit will register a slight increase in 1991, reflecting the bulk of Gulf war costs that the kingdom has borne. An improvement is expected in the state's general financial situation this year, after the squeeze during the past two years. This improvement will result from completion of expenditures connected with the Gulf crisis. Continuation is also anticipated for

the newly-established initiative—represented by certain public sector organizations that enjoy considerable self-independence—to finance their own expansion plans by relying on local and international money markets. Perhaps one point of weakness this year lies in the oil sector, where it has become evident that the world oil market is approaching a period of regressive pricing, in view of its need to absorb the gradual return of Kuwaiti and Iraqi oil to markets, through a balanced lowering of production quotas by all OPEC oil-producing nations.

The easing of the Gulf crisis has had a positive effect on Saudi Arabia's international status, strengthening its credit position and lowering the risks of doing commercial and investment business there. A number of new developments have come together in the international equation to help improve the political climate in the Gulf region and the Middle East, including the most important of these developments: the creation of a new world order, the collapse of communism in the Soviet Union and Eastern Europe, and the ongoing peace process negotiations in the Middle East region. During the past 18 months, the kingdom has witnessed the return of large amounts of funds seeking rewarding investment opportunities, after having seeped abroad during the crisis. This return of funds coincided with the rise in share prices, improved real estate prices, and the revival of local demand, all of which is positive evidence of the growing confidence of consumers and businessmen in the kingdom's improving economic activities in 1992.

### Oil Sector

The oil sector constitutes the backbone of economic development in Saudi Arabia, in view of its major role in exports and budget revenues. Despite the contribution of the oil sector to the gross domestic product, which was no more than 24 percent in 1989, this percentage does not represent this sector's true importance, because it contributes indirectly through other sectors, especially through the government sector. The reason is that most of the expenditures in the general budget are financed from oil revenues. In addition, the oil sector contributes indirectly to economic activities related petroleum, such as mining, industry, and construction. In the aftermath of the Iraqi invasion of Kuwait in 1990, crude oil prices escalated in world markets, reaching an average price per exported barrel of Saudi oil of \$20.03 in 1990, an increase of 28 percent compared with the 1989 average.

In the second half of 1990, Saudi Arabia increased its crude oil production to 8 million barrels per day [bpd] to compensate for the market's loss of Kuwaiti and Iraqi oil exports. The rise in average price coincided with increased production levels, and produced increased oil revenues for the kingdom of approximately \$40 billion. That was 66 percent more than the 1989 figure. Increased production continued during 1991, reaching 8.5 million bpd by the end of that year. One should note that increasing production by 28.6 percent overcame the reduction in the price per barrel of Saudi exported oil,

which dropped 17 percent (from \$20.03 per barrel in 1990 to \$16.78 in 1991). This resulted in a rise of total profit from oil exports in 1991 to \$45.65 billion. The upshot was the kingdom's increased share of world oil production from 7 percent in 1987 to 13 percent in 1991. Of OPEC production, the share rose from 23 percent in 1987 to 35 percent in 1991.

Saudi Arabia has begun to implement its proposed plan to raise its production capacity from 8.7 million barrels in 1990 to 10 million bpd by 1995, at a cost of \$17 billion. Under this plan, production capacity during 1992 is expected to reach 9 million bpd. It is likely that the market will be able to absorb the increased Kuwaiti and Iraqi oil production next year, which is estimated at 1.5 million bpd. (On average, about 1 million bpd for Kuwait and .5 million bpd for Iraq). However, this increase might lead to a drop in prices in world oil markets. With the expectation of increased growth for the world economy in the second half of this year, the world's demand for oil is expected to increase to 66.8 million bpd, a rise of 500,000 bpd over 1991.

It is anticipated that the production of non-OPEC oil countries will drop to 40.6 million bpd, compared with 41.3 million bpd last year. Most of this decline can be attributed to reduced oil production of former Soviet Union countries, since those countries' production is expected to drop about 1 million bpd in 1992. This drop will equal the decline registered in 1991. Therefore, it is anticipated that demand for OPEC production will increase in 1992 to an average of 24 million bpd, compared with the 1991 daily demand of 23.4 million barrels.

It goes without saying that this increase in demand for OPEC oil, estimated at 600,000 bpd, if it is accompanied by a decline in member nations' production commensurate with the production quotas of each, will guarantee absorption of the return and gradual increase of Iraqi and Kuwaiti oil in the world oil market.

In this context, Saudi Arabia will be in a position to keep its 1992 production average within the bounds of 7.8 million bpd, i.e., approximately 5 percent or 400,000 bpd less than its average production last year. In terms of prices, it is anticipated that the average price per barrel from the basket of OPEC oil will drop from the \$18.65 of 1991 to \$16.50 for this year. Consequently, the price per barrel of Saudi exported oil is expected to be an average \$14.80, a drop from the average \$16.70 per barrel in 1991. While exports of crude oil are expected to total 6.25 million bpd, refined exports and liquified natural gas products are expected to increase slightly over what they were in 1991, so that gross exports of oil, refined products, and liquified natural gas will reach an average of 7.6 million bpd in 1992.

### Revenues and Expenditures

The 1992 general budget was announced at 181 billion Saudi riyals (\$48.3 billion). That is an increase of 27 percent over the 1990 budget, which was set at 143

billion riyals (\$38 billion). A budget was not enacted for 1991, because of the difficulty in estimating oil revenues for that year and the costs of the Gulf war. However, monthly expenditures were made on the basis of budget allocations for 1990. Actual expenditures for 1990 and 1991 totaled 472.4 billion riyals (\$126 billion), which exceeded the total 1990 budget and the presumed 1991 budget by 65 percent. The difference between the actual numbers for the past two years was 186.4 million riyals (\$49.6 million) and resulted from additional Gulf war expenses. Clearly, most of the war's financial burden has now been completed, but a clear accounting has not yet been given about how to finance this amount. However, part of it has been covered by the higher oil revenues during the past two years and by borrowing from the kingdom's domestic market and the international market.

The 1992 budget anticipates that income this year will reach 151 billion riyals (\$40.3 billion), although there will be a deficit of 30 billion riyals (\$8 billion), compared with 35 billion riyals (\$9.97 billion) in the 1990 budget. Despite the fact that the total expenditure of 181 billion riyals in the 1992 budget is less than the actual expenditures for the last two years (236 billion riyals annually), this year's budget continues the kingdom's expansion, as compared with the 1990 budget, and is considered the largest budget since 1985-1986. The 1992 budget is expected to support Saudi Arabia's recent strong economic growth.

### **Industrial Sector**

The state's policy, which is based on diversifying the economic foundation and increasing participation by the Saudi workforce, has resulted in giving the highest degree of preference to developing the industrial sector over the past few years. This has helped to increase this sector's contribution to the gross domestic product from 7.1 percent in 1983 to approximately 10 percent in 1990. From 1988-1990, the added value in the industrial sector rose by an average of 8 percent. This was primarily attributable to increased petrochemical production and improved economic activity during those two years. Growth rates continued to rise in this sector during 1991, reaching 9.1 percent. The five-year plan (1991-1995) is aimed at achieving an annual growth rate of 7.8 percent in the industrial sector, relying primarily on increased private sector investment. Because investment financing requirements in this sector during the plan are estimated at 43.8 billion rivals, the private sector is expected to invest 28.5 billion riyals. The remaining funds should come from government and public sector firms. The industrial sector is expected to attain a very good growth rate this year, possibly reaching 10 percent.

### Financial and Banking Sector

Saudi Arabian banks had a good year in 1991, registering improvement in all budget items and a good rise in profits. The banks will continue to benefit from economic prosperity and commercial business, especially in

financing foreign trade operations and granting loans to public sector organizations. The expectation is that banks will reconsider—positively—granting loans to the construction sector, as well as concentrating on providing banking services to individuals. The growth rate in the financial, banking, and business sector is expected to reach 7 percent this year, in the wake of the obvious revival that occurred in this sector in 1991.

In conclusion, there is no doubt that economic considerations and available opportunities this year will be better than those that prevailed before the Gulf war. This has encouraged businessmen to take expansionist steps. in order to profit from this escalating economy. The requirements of the Gulf crisis have heavily burdened the government during the past two years. However, these financial burdens have now been lifted, and it is expected that domstic production outside the oil sector will achieve a growth rate of 6.4 percent this year, while it is likely that the oil sector will have a negative growth, because of the expected decline in oil prices and production levels compared with the kingdom's high levels in 1991. This might lower the gross domestic product's growth rate to 3 percent in 1992, compared with 6.6 percent in 1991 and the 18 percent growth rate achieved in 1990. From the fiscal perspective, the only disquieting note is that a deficit has occurred in the state's general budget for the tenth consecutive year. If this budget deficit continues during the nineties, it is conceivable that domestic debt service requirements will escalate and weaken the process of achieving a balanced budget in the future.

**Shaykh's Book Probes Secular Influence on Islam** 92AE0291B Jiddah AL-MADINAH in Arabic 27 Mar 92 p 9

[Review by Mansur Dabbab of book al-'almaniyah: nasha'tuha wa tatawuurha wa 'atharuha fil-hayah al-islamiyah al-mu'asirah (Secularism: Its Genesis, Development, and Effects on Contemporary Islamic Life) by Safi Ibn-'Abd-al-Rahman al-Hawali, published doctoral dissertation]

[Text] "Secularism, Its Genesis, Development, and Effects on Contemporary Islamic Life," [by Shaykh Safi Ibn-'Abd-al-Rahman al-Hawali] is the title of a dissertation submitted to obtain a doctoral degree at Umm-al-Qura University in Mecca. The author subsequently published his dissertation.

The shaykh begins his book with an introduction that presents his reasons for selecting this subject, which are:

1. Many intellectuals and ordinary people do not understand the true meaning of this deceptive reform. Despite the stagnation that has begun to afflict other schools, such as communism and socialism, after the masses uncovered the truth about them, secularism's shares remain high, regardless of whether it is called secularism

or is subsumed by such slogans as "democracy," "religion belongs to God, and the country belongs to everyone," or "there is no religion in politics, and there is no politics in religion."

2. Contemporary Islam is afflicted by the correlation between secularism as a conscious, alien idea and the removal of religion as a guiding force in life.

The author defines "secularism," stating that [although its Arabic equivalent contains the Arabic linguistic root meaning "science,"] it is in no way related to "science" or its derivatives. The correct meaning of this word is "irreligiousness" or "temporalness."

The book is divided into five chapters:

Chapter 1 is entitled "The Religion of Europe, From Which Europe Deviated Into Irreligion [al-ladiniyah]."

Chapter 2 is entitled "The Causes of Secularism." This chapter is devoted to the direct causes of secularism, which are: ecclesiastical tyranny, the conflict between church and science, the French Revolution and the role of the Jews in it, and Darwin's theory of evolution.

Chapter 3 is entitled "Secularism in European Life." This chapter is divided into six sections, which pertain to secularism in government and politics, the economy, science, social life and morals, and literature and art. In chapter 3, the author discusses European literary trends, such as: neoclassicism and romanticism, and their depiction of the flight of their idealism; the deification of nature; realism, its genesis, goals, and artistic characteristics; and the contemporary literary trend of absurdism and its social and intellectual effects and major trends, which are anarchism (examples are presented) and the loss of identity [i.e., life in essential isolation] (literary examples are presented).

He then presents brief examples of contemporary schools of perdition, such as existentialism, symbolism, surrealism, nihilism, etc. ["]What remains of religion["] is a general compliment to the chapter. It focuses on judgment day or hour and explains the failure of the churches and how they have become afflicted by modern sources of corruption.

Chapter 4 is entitled "Secularism in Islamic Life." This chapter is divided into two large sections. The first section deals with the causes of secularism in the Islamic world. The two main causes are the Muslims' deviation, and a Jewish and Crusader plot. The second section, which deals with manifestations of secularism in Islamic life, is divided into three parts concerning secularism in government and legislation, education and culture, and in social life and morals.

Chapter 5 is entitled "The Rule of Secularism in Islam." This chapter, the book's concluding chapter, is divided into two sections entitled: "Is Secularism in the Islamic World Justified?" and "The Rule of Secularism in Islam."

This book is an important Islamic work in the area of intellectual schools and a valuable resource for any contemporary Islamic library. The author of this dissertation obtained a doctorate with distinction and top honors. May God reward him and give him a generous reward in this life and in the hereafter.

### Emir Salman Requests Donations for al-Aqsa Mosque

92AE0284B London AL-SHARQ AL-AWSAT in Arabic 26 Mar 92 p 4

[Text] Riyadh, Saudi News Agency—Emir Salman Ibn-'Abd-al-'Aziz, the governor of Riyadh Province, and the chairman of the Popular Committee to Aid the Holy Warriors [mujahidin] of Palestine, called upon citizens and residents in the Kingdom of Saudi Arabia to hasten to contribute to the Jerusalem Fund "to protect the Muslims' holy places in exalted Jerusalem from obliteration, until God inspires everyone to liberate Jerusalem and free it from the talons of the Zionist occupation."

In making this call, Emir Salman also said: "Muslims first turned toward Jerusalem when praying [before Mecca became the direction in which Muslims pray]. It is the third holiest site in Islam, and the point of departure for the midnight journey to the seven heavens of God's Prophet [al-masra], may God bless him and grant him salvation. Because of what the blessed al-Aqsa Mosque has been subjected to and threatened by since the Israeli occupation of Jerusalem, we Muslims are enjoined to strive to protect al-Aqsa Mosque from iniquitous Zionist dangers, which aim to destroy and obliterate it, build on its ruins the so-called temple of Solomon, peace be upon him, and obliterate other Islamic landmarks and holy places."

Emir Salman stated that the Islamic Conference Organization [ICO] has established a Jerusalem Fund, to "furnish the necessary funds to provide for the Islamic Religious Endowment [waqf] in Jerusalem in general, and al-Aqsa Mosque in particular." He emphasized the place of al-Aqsa Mosque in the hearts of Muslims throughout the world, reciting a noble saying of God's Prophet, may God bless him and grant him salvation, who said: "Set out for only three mosques, the Holy Mosque in Mecca, this mosque of mine [in Medina], and al-Aqsa Mosque."

He stated that a payment for mosques and religious endowments is "an payment in the service of God, and a channel for performing the almsgiving [zaka'] prescribed in Islamic law, good deeds, and acts of piety and charity, in addition to fulfilling the Islamic injunction to protect and maintain the holy places. In a related development, Emir Salman received a generous contribution of 20 million Saudi riyals from Emir al-Walid Ibn-Talal Ibn-'Abd-al-'Aziz, and a contribution of 1.75 million riyals from the sons of 'Ali Muhammad al-Hamrani, both of which are designated for a number of welfare societies in Saudi Arabia.

Emir Salman expressed his appreciation to Emir al-Walid Ibn-Talal and to the sons of the 'Ali Muhammad al-Hamrani, asking God almighty to count their generosity as a good deed. He urged prosperous and charitable people to help their brothers by doubling wages in this noble month [of Ramadan] and to bring joy and happiness to the needy.

### Abar, Zayni Invests \$265 Million in Chile

92AE0300B London AL-SHARQ AL-AWSAT in Arabic 21 Mar 92 p 9

[Article by Muhammad Fahd al-Harithi: "Abar, Zayni Purchase Large Plantations in Chile, in Deal Worth 1 Billion Riyals"]

[Text] The Abar, Zayni Group has concluded a huge commercial deal, acquiring large plantations in the South American country of Chile. These farms have a total area of 15,000 hectares.

AL-SHARQ AL-AWSAT has learned that the total investment in this agricultural project was 1 billion Saudi riyals (\$265 million). The project includes fruit orchards (grapes, cherries, apricots, and peaches) and a large packing facility. The produce from these farms will be earmarked for Saudi and Gulf markets. The Abar, Zayni Group owns considerable acreage, including some under long-term leases.

Khalid Zayni, a member of the group's board of directors, indicated that Chile was chosen for several reasons, but mostly because of its climate. He said: "Our diverse investments in a number of countries of the world insure that we can provide the Saudi and Gulf markets—over the course of the year—with all types of fruit and agricultural produce. Therefore, we ensure that the Saudi Arabian market has fruit throughout the year."

Abar, Zayni, which is one of the largest firms specializing in the agricultural field in Saudi Arabia, owns apple orchards in the United States and farms in southeast Asia. The group is presently planning to buy banana plantations in one of three possible countries: Indonesia, Malaysia, or the Philippines. This decision was made after their farms in Somalia, totaling about 10,000 hectares, were damaged as a result of the recent incidents there.

The decision-making process for agricultural projects rests—in the first palce—on climatic factors. This causes the group to diversify their agricultural investments in various areas of the world, according to a statement by a responsible source in the group.

The Abar, Zayni Group follows a policy of integrated activities for investment projects. The group owns and operates the plantations, and transports the produce on its own ships. It has six ships that fly the Saudi flag, and leases six others for the same purpose.

In Saudi Arabia, the group has huge cold-storage facilities, the largest in the Middle East, to receive the fruit and vegetables. These refrigerated facilities are located in Jiddah, Riyadh, Dammam, the United Arab Emirates, and Bahrain.

In accordance with the same integrated policy, the group has established a chain of commercial complexes (supermarkets), whose marketing is partially managed by the group. They are called "al-Najmah [Star] Markets". The group currently supplies 40 percent of the Saudi market's requirements of refrigerated foodstuffs, with an estimated value of 1 billion riyals annually.

Abar, Zayni is actively interested in food-processing industrialization, and is currently studying the establishment of three light industrial plants, which are expected to be operational next year. In this regard, the group owns a dairy plant, a fruit juice plant, a candy factory, and another for yeast. In addition, it has a wheat farm in al-Qasim and an egg farm in Wadi Fatimah in Jiddah.

Zayni stated: "Our experience in industry has been successful and very profitable. This has provided the incentive to expand industrially in the field of food processing."

### **Fishery**

Furthermore, the Abar, Zayni Group has added to its circle of 32 companies a new firm specializing in fishing and marketing fish: the Arab International Company for Fishing and Fish Marketing. It is capitalized at 3 million riyals. The company will establish a fish-breeding farm close to the Jizan area of southern Saudi Arabia. Furthermore, the company has bought eight fishing vessels and plans to cover part of the Saudi market's requirements. This will form the beginning of a nucleus of large-scale expansion over the next three years, according to an informed source in the company.

With this project, the Abar, Zayni Group is expanding its fish-marketing activities, following the success of its fish-breeding farm in the Wadi Fatimah area of Jiddah. This farm specializes in Tilapia fish, and its positive results encouraged the group to expand with its new company.

The history of the Abar, Zayni Group goes back 50 years to Mecca, with a partnership between 'Abdallah Abar and Ahmad Zayni, which started with dealing in groceries, kerosene for lamps, and wood. Since that time, the firm has expanded, and today it is one of the giant food merchants in the region. This is in addition to its activities in maritime shipping agencies, commercial agencies, petroleum products, and oil transportation, with sales valued at \$.5 billion annually.

### Import, Export Summary by Product, Country 92AE0284C Jeddah 'UKAZ in Arabic 20 Mar 92 p 8

[Analysis by Jamal Amin]

[Text] If a country's trade balance is an accurate measure of its economic strength, and if the trade balances of most developing countries are characterized by perpetual deficits reflecting imbalanced economies, it could be said that the kingdom's large trade surplus (40.6 billion riyals in January-September 1991) reflects the precision and productivity of its economy, whose foundations were laid by the custodian of the two holy places, King Fahd Ibn-'Abd-al-'Aziz, may God protect him.

Moreover, the 24-percent growth rate of the surplus during the said period, which is substantial by any measure, is the greatest indication that the surplus stems from sound economic plans and rational development policies, rather than chance or rare luck.

How was this achieved? An answer is provided by a quick perusal of a number of documents issued by the General Statistics Agency in the Finance and National Economy Ministry concerning statistics on Saudi foreign trade earnings in the first, second, and third quarter of 1991.

#### **Exports**

Saudi exports during January-September 1991 totalled about 130.8 billion Saudi riyals, compared to 102.8 billion riyals in January-September 1990, an increase of 28 billion riyals, or 27.25 percent.

Non-oil exports constituted 8.55 percent of all Saudi exports during January-September 1991, totalling 11,186 billion riyals, compared to 11,421 billion riyals in January-September 1990. A look at export activity during January-September 1991 shows the following:

1. In the first quarter of 1991, Saudi exports totalled 40.5 billion riyals, an increase of 11.2 billion riyals or 38 percent compared to the first quarter of 1990.

This increase is attributed to increases in the value and quantity of oil exported. During the first quarter, 612 million barrels were exported, compared to 425.9 million barrels in the first quarter of 1990. The value of these oil exports was 37.4 billion riyals, compared to 25.4 billion riyals in the first quarter of 1990, a 47-percent increase.

Non-oil exports dropped by 18.9 percent in the first quarter of 1991, to [slightly] more than 3.1 billion riyals, compared to 3.8 billion riyals in the first quarter of 1990. They are distributed as follows:

- Chemical and plastic products totalled 2,389 million riyals [in the first quarter of 1991], compared to 2,019 million riyals [in the first quarter of 1990];
- Non-precious metals totalled 172 million riyals;
- Transportation equipment totalled 114 million riyals;
- Agricultural products totalled 100 million riyals;
- all other exports totalled 346 million riyals.
- 2. At the end of the second quarter of 1991, Saudi exports totalled 41.7 million riyals, compared to 25.8

billion riyals [in the second quarter of 1990], which is an increase of 15.9 billion riyals or 61.4 percent.

This increase is attributed to an increases in the value and quantity of oil exported. During this quarter, 655 million barrels were exported, compared to 418.9 million barrels in the second quarter of 1990. The value of oil exports in the second quarter of 1991 was 38.3 billion riyals, compared to 21.8 billion riyals in the second quarter of 1990, a 75.3-percent increase. non-oil exports totalled 3.4 billion riyals during the second quarter, compared to 3.9 billion riyals during the second quarter of 1990. Non-oil exports and their values are as follows:

- Chemical and plastic products, 2.1 billion riyals;
- Non-precious metals, 186 million riyals;
- Electrical appliances, tools, equipment and their components, 173 million riyals;
- Agricultural products, 127 million riyals;
- Other exports, 759 million riyals.

3. Saudi exports continued to grow in the third quarter of 1991, totalling 48.5 billion riyals, compared to 47.6 billion riyals in the third quarter of 1990, an increase of 923 million riyals or 1.9 percent.

Non-oil exports during the third quarter totalled 4.7 billion riyals, which is a substantial increase of 29.7 percent [compared to the third quarter in 1990]. Their values were as follows:

- Chemical and plastic products, 2.3 billion riyals;
- Non-precious metals, 0.39 billion riyals;
- Transportation equipment, 0.26 billion riyals;
- Electrical appliances, tools, equipment and their components, 0.37 billion riyals;
- Other exports, 1.2 billion rivals.

#### **Imports**

Available statistics indicate that Saudi total imports in January-September 1991 totalled 78.86 billion riyals, compared to 66.2 billion riyals in the same period in 1990, an increase of 12.6 billion riyals or 19 percent.

An analysis of imported goods during January-September 1991 according to type shows the following ranking of imports, their total values compared to 1990, and the percentage of increase that occurred between January-September 1991 and the corresponding period in 1990:

- Electrical equipment and appliances, 15,074 billion riyals compared to 10.6 billion riyals, a 42.67-percent increase;
- Food, 10.5 billion riyals compared to 9.2 billion riyals, a 14.1-percent increase;
- All other imported commodities, with a value of 16.7 percent [of the total value of Saudi imports];
- Communications equipment, 8.8 billion riyals, a 21.5-percent increase;
- Imports of vehicles and vehicle parts, 7.6 billion rivals, a 52.3-percent increase;

- Imports of iron and iron products, 6.972 billion riyals, a 42.7-percent increase;
- Chemical products, 6.97 billion riyals, a 14.28-percent increase.

Imports of fabric, clothes, gold, jewelry, gems, and pharmaceuticals dropped by 2.07 percent, 3.09 percent, and 4.33 percent respectively. Imported fabric totalled 6.121 billion riyals. Imports of gold, jewelry, and gems totalled 5.03 billion riyals. Pharmaceutical imports totalled 1.76 billion riyals. Finally, imports of wood and wood products totalled 1.13 billion riyals.

### **Historical Development**

If we track the development of imports during each of the first three quarters of 1991, the following becomes clear:

- Imports during the first quarter totalled 20.4 billion riyals, an increase of 2.5 percent compared to the first quarter of 1990.
- Imports increased by 13.7 percent to total 25 billion rivals during the second quarter of the year.
- In the third quarter, imports increased by 37.2 percent compared to the same period in 1990.

### The Main Exporters

The following is a list of countries which exported to Saudi Arabia in January-September 1991. The countries are ranked in descending order of the value of their exports to the kingdom.

- United States: 15.8 billion riyals, including 4.09 billion riyals in the first quarter, 5.4 billion riyals in the second quarter, and 6.3 in the fourth quarter;
- Japan: 10.03 billion riyals, including 2.8 billion riyals in the first quarter, 3.2 billion riyals in the second quarter, and 3.9 billion riyals in the third quarter;
- England: 9.5 billion riyals, including 2.1 billion riyals in the first quarter, 2.2 billion riyals in the second quarter, and 5.2 billion riyals in the third quarter;
- Germany: 6.2 billion riyals, including 1.6 billion riyals in the first quarter, 2.06 billion riyals in the second quarter, and 2.5 billion riyals in the third quarter:
- Switzerland: 4.55 billion riyals, including 1.1 billion riyals in the first quarter, 1.76 billion riyals in the second quarter, and 1.68 billion riyals in the third quarter;
- Italy: 3.75 billion riyals;
- France: 3.1 billion riyals;
- South Korea: 2.2 billion riyals.

Imports from each of the Netherlands, Belgium, Taiwan, and the People's Republic of China totalled less than 1 billion riyals.

Main	Exporters t	o Kingdom,	Jan-Sep 1991
	(in bil	lions of riva	als)

Country/Period	First Quarter	Second Quarter	Third Quarter	Total	
The United States	4.092	5.435	6.301	15.828	
Japan	2.813	3.285	3.936	10.034	
England	2.135	2.176	5.202	9.513	
Germany	1.615	2.068	2.541	6.224	
Switzerland	1.108	1.762	1.688	4.558	
France	1.056	0.938	1.109	3.103	
Italy	0.936	1.114	1.523	3.573	
South Korea	0.553	0.643	1.003	2.199	
The Netherlands	0.477	0.503	<del>-</del>	0.866	
Belgium	0.397	0.469	· <del>_</del>	0.866	
Taiwan		_	0.756	0.756	
PRC		_	0.737	0.737	

Source: Foreign Trade Statistics Publications, Miscellaneous Issues

### Saudi Imports, in Order of Descending Value (in billions of riyals)

Commodity Group/Period	1991 (Nine Months)	1990 (Nine Months)	Development (percent)
Electrical Appliances and Equipment	15.074	10.565	42.67
Food	10.498	9.200	14.1
Other Commodities	9.243	7.923	16.66
Communications Equipment	8.843	7.279	21.48
Cars and Car Parts	7.609	4.994	52.36
Iron and Iron Products	6.972	5.991	42.67
Chemical Products	6.970	6.099	14.28
Fabric, Clothing, Gold, and Accessories	6.121	6.251	2.07
Jewelry	5.033	5.194	3.09
Pharmaceuticals	1.766	1.846	4.33
Wood and Wood Products	1.131	0.940	16.88

### Saudi Imports, by Quarter (in billions of riyals)

Quarter/Year	1991	1990	Value of Increase	Percentage of Develop- ment
First Quarter	20.371	19.882	0.489	2.5
Second Quarter	24.973	21.968	3.005	13.7
Third Quarter	33.516	24.432	9.084	37.2
Total	78.860	66.280	12.580	18.98

### Total Saudi Foreign Trade (in billions of riyals)

Item/Period	Jan-Sep 1991	Jan-Sep 1990	Increase
Exports	130.759	102.754	27.25
Imports	78.860	66.280	18.98
Total	209.619	169.034	24

Saudi Exports, by Quarter				
Quarter/Year	1991	1990	Increase	Percentage of Develop
First Quarter	40.500	29.287	11.213	38
Second Quarter	41.710	25.841	15.869	61.4
Third Quarter	48.549	47.626	0.923	1.9
Total	130.759	102.754	28.005	27.2

### Non-oil Exports (in billions of riyals)

Commodity Group	1991	1000	
	1991	1990	Development Percentage
First Quarter	3.121	3.846	18.9
Second Quarter	3.418	3.992	14.4
Third Quarter	4.647	3.583	29.7
Total	11.186	11.421	21.0

### Farmers Complain About French, Brazilian Dumping

92AE0284A London AL-SHARQ AL-AWSAT in Arabic 10 Mar 92 p 10

[Text] Riyadh—Sources among Saudi chicken producers are preparing to bring up what they regard as the "dumping policy" being pursued by a number of foreign chicken exporters, particularly French and Brazilian exporters, which has begun to harm domestic output.

These sources say that French and Brazilian producers are dumping chickens on the Saudi market, which are priced at no less than 50 percent below cost. This is causing major losses for domestic producers in the form of reduced sales and earnings, and the closure of some production facilities.

Domestic producers, in cooperation with the Chamber of Commerce and Industry of Riyadh, have prepared a study on the chicken market in Saudi Arabia for submission as a case file to the competent authorities. The study examines the cost of production and the "free on board" and "cost, insurance, and freight" price structure of chicken imports to Saudi Arabia.

The study states that between 40 percent and 50 percent of domestic producers have submitted complaints requesting intervention to stop the damage which they are incurring.

According to the study, French frozen chicken exports to Saudi Arabia are priced 50 percent below cost and receive a 35-percent subsidy from the EEC. It states that Brazilian exporters are dumping frozen chicken on the Saudi market at between 8 percent and 20 percent below cost.

The study states that subsidized imports to which the dumping statute applies have harmed Saudi Arabia. Before 1988, this damage was incurred mainly by the

Saudi Government's subsidy budget for agriculture. After that, the burden of the damage fell more on domestic chicken producers.

This burden has been manifested by a drop in production and earnings, a shirnking of the Saudi producers' market share, the closure of some facilities, and harmful competition from lower prices.

The Riyadh Chamber of Commerce and Industry ordered the study, which was produced by attorney Edmund [Macgefern], [Midal Tambal], and the Technology and Organization Research Center in Brussels.

The study states that the chicken imports being dumped in the Saudi market are of a type that justifies the establishment of anti-dumping and compensatory duties pursuant to the provisions of GATT [General Agreement on Tariffs and Trade]. However, according to the GATT agreement, because the subsidy in question is an export subsidy, which shares directly in the margin [below cost of the price] of the dumped product, the actual duties to be imposed must not exceed the margin [below cost] of the dumped product or the subsidy, whichever is greater.

The study contains some information and observations: Worldwide chicken production currently totals 40 million tons, of which 1.6 million tons are exported annually. The United States, which accounts for more than 25 percent of the world's chicken production, is the biggest chicken exporter, followed by the European group, which is the second largest producer and exporter of chickens in the world (400,000 tons annually).

Saudi Arabia consumes about 268,000 tons of chicken yearly (1989), of which 193,800 tons is imported from abroad. Domestic production totals about 75,000 tons. Imported chicken costs 856 million Saudi riyals.

France is the biggest exporter of chicken to Saudi Arabia (87,700 tons), followed by Brazil (about 79,000 tons),

and other parties (27,200 tons) according to 1989 statistics. The average price for a kilogram is 7 riyals for French chicken. The price of Brazilian chicken is about 1 riyal less.

### **SUDAN**

### Al-Bashir Invited To Visit Syria

92AF0660A Khartoum SUNA in English 21 Mar 92 pp 6, 7

[Text] Khartoum, Mar. 21 (SUNA)—The Chairman of the Revolution Command Council Gen. 'Umar al-Bashir has received an invitation to visit Syria from the Syrian President.

The invitation was handed to him Saturday by the Syrian ambassador here Muhammad al-Mahamid in the presence of the Foreign Minister 'Ali Ahmad Sahlul and the Presidency's State Minister Dr. Ghazi Salah Eddin.

The date of the visit will be fixed later.

The ambassador told reporters that the participants had discussed the bilateral relations and exchange of expertise in the various fields. Inter-Arab relations, Arab current situations and the imperialist threats against the Arab countries were also tackled in the meeting, the diplomat added.

He announced that certain issues materializing the Sudanese-Syrian bonds will be manifested in the near future.

Mahamid expressed the Syrian rejection for all forms of aggression against the Arab states under the pretext of weak justifications.

He pointed out that President Assad's recent visit to Cairo had come within the context of this rejection, stressing his country's refuse of the United Nations' discriminative criteria as regards application of its decisions.

"The credibility of the United Nations must not be an American one," he said.

He stated that the Syrian President has been working since the end of the Gulf war toward surpassing the war impact and reuniting the Arab world.

### Al-Bashir on High Cost of War in South

92AF0577E Khartoum AL-SUDAN AL-HADITH in Arabic 28 Feb 92 p 1

[Article: "Six Billion Lost from Oil Drilling Halt Since 1986"]

[Text] Lieutenant General 'Umar Hasan Ahmad al-Bashir, chairman of the Revolutionary Command Council and the Council of Ministers, once again announced amnesty for all those bearing arms against Sudan, emphasizing that the revolution's commitment to the application of the federal system has prompted peace and stability in the south to expand day by day, and has allowed many of the inhabitants of the south to return from the insurgency.

In the speech he delivered yesterday at Friendship Hall during the first meeting of the board of trustees of the Peace and Development Institute, in the presence of Zambian President Frederick Tshiloba, Gen. al-Bashir disclosed that Sudan's losses from halting oil drilling because of the war amounted to more than \$6 billion since 1986.

He reviewed war losses in the south, saying that animal wealth losses amounted to over 7 million head of cattle. He pointed out that Sudan spent over \$300 million to excavate the Jonglei Canal, but work on it had to stop because of the war.

Gen. al-Bashir went on to say that 80 percent of health and treatment centers had been destroyed, and bridges and roads had been torn down and were in need of repair and reconstruction, explaining that this war has caused heavy human losses.

He emphasized the government's intention to achieve peace, pointing out that the revolution's theses on peace have been accepted by many countries, and that the insurgency has lost friends and support, splitting into several groups. He also reiterated the government's unequivocal willingness to negotiate with the insurgency at any time and any place.

He explained that the revolution inherited a bitter and painful reality, but, nevertheless, it accepted the challenge of achieving peace that can be enjoyed by the entire Sudanese population, and can give every Sudanese group the chance to freely express its opinions and its identity.

Lt. Gen. 'Umar announced the federal government's subsidy of 1 billion Sudanese pounds to the Peace and Development Institute, and called upon the various segments of the population to support this institute, so that it may fulfill its role in development and reconstruction in the southern part of the country.

He called upon countries and international, regional, and voluntary organizations to respond to the institute's plans and programs and to offer it financial support.

He enumerated the institute's priorities in its efforts to rehabilitate existing agricultural projects, to adopt new projects, to conserve pastureland, and to look after woodlands as part of the green revolution.

Also, Lt. Gen. 'Umar praised Zambian President Frederick Tshiloba, saying that he represented a new type of African leaders, who are distinguished by clarity, strength, and courage.

### Cooperation Accord Signed With Ugandan Police

92AF0622E Khartoum AL-INQADH AL-WATANI in Arabic 2 Mar 92 p 1

[Article by Samih al-Shaykh: "Accord on Cooperation Between Sudanese, Ugandan Police"]

[Text] Mr. [Karkiri], head of the Ugandan police delegation currently visiting the country, has announced that agreement has been reached on cooperation between the two countries' police [forces] in all spheres. He has told AL-INQADH AL-WATANI that the Ugandan Ministry of Interior seeks to exchange views on and to lay the foundations for this cooperation, stressing the importance of the exchange of visits between the two countries' police officers. He has invited the Sudanese police command to familiarize itself with the development of the Ugandan police. The outcome of the talks, held yesterday, will be submitted to the leaders of the two countries' ministries of interior.

In a related development, Mr. [Madomba Dania], a Ugandan delegation member, has lauded Sudan's Counternarcotics Directorate and the enforcement methods employed.

### Problems of Sudanese Workers in Libya

92AF0577A Khartoum AL-INQADH AL-WATANI in Arabic 21 Feb 92 p 5

[Interview with Ambassador 'Abbas al-Nur by Ayman Muhi-al-Din and Salwa Hasan Sadiq in Tripoli, date not given: "Thousands of Sudanese Sitting on Sidewalks; Embassy Has No Statistics on Sudanese in Libya"]

[Text] There are great numbers of Sudanese nationals living in the Great Jamahiriyah, estimated at hundreds of thousands, some of whom have been there for more than 20 years, with the Sudanese community there growing or shrinking, depending on work conditions. It has been noted, however, that these numbers have been growing and multiplying since 1985, with many of them loitering on the streets or sleeping in parks, practices which, not too long ago, were far removed from the Sudanese character. This problem must be reviewed, examined, evaluated, and scrutinized to prevent this cycle from expanding and bringing down the innocent along with the guilty, and which would reflect negatively on the reputation of every Sudanese expatriate, in terms of job opportunities, because Sudanese citizens get priority in employment, not only for their qualifications, but for their trustworthiness and integrity, as well.

As journalists visiting the Jamahiriyah, we had to ask about the status of Sudanese expatriates there. We did pose some questions, to which we received tough answers from Ambassador 'Abbas al-Nur and the members of the diplomatic mission there.

We entered into a dialogue with him, during which he did most of the talking and we did the listening, but with sadness. We opened with the following question:

[AL-INQADH AL-WATANI] What problems are Sudanese nationals facing here?

[Al-Nur] The presence of large numbers of Sudanese nationals in the fraternal Jamahiriyah underscores the special relations we have with it, but places immense burdens on these relations.

Furthermore, the presence of a general secretariat for integration is a positive thing, but it also has a negative side, in that citizens believe this secretariat will solve all their personal problems.

The Jamahiriyah has many Sudanese expatriates. There are no statistics on them, but suffice it to say that consulate records show that it deals with an average of 100 persons daily, mainly cases related to passports and accounts.

Another fact that must be disclosed is that most of these people are unemployed because they are either minors or elderly, which means that they have no qualifications.

[AL-INQADH AL-WATANI] Given their large numbers, there have to be some problems that, we hope, have not influenced their behavior.

[Al-Nur] I am greatly disturbed by the fact that the behavior of Sudanese nationals here has, in fact, been influenced. There are many women leaving Sudan via Cairo, and this raises questions. There are groups who do not require statements of approval to leave the country, but this places a great burden on us here. These groups have to be reconsidered and must be stopped in Khartoum.

Another problem pertains to citizens' queries about remittances. This does not pose a problem, since most of the workers here work for daily wages only and do not have permission to send remittances.

The fact is that every expatriate in Libya bears familial responsibilities, in addition to an average of five persons living with him. This is their problem. As far as remittances are concerned, they do not figure into these obligations.

[AL-INQADH AL-WATANI] So what, then, is the solution?

[Al-Nur] The embassy has considered various solutions, and we have begun to conduct studies on reverse migration, from Libya to Sudan. There are many individuals who do not have identification papers, and we are doing all we can to provide them with such documentation. Some of those who die of illness or traffic accidents have to stay at the morgue for days because they do not have identification papers and are buried. We are making every effort to identify them, but nevertheless, we are unable to identify many of them.

Another problem troubling me is that most of them have lost their passports. It is a phenomenon, because passports are not so much lost as left behind and reported as lost. Moreover, the passport fee is negligible, and can be met because it is less than a taxi fare. Accordingly, I call upon all the concerned parties to raise the passport fee in order to put an end to this phenomenon.

There is yet another problem that causes much anxiety for the embassy. It is the enormous familial problems caused by unemployment. All families must be very scrupulous in picking spouses, particularly among the expatriates, because this matter causes problems that cannot be discussed here.

[AL-INQADH AL-WATANI] The Sudanese Embassy in the Jamahiriyah is considered one of the important embassies. How successful has it been in embodying the meanings of unity and integration?

[Al-Nur] The Embassy of Sudan, in view of its special relations with the Jamahiriyah, bears the responsibility of promoting and upgrading relations at a faster pace, driving forward integration and stimulating relations in various fields.

[AL-INQADH AL-WATANI] There is another question raised by expatriates here about recent measures regarding the cancellation of mandatory remittances, in which the Expatriate Administration is stripped of all capacities, thereby rendering it meaningless.

[Al-Nur] Despite our appreciation of the other functions that the Sudanese Expatriate Agency performs, it is regarded as the key impediment to efforts aimed at encouraging teachers, university professors, and workers in general to go home on vacation. We appreciate the fact that expatriates returning to Sudan are a great asset to the country in every way, but, since the mandatory contributions the embassies are required to make are aimed at making things easy for them, the Expatriate Agency ought to be abolished to spare Sudanese nationals any misgivings.

[AL-INQADH AL-WATANI] How successful has the Sudanese Foreign Ministry been in supporting foreign policy?

[Al-Nur] The fact is that the Foreign Ministry bears an enormous responsibility for the conduct of foreign policy, and we wish it all success in its foreign policy.

In our estimation, Sudan has emerged from its gross negligence phase, with regard to its official contacts, particularly with diplomatic missions accredited to Sudan.

I am aware of the measures taken to bring this matter under control. These measures must be carried out in such a manner as to enable the ministry to act as the official organ responsible for foreign action and the implementation of foreign policy. Other cooperating parties must cooperate through the Foreign Ministry. [end interview]

Following our interview with Mr. 'Abbas al-Nur, the Sudanese ambassador to the Jamahiriyah, we obtained a

copy of the minutes of the dialogue held with the Sudanese community in the Jamahiriyah at the end of last January, during which light was shed on problems facing the citizens and the best way to resolve them.

The problems are divided into two parts: one part comes under the jurisdiction of the Libyan authorities; and the other comes under the jurisdiction of the embassy.

Regarding the first part, the embassy is ironing out the problems through official memoranda and field monitoring throughout the Jamahiriyah. The second part is being pursued by the consulate, and consular procedures have, in fact, been greatly simplified.

These problems and their causes have been confined to ill-advised entry by land and without passports, because the Jamahiriyah does not require a passport, on the grounds that the land belongs to all Arabs. Add to that the arrival of citizens without work contracts and the expatriates' indulgence towards them by opening their doors to them, thus encouraging unemployment. Consider as well the arrival of minors, the elderly, and individuals with no qualifications, and for other reasons.

These problems have produced other problems, such as the difficulty of finding suitable housing, currency trafficking, smuggling, fraud, using identification papers as collateral, fleeing, illness, hunger, panhandling, vagrancy, doing menial work, drug trafficking, quackery, swindling, and moral deprivation.

These problems have had an impact on the familial situation in Sudan as well, as evidenced by the many legal notifications for divorce for failure to provide financial support or for irreconcilable differences, as well as by familial worry about single family members and the expectation of financial support at a time when these members are loitering in parks, public squares, and crowded college dormitories. The embassy has a hard time responding to their parents' queries.

This is a synopsis of the dialogue that the embassy held to find a way to solve the Sudanese community's problems in the Jamahiriyah.

#### PDF Unit Celebrated as Force for Jihad

92AF0625B Khartoum AL-SUDAN AL-HADITH in Arabic 2 Mar 92 p 3

[Article: "Going Forward To Enlist Entire Sudanese People To Defend Creed and Country"]

[Text] Extending the policy of jihad and martyrdom, and seeking to secure the situation in the operations zones and safeguard the brilliant victories achieved by the Armed Forces and People's Defense Forces [PDF], the PDF command yesterday gave a solemn sendoff to the brigade of honor and glory, might and dignity, the Abu-Dujanah Brigade, one of the brigades that the PDF command has continued to send to the operations theaters to work beside the Armed Forces to dislodge the

lackeys, cowards, and traitors who have thrown themselves into the embrace of lackeydom and mercenary status.

### Between al-Ahwal, al-Kharsa', and Abu-Dujanah

The PDF has become the right arm of the Sudanese army and a means of early warning in operations theaters. The role that the al-Ahwal Brigade played and that the al-Kharsa' Brigade now plays is perhaps the best witness to this. Now the PDF command is sending another brigade to the operations zones, the Abu-Dujanah Brigade. The close links between al-Ahwal, al-Kharsa', and Abu-Dujanah, along with the men in them who have sold their souls to God out of love for witnessing and for a paradise wide as the heavens and the earth, will bring about peace in the lands of the country, and the steps of development will march with confidence and strength.

### **Processions of Martyrs**

The PDF has offered a number of young martyrs who have gladly laid down their lives to please God and to revive an obligation that will endure until the Day of Judgment. They offered themselves to God in the operations zones either in South Kordofan in Lagowa and the Tuleshi Mountains or in the south of the country. The latest of these martyrs was the heroic 1st Lieutenant (al-Kals). There is not enough room to mention the names, but they are a procession traveling on the road that leads to God. "Some of them have already fulfilled their vows, and some still wait and stand firm." [Koran 33:23].

### Abu-Dujanah

Abu-Dujanah was a venerable companion of the Prophet and fighter in jihad after whom martyrs are named. Now another brigade is going forth in his name. It unites [the names] of Abu-Dujanah the venerable companion of the Prophet and the young student Abu-Dujanah, who gave his life in the operations zones. Let us allow words to express the greatness of the achievement. What was said in the celebration welcoming the brigade in Khartoum's al-Mawlid Square yesterday?

### **Thrilling Sight**

Old and young, farmers and artisans and workers, doctors and others came from Khartoum, Kassala, al-Fashir, Madani, Halfa, 'Atbara, Nyala, and all parts of the Sudan and joined the militant Abu-Dujanah Brigade, responding to the call for jihad and reviving a duty that had almost disappeared.

Yesterday al-Mawlid Square in Khartoum turned into a pure and fragrant site surrounded by the angels, where the hearts of men yearning for martyrdom embraced. It was a time when men's tears flowed, not in sorrow for a transitory world or fleeting pleasure, but yearning for a paradise as wide as the heavens and the earth.

The militant Abu-Dujanah Brigade has restored behavior that had almost died out. How do these men march forth? They leave children and families and every earthly show. Thus said Shaykh Muhammad al-Bakhit, the director of religious affairs. His words were received with joy by the warriors of jihad and those present. As the director of religious affairs said, the men of the Abu-Dujanah Brigade needed no sermon or guidance; yet remembrance is beneficial for believers. Shaykh Muhammad al-Bakhit emphasized the theme of jihad and the need to prepare young people to confront the enemies of the country. Jihad had almost died out because of the colonial hegemony and the replacement of the word "jihad" by the words "struggle" and "conflict"; for they know that jihad is always linked to land and creed.

The events of the memorable day continued with shouts of "God is great" and "There is no god but God," as throngs of citizens surged toward al-Mawlid Square. As always, young male and female students, the beating heart of this country, were in the front ranks. Women filled the square with their enthusiasm and cries of joy. One of them approached a PDF officer to tell him that she had three sons now in the PDF going into battle to defend country and creed; and if she had a fourth, she would send him also.

### Al-Kharsa'

Shaykh Muhammad Salih, representing the al-Kharsa' Brigade stepped forward to speak about jihad and the battles of the al-Kharsa' Brigade in Equatoria. He spoke at length, having had experience in the operations territory. He emphasized the need for all young people to join the national defense camps to defend land and creed. He enumerated the achievements of al-Kharsa' and reminded the Abu-Dujanah Brigade, now heading for the operations areas, of the need for drill and obeying the orders of the leadership. He stated that piety toward God is what brings victory to believers.

### **Enlisting Entire People**

Colonel Yasin 'Abd-al-Qadir, second in the PDF command, addressed the gathering. He explained that the PDF command was moving to enlist all members of the Sudanese people to defend creed, country, and honor.

He stated that this month will see the defeat of the rebellion in the operations zones in South Kordofan. He said after peace is achieved, the PDF will be deployed in all parts of the Sudan to protect the things held sacred by the Islamic nation.

He gave the fighters of the Abu-Dujanah Brigade some valuable advice that would help them in the operations zones and raise their standards.

He said that the doors of national defense are open to all. He called on all young people to join the PDF.

### Southern Leaders Aided by PDF Training

92AF0625C Khartoum AL-QUWWAT AL-MUSALLAHAH in Arabic 4 Mar 92 p 4

[Article by Nahid Hamzah: "PDF [People's Defense Forces] Camp Taught Us Art of Leadership"]

[Text] The three southern provinces—Upper Nile, Bahr al-Ghazal, and Equatoria—met in a gathering including 66 commissioners, each representing the people of his district and raising his concerns and problems. Views wrestled with each other and clashed. Hopes were high that the crises would be dispelled with each district grasping the hand of the others for the sake of the Sudan. AL-QUWWAT AL-MUSALLAHAH made the rounds of the south of the country. We attracted the attention of Engineer Shaykh [Bish Kur], the commissioner of Jonglei. Mr. Garang [Ngor Gub], the commissioner of Arrayat, also spoke to us, and Mr. Zakariya [Manil], the commissioner of lakes, enriched the conversation.

Conversation focused on the accomplishments each commissioner offered to his district in the wake of assuming power and responsibility. The conversation explored problems and obstacles preventing the success of comprehensive development plans and dealt with future plans that each commissioner is drawing up in the context of local resources.

### Shaykh Bish

"When I took over the district, I found it divided up and scattered among a number of regions between Khartoum, Juba, al-Rank, and Malakal. I worked to bring these administrations together and transfer them into the interior of Upper Nile Province. The remaining administrations are staying in Malakal until security conditions improve. I opened the Fangak elementary school, which had been shut for eight years, and supported the al-[Qanal] school. We are concentrating on development plans having the citizen himself be the instrument of change through the "productive family" projects that have been supported. These projects include a fishing unit with boats and 50 nets. There is an artificial irrigation unit for about 100 families and a rain irrigation (tractor) unit to supply about 3,000 feddans in the al-Qanal area to achieve food security in that area. With the current material resources and support of the central government the administrations can be established."

### **Development Obstacles**

The commissioner added that there are a number of projects and plans in the development area, but they depend on security conditions. Projects include cattle breeding, gum trees, oil-yielding seeds, and sugarcane growing. Health security is proceeding with cooperation and aid from voluntary organizations. In this context, there is a future plan to reequip hospitals.

#### Garang Ngor Gub-Hardship, Challenge

Mr. Garang told us about his adventures in reaching the Arrayat area to take over the district, which is considered a bridge linking to the rebels. Defying the lack of means of transportation and communication to the area, he traveled by covered truck on 13 November of last year, carrying 500 sacks of supply sugar with him. This caused the price of commercial sugar in the markets to drop from 80 to 20 [Sudanese] pounds and played a large role in bringing down prices of other things. The fourclassroom Malwal elementary school has been built. Four thousand pounds have been contributed to rebuild the mosque. Four trenches for the army and PDF have been built. Twenty-five thousand pounds have been contributed to rebuild the council building, which had been burned. A clinic has been built. Two wells have been dug at a cost of 2,000 pounds. There have been donations for the handicapped who have been injured by mines, as well as contributions to the PDF and to the butchers so that they will bring cattle for slaughter from Miram.

#### **PDF**

Going on to speak about the experience of the PDF, Mr. Garang Ngor said: "The PDF introduced us to our fellow commissioners, removed confusion and misunderstanding about our various problems, and accustomed us to discipline because military action depends on organizing the individual. We came out with physical and mental energy and a strong desire to work fearlessly. Now I can defend myself with my own hand and confront all crimes bravely. We also received religious, managerial, political, and military instruction. This increased our ability to handle the affairs of the district."

#### Morale

The commission of Arrayat added: "At the first consultative conference of commissioners I found support for my cause, sincere backing from my fellow commissioners, and great responsiveness from the minister of state in the Finance Ministry and the chairman of the conference. Both the Finance Ministry and the Agricultural Bank agreed to overcome my material obstacles. That was a great achievement."

### Zakariya Manil, Commissioner of Lakes: First Detachment

Mr. Zakariya Manil spoke about his accomplishments after assuming responsibility for the district: "I have established camps for refugees and have established a consolidated building for Lakes schools within Waw. I have planned an agricultural project east of Waw, so that refugees can become self-reliant. I have also created various youth organizations, so that each can play its assigned part in all areas. We are now preparing to return to the district. We will go at the beginning of March in a detachment including officers, administrators, and officials. One must emphasize in this context that the districts in the areas of stress need moral and physical

support as well as various services. Also, citizens who wish to join the PDF in order to establish security must be trained."

### Fund Proposed To Support Shari'ah in States

92AF0577C Khartoum AL-INQADH AL-WATANI in Arabic 22 Feb 92 p 1

[Article by 'Awad al-Tum: "Plans To Set Up Shari'ah Subsidy Funds in States"]

[Text] The board of trustees of the Shari'ah [Islamic Law] Subsidy Fund meets tomorrow to draw up plans and precepts for the fund's activity and the board's vision in setting up funds in the states.

Hasan al-[Bayli], custodian of the (National Salvation) Fund [parentheses as published], said that an agreement had been reached with the states that they spend 70 percent of their subsidies inside the province for various fund objectives, and that 30 percent be given to the central fund for spending on national subsidy areas, and that contributions be paid quarterly. He indicated that Lieutenant General 'Umar [al-Bashir], in his meeting with provincial representatives, urged that subsidies be paid promptly to allow the fund to achieve its objectives. Al-Bayli added that the fund is now implementing a program to visit the various states to draw up an agenda for gathering the provinces' commitments. Furthermore, the fund has future programs, including contributions to the scientific and cultural fields through the establishment of a publishing house and a large lecture hall. This is in addition to cultural forums, support for adult literacy and education programs, and contributions to the expenses of different occasions, such as holidays.

### Islamic Foundations of Military Leadership

92AF0625A Khartoum AL-QUWWAT AL-MUSALLAHAH in Arabic 3 Mar 92 p 3

[Article by Brigadier General Isma'il al-Tayyib: "Foundations of Military Leadership Under Islamic Orientation"]

[Text] 1) Leadership was established in the Koran and Prophetic Tradition. God has said (Koran: 6:165): "It is He who made you trustees on the earth, and exalted some in rank over others in order to try you by what he has given you. Indeed your Lord's retribution is swift, yet He is forgiving and kind."

- 2) God has also said (Koran 9:128): "To you has come an Apostle from among you. Any sorrow that befalls you weighs upon him; He is eager for your happiness, full of concern for the faithful, compassionate and kind."
- 3) And (Koran 33:21): "You have indeed a noble paradigm in the Apostle of God for him who fears God and the Day of Resurrection and remembers God frequently."

Our noble Messenger has said: "Whoever makes a man governor over a company, while among them is someone more pleasing to God than he, has betrayed God, his Messenger, and the believers."

### Leadership

- 1) Leadership is the art of leading and managing men in war and peace. It represents the head in relation to the body. It stores information, thinks, and assesses, having recourse to the principle of consultation; then it issues decisions and monitors implementation. The results are in proportion to the trustworthiness and ability of the leadership.
- 2) Leadership in the organization symbolizes the organization and the strength of the structure of its enlisted ranks. Leaders must have powers and effective authority in order to receive respect and esteem.
- 3) In Islamic societies, we find that creed is what binds leaders and subordinates to each other. Defending the summons to truth and enabling God's religion are the motives that impel the fighter to martyrdom and to meet the enemy with his heart at ease about the outcome of battles.

### Nature of the Period

The nature of the period through which our beloved country, along with the Islamic, Arab, and African countries, is passing is exceedingly dangerous. Dangers are encircling Islam and the Muslims, dangers as great as the responsibility of calling to God. The weakness, disintegration, and fragmentation afflicting some Muslim countries because of the cultural, military, and economic invasion are sufficient proof of what we mean. The period therefore demands exhausting efforts to lay sound foundations for the building of Islamic society, which will be built first of all by the thought and effort of leaders. This can take place only if the leaders make the security foundations the focus of their attention.

#### First Basic Principle

Piety toward God: This is an attribute that unites all other attributes, such as good character, self-discipline, being a good model, justice, and inward restraint. Piety leads communities to the good of this world and the next. Piety is part of determination to victory over the enemy, because pious leaders and soldiers are in the company of God and utterly avoid sins. The caliph 'Umar advised the commander of his army, Sa'd ibn Abi Waqqas, as follows in a letter:

"Piety toward God is the best equipment and the strongest strategy in war. Therefore I command you and the soldiers with you to be warier of sin than of the enemy. For the Muslims win victory only by the sin of their enemy: were it not for that, we should have no strength over them; for our number is not their number, neither is our equipment as their equipment. So if we be equal in sin, they will have the advantage over us in strength."

#### Second Basic Principle

Defining the country's goals in light of the Islamic orientation. The country's goals are limited to the following: 1) defending the creed; 2) defending the country from internal and external enemies; and 3) defending the nation from corruption on earth.

# Third Basic Principle: Concern of the Leadership for Morale

Morale, in its military sense, is the psychological and mental condition of soldiers and constitutes one of the foundations for winning battles. It can include the following factors: 1) concern about the social and administrative problems of officers, noncommissioned officers, and soldiers; 2) monitoring soldiers' psychological satisfaction and their sense of the importance of the job they perform; 3) isolating fighters from the dangers of psychological warfare against their morale launched by the country's internal and external enemies; and 4) the need to introduce connection between training and creed, thereby inculcating the principles of integrity and altruism, strengthening the spirit of brotherhood and comradeship, and strengthening unity.

#### Fourth Basic Principle: Information

- 1) The leader must be conversant with information about the functions and duties of his profession and the functions and duties of his subordinates.
- 2) The leader must be thoroughly conversant with his information. This will inspire trust in his subordinates, and trust is essential for morale and for obedience.
- 3) The leader's ability becomes apparent in his information during training for operations or during battlefield fighting.
- 4) Information also includes information outside the professional area gained through the leader's reading outside his profession both to broaden the mind and because it is necessary to communicate with the outside world.

#### Fifth Basic Principle: Justice

Justice strengthens and founds the authority of leaders. God has described this quality in many places in the Koran, for example (16:90): "Verily God has enjoined justice and the doing of good." Also (Koran 5:8): "Do not let the hatred of a people deviate you from justice. Be just: This is closest to piety." Imam 'Ali sent a letter to one of his commanders enjoining him to practice justice. He wrote: "Act equitably with the men as regards yourself, your close family, those to whom you owe protection, and those subject to you. If you do not, you will do wrong; and whoever does wrong to the servants of God, God contends with him on behalf of his servants."

#### Sixth Basic Principle

There must be a balance between the three elements of fighting ability: 1) the leader; 2) the soldier; and 3) equipment and ammunition.

These three elements are closely linked to each other. Balance between them leads to the desired ability to shape the fighter and thereby achieve victory.

#### Seventh Basic Principle: Issuing Decisions

Boldness and courage in issuing decisions are necessary qualities. Some leaders often hesitate to issue decisions. This can be attributed to their weakness or to the extreme centralization of the high command. In any case, before reaching the moment when a decision must be issued, the leader must be careful to consult with his subordinates, because God has said (Koran 42:38): "Their affairs are settled by mutual consultation." Also, (Koran 3:159): "Seek their counsel in all affairs; and when you have come to a decision, place your trust in God alone."

#### **Eighth Basic Principle**

One must take advantage of local and voluntary resources. This comes about by inculcating the principle of self-reliance, which is now one of the main foundations of our country's orientation in its plans for the future. This principle may be a great help in creating a bond between military work and the goals of the nation.

#### Ninth Basic Principle

One must pay careful attention to standing regulations and orders.

- 1) The regulations and orders cover the goals, missions, and duties of the organization and regulate the movement of activity in it.
- 2) Makers of regulations must avoid extreme centralization that affects the spirit of enthusiasm and initiative of subordinates.
- 3) Regulations define prerogatives, accountability in case of dereliction, and reward for those who strive diligently.

### **Tenth Basic Principle**

Linking the military establishment to the goals of the nation: This happens when leaders formulate plans to protect the constitutional institutions and national federal enterprises and when they protect national defense plans from foreign penetration. All this takes place through participating with others in all stages of program planning and drafting.

#### Eleventh Basic Principle: Conclusion

1) Strength of belief and sincerity of faith are the greatest motivation and strength for leaders and fighters, causing them to endure fearsome battles, confront dangers, and perform feats verging on the miraculous.

2) Self-denial, self-sacrifice for the sake God, and trust in the leadership are the most import factors that help achieve victory.

# Twelfth Basic Principle: Devotion and Obedience

Leaders must be confident of their intent to be devoted to God; and this through loyalty to their commission and their oath of allegiance, and the obedience that this oath entails. Devotion consists of loyalty to God and the supreme leaders. It involves avoidance of hypocrisy and worldly gains, for God accepts only actions done purely for His sake. Obedience is a religious duty (Koran 4:59): "Obey God and the Prophet and those in authority among you."

# Government Denies Anti-Nuba Allegations

92AF0660D Khartoum SUNA in English 11 Mar 92 p 8

[Text] El Obied, Mar. 11 (SUNA)—Assistant of Kordfan Wali for Peace, Omer Sulieman Adam, has accused the rebellion movement of destroying the villages, confusing the social structure for the Nuba tribes and assassinating citizens at the Nuba Mountains' area.

Adam refuted the western mass-media allegations on annihilation of the Nuba people by the government and regular forces.

Moreover, he reemphasized that the Nuba people's participation in the People's Defence was for protecting their land and honor.

He reaffirmed that 100 peace villages had been reconstructed for inrolled the displaced from confronting lines and whom the rebellion movement their villages. [as published]

# Ummah Party Leaders Try To Mend Internal Rift 92AF0514B London AL-HAYAH in Arabic 14 Feb 92 p 3

[Article by Mu'awiyah Yas: "Reformers Ask Fadil for Collective Leadership, His Aides Accuse Them of Being NIF Agents; Debate Over Ummah Party Leadership Moves Abroad"]

[Text] "Reformist" leaders in the Ummah Party of Sudan, led by former Sudanese prime minister Mr. al-Sadiq al-Mahdi, have undertaken to form a "temporary collective leadership" for the party abroad. This leadership would include the party's deputy leader, the former speaker of parliament, and a party member in an Arab country.

In a statement distributed by its deputy leader, Mr. Nasr al-Din al-Hadi al-Mahdi (the former prime minister's cousin), the party announced that the collective leadership does not intend to "isolate any current or group or

become a replacement for the organization within Sudan." The statement added that members of the collective leadership, whose formation was announced at the end of last January, are "determined that Mr. Mubarak ('Abdallah al-Fadl al-Mahdi) should be an active member in it." Basically, the dispute between the expatriate leaders of the Ummah Party revolves around Mr. al-Fadil's (a former interior minister) claim that he has written authorization from the party leader that empowers him to represent al-Mahdi abroad. However, after his release from detention last April, the latter denied having authorized anyone to represent him.

In addition to the deputy leader of the party, the collective leadership includes Professor Muhammad Ibrahim Khalil, the former speaker of the Sudanese parliament; and Mr. Ibrahim Mahmud Marbu, the party member from Jiddah in the Kingdom of Saudi Arabia. After its formation was announced last month, a statement was attributed to al-Mahdi, to the effect that his contact with his deputy has been broken off for two years. Professor Khalil denied the statement that announced the formation of the "collective leadership," through his contention that bringing down Lieutenant General 'Umar al-Bashir's regime must take precedence over any headlong efforts for reform. He said that he appreciated Mr. al-Fadil's efforts to lead the party abroad, but the new statement signed by the three members of the leadership means that, either al-Fadil should join the collective leadership as "the true representation and a practical implementation of the parliamentary and democratic principle," or that he should distance himself from the collective leadership, which would create two leaderships for the party abroad. The problem is that the Ummah Party is faced with several currents, each calling for reforms, consultations, and democracy within the party, but at the same time, all being uninanimous about the need to refrain from undermining the position of the party leader. The majority is openly insistent on the necessity of Mr. al-Fadil's dismissal. It is believed that the latest statement of the collective leadership was issued after intense mediation efforts by Professor Khalil with al-Fadhil and the deputy leader of the party, and by some of the activities of the coalition of the Sudanese opposition parties with both sides. However, al-Fadil's aides denied the existence of such mediations to AL-HAYAH.

The statement indicated that "this honorable move is aimed at organizing the party, uniting its ranks, mobilizing its capabilities, and affecting the greatest possible participation of all its cadres to create political decisions and establish parliamentarism and democracy as a program for modern party politics."

AL-HAYAH contacted Mr. al-Fadil, who is currently in London, and he refused to comment on the statement aor to answer any questions on this matter. His aides said that all these "activities" are planned by the "National Islamic Front [NIF]" which supports the Sudanese Government. They indicated that the "collective leadership" had rejected al-Fadil at the end of last

month, and has since welcomed him anew in its ranks "because it wants him to grant it legitimacy, but he will not."

His aides hold to the opinion that he is authorized to lead the party abroad "in accordance with a decision of the secret party apparatus within the country, because the overt apparatus has been frozen after Lt. Gen. 'Umar al-Bashir's coup. They explained that the statement which AL-HAYAH received was directed "to all involved sides, within the country and abroad." It had not been sent to al-Fadil as of the moment when AL-HAYAH contacted him.

# **New Regulations Governing Labor Unions**

92AF0577B Khartoum AL-INQADH AL-WATANI in Arabic 26 Feb 92 p 4

[Article: "New Union Law: Unions To Be Formed on Basis of Unity; New Law Offers Broader Freedom in Establishing Unions"]

[Text] The Sudanese union movement has been experiencing a conflict among labor factions ever since the enactment of the 1971 labor union law, thereby creating a kind of occupational conflict in factional demands that has ultimately disunited the union movement and fragmented its activity. This fragmentation of labor organizations in all public services has caused the breakup of proctive power and the neglect of the overall perception of integrated production effort, efficacy, and duties.

Furthermore, unions in Sudan were based on a unique model incompatible with the International Labor Organization [ILO], Arab labor organizations, or any form of union movement in the world. This issue was part of the working papers submitted to the Union Dialogue Conference on many issues important to the union movement. The conference arrived at positive resolutions approved by the union movement leaders. All these resolutions have been put into force in the new [union] bill. Hence, we met with Mr. Ahmad 'Abd-al-Muttalib, the general registrar of the labor organizations, to ask him to explain to us the next steps to be taken following enactment of this law. He said:

"With the enactment of this law, the revolution will have fulfilled its promises. The law is totally consistent with the Union Dialogue Conference resolutions, and contains many gains, culminating in Presidential Decree No. 86, regarding labor representation in management to give labor a role in the general decision-making process.

#### Gains

"The new law, under a clear and explicit provision, affirmed all gains made by the union movement, for this is the first time that legislation dealing with union movement unity has been issued, in view of the previous regimes' failure to unify the union movement. We have been raising the concept of its unification since 1972, but to no avail, due to personal ambitions."

What does the new law mean? The new law means the dissolution and subsequent reconstruction of the entire union movement on the basis of the movement's unity. A provisional body has been formed to oversee the formation of the new provisional committees.

#### Difference Between New and Previous Law

The difference here is indeed clear. It is an inherent difference, represented in the new incorporation process, and in the broader freedom it accords the establishment of unions.

#### Law's General Features

The law ensures the modern concept in keeping with the new situation in our country, in which union organizations are bodies working for economic and social stability. They work with government agencies to establish national unity, safeguard the nation's independence, support the civilizational tendency, contribute to social justice, support production, and improve management among the people.

#### **Union Structure**

With regard to union structure, it is in keeping with the recommendations and resolutions of the Union Dialogue Conference, which based union structures on the general unions while adding state federation representation in the General Labor Federation conference. The general secretariat of the Supreme Council of Union Federations is considered a provisional body created to fill the vacuum and foster the building of the various union organizations.

#### **Union Action**

In order to have union action regulated by the social movement, which is governed by all valid laws of the land, the law renders union action, in accordance with Article 6, lawful with regard to the courses the unions follow to achieve the goals for which they were created, provided that no valid law is violated. This is contrary to the way it was under previous laws, in which violations were limited to the industrial relations law only.

## **Union Membership**

In keeping with the principle of according more freedom and democracy to union practice, the new law renders membership a worker's right, in the sense that an applicant become a full-fledged member as soon as he submits an application for union membership, and the committee cannot turn him down, as used to happen under previous laws.

#### **Union Protection**

The law provides for union protection, and defines it in an unequivocal fashion. The law stipulates that when a member transfers, he shall not be denied membership in the organization. This replaces the previous provision that accorded loose and undefined protection to union members, thus creating confusion in the civil service.

#### **Cultural and Social Action**

In order to create a social or cultural link among labor union members, the new law accords all union organizations the right to set up mutual or social service funds for the purpose of offering various services to their members.

#### **SYRIA**

# Editor Calls New World Order U.S. Subjugation

92AE0328A London AL-HAYAH in Arabic 15 Apr 92 p 4

[Article by 'Abdallah al-Dardari: "Strongest Syrian Assault on West: One Objective of World Order Is To Re-Colonize Arabs"]

[Text] Damascus—Syria has begun to show clear signs that it no longer has any hope of a new world order founded on justice and law. Rather, Syria has been stressing that the existing international condition is basically aimed against the Arabs and seeks to restore foreign domination of the Arab homeland. President Hafiz al-Asad has expressed the view that the phrase "new world order" is not "accurate, because this order must be founded on equality and not on attacking the victim of aggression." In a clear reference to the United States, he emphasized that "no brute force can control the world."

Reaffirming this position, Muhammad Khayr al-Wadi, editor-in-chief of Syria's TISHRIN ["OCTOBER," government daily] said yesterday, in reference to the imminent implementation of international sanctions against Libya, that the Arabs are standing "on the brink of a tumultuous earthquake of tragic developments in the new world." He added that the "Arabs have discovered that the forces riding the wave of change seek to mold a one-color world that obliterates all the accomplishments made by the Arab struggle along the path of independence, unity, and renaissance. The advocates of change have not been content with the endeavor to destroy all the accomplishments made by the Arabs previously, but are also consolidating their efforts to destroy this nation's future and to obliterate its cultural existence."

#### Thirst for Vengeance

Al-Wadi also noted that "the consequences produced by the so-called new world order compel one to think that one of the objectives of this system is to re-colonize the Arab world and to turn back the hands of time. Zionism, the main beneficiary of the international developments, is exerting feverish efforts to gather all the world Jews in the occupied Arab territories. Israel is amassing the latest types of weapons in preparation for acquiring more Arab land. The West, motivated by a historical thirst to take revenge against the Arabs, has used every means to undermine the Arab nation. It has exploited the Iraqi regime's mad adventure to punish the Arabs—all the Arabs—under false pretenses. The West now seeks to impose an arms embargo on the Arabs at a time when Israel is given all the means of strength and aggression." Al-Wadi believes that the West "is exploiting international legitimacy to settle old accounts with Libya, on the pretext of countering terrorism. Rather, the West is trying to use the mask of international legitimacy to conceal its aggressive, expansionist ambitions against the Arabs."

Al-Wadi also expresses surprise that "international legitimacy is applied only to the Arabs, who are required to implement all international resolutions, whereas Israel is not forced to implement any resolution that doesn't serve its interest." He stresses that the only way for the Arabs to "confront the law of the jungle—as President al-Asad has said—and this deluge, is to act in solidarity, unite, rise above their marginal feuds, disregard their sideline battles and rancors, and turn to the source of the danger threatening them. Any delay will give Zionism and imperialism the opportunity to implement their scheme to return the Arab homeland to the dark night of colonialism and backwardness."

This is the strongest Syrian assault against the current international situation, and it precedes implementation of the [UN] Security Council sanctions against Libya. Syrian officials have affirmed their solidarity with Libya against any aggression. These stances reflect serious Syrian doubts about the Western, particularly U.S., approach to dealing with a number of fundamental Arab issues, such as the peace negotiations, Libya, Iraq, and the future regional system in the area. It can be said that this Syrian viewpoint plays a role in charting Syria's policy toward these issues and their future.

#### **UNITED ARAB EMIRATES**

#### **Draft Budget for 1992 17 Billion Dinars**

92AE0301A Al-Shariqah AL-KHALIJ in Arabic 3 Mar 92 pp 1, 17

[Article by Husayn al-Samadi: "Council of Ministers Approves 17.3 Billion-Dirham Draft Budget; Priority for Housing, Electricity, Education Projects"

[Text] Abu Dhabi—At a meeting held yesterday under the chairmanship of his Highness Shaykh Maktum Ibn-Rashid Al Maktum, the vice president and prime minister; and attended by Deputy Prime Minister His Highness Shaykh Sultan Ibn-Zayid Al Nuhayyan, the Council of Ministers approved the fiscal year 1992 state general draft budget and the attached bills and recommendations, in light of the memorandum submitted on this by Finance Minister Shaykh Hamdan Ibn-Rashid Al Maktum

The United Arab Emirates [UAE] general budget expenditures have been estimated at 17.3769 billion Emirian

dirhams, and revenues at 15.9149 billion dirhams, i.e. a deficit of 1.462 billion dirhams.

The expenditures of other budgets attached to the state general budget for the current fiscal year have been estimated as follows:

- UAE National Assembly, 15.644 million dirhams;
- UAE University, 543.17 million dirhams;
- high technology colleges, 136.73 million dirhams;
- Administrative Development Institute, 6.85 million dirhams;
- General Information Authority, 16.2 million dirhams.

The draft budget submitted to the Council of Ministers yesterday was 2.524 billion dirhams less than the draft budget submitted to the council's session held on 16 December 1991. The previous draft submitted to the Council of Ministers provided for a budget of 19.9 billion dirhams. The deficit was estimated at the time at 3.5 billion dirhams, based on the 1991 budget. This compelled the Council of Ministers to return the draft to the Ministry of Finance and Industry and to ask it to hold a series of meetings with the other ministries to reduce the deficit as much as possible.

The current draft budget that was approved by the cabinet reduces the deficit while giving service projects a strong boost and noticeably increasing Section 1 (salaries and wages) allocations.

Ahmad al-Tayir, minister of state for financial and industrial affairs, has stated that this year's budget exceeds last year's by 963 million dirhams, i.e., by 0.6 percent, noting that priority has been given to housing and electricity projects and to the Ministry of Education. He said that 1.078 billion dirhams has been allocated for projects in the draft plan.

He also noted that the draft budget does not call for increasing the burdens or fees paid by users of services provided by the ministries.

Regarding the increase in Section 1 (wages and salaries), the minister of state for financial and industrial affairs said that 5.5784 billion dirhams have been allocated for it, whereas allocations for Section 2 (current expenditures) is 2.858 billion dirhams. He added that Section 1 allocations in this year's budget exceed last year's allocations by 265.2 million dirhams. The increase in the projects article is 338 million dirhams.

The minister added: "The budget provides for 61,000 jobs, of which three ministries and the UAE University have gotten the lion's share. The jobs are divided as follows:

- Ministry of Education, 30,000 jobs;
- Ministry of Health, 12,500 jobs;
- Ministry of Islamic Affairs and Awqaf [religious trusts], 2,951 jobs;
- UAE University, 3,000 jobs."

Excluding the UAE University budget, Ministry of Education jobs have increased by 513, according to the latest figures (issued last February) by the UAE Personnel Affairs Department on the number of education employees. There has been an increase of 1,087 jobs in the Ministry of Health. Ahmad al-Tayir further said that the 1992 draft budget is a continuation of last year's budget, in terms of giving priority to the service ministries' projects, Allocations in this year's budget are:

- 2.6509 billion dirhams for the Ministry of Education;
- 1.176 billion dirhams for the Ministry of Health;
- 1.5606 billion for the Ministry of Electricity and Water;
- 655.4 million for the Ministry of Labor and Social Affairs:
- 1.985 billion for the Ministry of Interior;
- 181 million for the Ministry of Islamic Affairs and Awaaf:
- 134 million for the Ministry of Agriculture and Fish Resources;
- 368.8 million for the Ministry of Foreign Affairs.

Regarding the budget deficit, the minister of state \*or financial and industrial affairs has pointed out that it emanates from the fact that the estimated expenditures exceed the available revenues. He said that controls have been established for implementing the budget by streamlining spending on the various sections and articles, and by trying to improve the ministries' internal resources.

The Council of Ministers approved Justice Minister Dr. 'Abdallah 'Imran Taryam's letter on concluding a legislative cooperation agreement with the UAE Ministry of Justice.

The council also familiarized itself with the letter attached by Sayf al-Jarwan, minister of labor and social affairs, to a memorandum on the outcome of the official visit he had made to the Islamic Republic of Iran. During the visit, a memorandum of understanding was concluded between the UAE and the Islamic Republic of Iran.

The Council of Ministers also familiarized itself with two other letters, one submitted by Economy and Commerce Minister Sa'id Ghubash on the approved minutes of the first meeting of the Joint UAE-Australian Committee, held in the UAE last February. The other was submitted by Sa'id al-Raqbani, the minister of agriculture and fish resources, on the outcome of the 21st session of the Ministerial Council of the Arab Agricultural Development Organization, held recently in Khartoum.

The Council of MInisters also familiarized itself with the other items on its agenda and made the appropriate decisions on them.

## **Economic Database Slated To Be Established**

92AE0283C London AL-HAYAH in Arabic 4 Mar 92 p 10

[Article by Shafiq al-Asadi: "UAE Intends To Establish National Economic Information Network"]

[Text] Abu Dhabi—The UAE [United Arab Emirates] intends to establish a national economic information network to serve economic decision and policy makers and to establish an information center to build computer programs to help prepare economic and trade predictions in various economic sectors and to compare economic experience in the UAE with international experience in Japan, Germany, the unified European market, and the countries of Southeast Asia.

The UAE Ministry of Economy and Trade, which is supervising this enormous project, stated that establishing the national economic information network will strengthen the position of the UAE dirham in relation to world currencies and will strengthen UAE participation at GATT and UNCTAD [UN Conference on Trade and Development] meetings. On 11 April, the UAE minister of economy and trade, Sa'id Ghubash, will chair a conference in Abu Dhabi to be given by the economic information and research department on the role of research and information in shaping economic decisions and policies.

The conference will aim at providing a professional economic intellectual forum for those interested in the UAE. It will enable an exchange of expertise on the most important research, information, and communication trends. It will aim at agreement on a general framework for an economic and trade database to serve economic and commercial decisionmaking, and will discuss the idea of establishing an economic information bank in the Ministry of Economy and Trade and creating a national economic information network.

The conference will discuss many subjects: the effectiveness of economic statistics in economic decisionmaking in the UAE and in companies in the UAE, the relations and adequacy of economic and trade studies being made by official bodies, and the role of existing economic research bodies in economic decisionmaking in the areas of customs, tourism, export, public finance, oil, trade licenses, etc. Also to be clarified is the role of the computer in solving problems of statistics, information, research, and economic cycles, and the possibility of future coordination for the purpose of establishing the national economic information network between the Ministry of Economy and Trade and the other bodies participating in the conference. These include various economic figures in the UAE, as well as the Abu Dhabi Fund for Arab Economic Development [ADFAED], the Arab Monetary Fund [AMF], private sector organizations, banks, and communications media.

Dr. Farid al-Najjar, World Bank consultant with the UAE Ministry of Economy and Trade, said in press

statements that this conference represents the first fruits of the activities of the ministry's Center for Economic Research and Information. The aim is to develop this center for the purpose of coordinating and bringing about economic, trade, and financial integration between the UAE's seven constituent emirates and the union government on the one hand and the many research bodies in the emirates on the other hand.

Dr. al-Najjar stated that this stage requires coordination and integration in building and updating economic databases so that chronological data series can be prepared from the year 1971, the date of the establishment of the UAE, to the end of 1991. These data will help strengthen and support economic decisionmaking centers in the UAE at the individual enterprise or company level in numerous economic fields. Consultant al-Najjar affirmed the desire of the Economics and Trade Ministry to restructure the economic and trade information sector by founding a modern office to gather international economic periodicals and an information center to build computer programs to help prepare economic and trade predictions in the various economic sectors. The center would also train employees in new methods of preparing economic studies and analyses.

The center, he said, would prepare studies comparing economic experience in the UAE and in a number of other countries, particularly Japan, united Germany, the unified European market, and the countries of Southeast Asia.

The World Bank consultant added that in the coming period the international economy will tend toward the formation of economic blocs searching for a unified currency as an alternative to the dollar, one that might unite the dollar, the Japanese yen, and the German mark, or a unified currency for united Europe. All this is related to exchange rates for the UAE dirham. It also is related to the volume of the UAE's trade with the external world.

In this regard he stressed the importance of preparing comparative studies as well as a strong orientation toward stronger participation for the country in GATT and UNCTAD meetings.

#### **Business Registration Laws Finalized**

92AE0301F Al-Shariqah AL-KHALIJ in Arabic 13 Feb 92 p 11

[Article: "Bill for Uniform Gulf Business Registration Law"]

[Text] Abu Dhabi, AL-KHALIJ—The Ministry of Economy and Commerce has received the final draft of the uniform trade register bill for the Gulf Cooperation Council [GCC] member states. A technical committee comprising representatives of the member states had drafted the bill earlier.

This bill is in implementation of provisions of the unified economic agreement, which calls for unifying legislation that regulates economic activity in the member states.

Following is the text of the bill, as drafted by the technical committee:

#### Registration in Register

Article 1. The names of citizens and foreigners engaged in trade—be they native or legalized persons, and regardless of whether they have a main business place or center, a branch, or a representative agency in the state—shall be registered in the trade register at the Ministry of Trade and at its branches in every GCC member state.

All information stipulated in this law shall be recorded in the said register, and any change or amendment in this information shall be noted in the register.

Article 2. Within two months of opening or acquiring a business, or of opening a branch or an agency in the state, every merchant shall apply to have his name entered in the trade register. Applications shall match the number of fixed business places in which a merchant engages in his trade activity or manages his business enterprises, including the main business place or business management office, branches, or agencies belonging to the merchant. An application shall include the following data:

- The merchant's name, title, birth place and date, and his nationality;
- · His trade name;
- The business name of the shop to be registered, its address, and its opening date;
- The type of trade in which the merchant is engaged at the business place requesting registration;
- Name of the manager or authorized agent of the business applying for registration, his birth date, nationality, and place of residence;
- Date on which the merchant launched his business activity in the state:
- Name, address, and type of business in which the merchant's main business place or main management office is engaged and its registration number;
- 8Names and addresses of branches and agencies of the main business place or office, whether inside or outside the state, the type of activity in which they are engaged, and their registration number.

Article 3. Managers or authorized agents of trade companies which are founded in the state, or whose main offices are located in the state, must apply to the Trade Register Bureau to register their company within two months of the date of its foundation or of the date of inauguration of its main office. They shall also apply individually for every opened business place, branch, or agency, if separated from the main office, within two months of the date of inauguration. The application shall be coupled with the contract founding the company and with a copy of the contract, to be checked by the bureau

against the original and then kept at the bureau. The application shall include the following data:

- The company's name and type;
- The type of commercial activity in which the company is engaged;
- The company inauguration and termination dates, if it is for a set period of time;
- The value of its capital;
- Names and titles of the partners, their birth dates, their nationalities, and the value of their shares;
- Name of the company's executive manager, his birth date, his nationality, and the bounds of his authority;
- The address of the company's main shop or office;
- Name of the branch or agency to be registered, its address, the type of activity in which it is engaged, names of the individuals managing it, the birth place, race [or sex] of each of them, his nationality, place of residence, and the bounds of his authority;
- Names and addresses of the company's branches and representative agencies, whether inside or outside the state, and their registration numbers.

Article 4. Individuals in charge of managing branches or representative agencies of foreign companies headquartered abroad shall apply for registration within two months of the date of inauguration of the branch or representative agency, attaching to the application a copy of the contract founding the company, with a complete Arabic translation, approved along with the copy by the authority accredited for this purpose by the Ministry of Commerce. The application shall include the data mentioned in Article 3 of this law.

#### Request To Note Alteration

Article 5. Any individual assigned to submit any of the applications referred to in the preceding articles shall notify the registration bureau concerned of any change in the data previously entered in the registration application, within a maximum of one month of the time when the change occurs. The notification shall be submitted in a application containing the name of the applicant, the name and address of the business whose data has changed, the data to be changed, and the amended data.

#### **Omission Request**

Article 6A. In the following cases, a merchant, his heirs, their protectors, their legal guardians, or liquidators, depending on the case, shall apply for omission from the register within one month of the date of the development:

- 1. When a merchant abandons his trade finally for any reason.
- 2. When a merchant dies.
- 3. When a company is liquidated for any reason.
- 6B. The request shall include the following data:
- 1. Name of the applicant, his birth place, his age, his nationality, and his place of residence.

- 2. His status as applicant.
- 3. A detailed statement, coupled with all the supporting documents, on the development because of which the request for omission is made.

6C. Without violating any of the penalties stipulated in this law, the authority concerned shall have the power to make the decisions to omit from the register any entry, if the parties concerned fail to apply for its omission on schedule. The authority shall omit the entry after investigating the development dictating the omission and hearing the statements of the parties concerned.

#### General Rules

Article 7. Every merchant and company engaged in commercial activity at a main office, shop, branch, or representative agency shall display in all its stationery, printed materials, and windows of shops connected with this activity the business registration number and the trade name in Arabic.

Article 8. A registration, alteration, or omission application shall not be accepted unless it meets all the conditions required by the law. The registration bureau shall ascertain the availability of these conditions. The bureau may ask an applicant to provide documents confirming the correctness of the data contained in the application.

Any party whose application has been rejected may appeal to the minister of commerce within 30 days of the date on which he is notified of the bureau's decision.

Article 9. Registration must be renewed in accordance with the conditions and requirements stipulated in the registration application within 30 days of the lapse of one year on the registration or the latest renewal. The renewal application shall be coupled with a receipt showing payment of the renewal fees set by the executive bylaws of this law.

Article 10. Any person may obtain from the Trade Register Bureau a copy of the trade register of any merchant or company. The copy may not include rulings on declaration of bankruptcy if the merchant or company has been rehabilitated or decisions on impoundment or sequestration have been lifted.

Article 11. The judiciary authorities concerned shall instruct and order merchants and commercial companies to provide the Trade Register Bureau with a copy of a court decision or order issued in any of the following cases, within a maximum of one month as of the date on which the court decision or order becomes final, and the bureau shall note the fact by entering a summary of these decisions or orders in the merchant's or company's trade register:

- If custodians are appointed for a sequestered business or if the sequestration is lifted;
- If authorized representatives are appointed or dismissed in case of (absentee owners);

- If companies are dissolved or voided or if liquidators are assigned or dismissed from them;
- If bankruptcy is declared or canceled, if a time is set for stopping debt payment, if a bankruptcy case is closed or reopened, or if the party concerned is rehabilitated;
- Orders issued in case of a settlement to protect against bankruptcy;
- If a merchant's or a company's monies are impounded or if the impoundment is lifted;
- If the officers in charge of managing a company are dismissed.

Article 12. Trade register officials designated by the minister of commerce shall, each within his jurisdiction, have the power of judiciary officers in seizing violations of the provisions of this law and issuing the necessary citations in this regard.

Article 13. For the purposes of this law, any individual shall be considered a merchant if he is engaged in activity viewed as commercial activity by the law of the state in which carries out his activity.

Article 14. A fine of no less than 300 and no more than 1,000 Saudi riyals, or their equivalent in currencies of the GCC member states, shall be levied on whoever violates the following:

- The provisions of Articles 2, 3, and 4 of this law; Fines shall be multiplied by the number of business places, branches, or representative agencies that have failed to apply for registration on schedule.
- The provisions of Article 5 of this law; The decision shall instruct that the change for which the fine is levied be entered in the register.
- The provisions of Article 6 of this law, excluding the heirs of a deceased merchant, their protectors, or their custodians; An order shall also be issued to omit the registration.
- The provisions of Article 8 of this law;
- The provisions of Article 9 of this law.

Article 15. Without undermining any penalty stipulated by another other law, a fine of no less than 1,000 and no more than 5,000 Saudi rivals, or their equivalent in the currencies of the GCC countries, shall be levied on whoever includes intentionally any incorrect information in the applications he submits to the Trade Register Bureau, in implementation of the provisions of this law. Should such an act result in any registration, alteration, or omission in violation of the provisions of this law, instructions shall be issued to correct the data by either omitting the registration entry and canceling the permit or canceling the omission, depending on the case. The same fine shall be levied on any merchant, company executive manager, branch manager, or representative agency manager who says in his stationery or in printed material connected with his work that he has acquired a

trade register permit when he hasn't, who uses a registration number belonging to somebody else, or who uses papers connected with a registration that has been canceled.

Article 16. The party concerned may appeal a decision made on any of the violations stipulated in this law within one month of the date on which he is given a complete copy of the decision and its causes, or the date on which he is notified of them by registered mail. The appeal shall be made to the minister of commerce, who shall either confirm or cancel the fine, depending on what the papers show him. The minister's decision shall be final in this regard and shall be implemented as soon as the party concerned is notified. Before making his decision, the minister may order that further investigations be made to uncover the truth.

#### **Final Rules**

Article 17. For this law, the minister of commerce shall issue executive bylaws which shall include the following in particular:

- The form that the trade register shall take and how entries, renewals, alterations, and omissions shall be made in it;
- The indexes and records that contain the names of companies and merchants included in the register;
- The forms for registration, renewal, alterations, omissions, extracts, and copies;
- Registration, renewal, alteration, and omission fees and fees for extracts and copies.

Article 18. This law shall be enacted three months after its ratification by the Supreme Council. The member states shall take the necessary measures for the promulgation of this law within this period.

#### REPUBLIC OF YEMEN

# Aviation Chairman on Saudi Role in Airline Merger

92AE0285A London AL-SHARQ AL-AWSAT in Arabic 13 Mar 92 p 9

[Interview with 'Abdallah 'Ali 'Abdallah by Lutfi Shattarah, place and date not given; first three paragraphs AL-SHARQ AL-AWSAT introduction]

[Text] The issue of the merger of the two airlines in Yemen, namely Yemen Airways and Yemen Airlines (Alyemda) has been spinning its wheels ever since the cabinets in the two Yemens decided, before unity, that all sovereign establishments would have to be merged before unity took place. But unity came and the two airlines were not merged. Perhaps the most prominent issue which makes it difficult for the two sides to reach a common point of view is the fact that Yemen Airways is considered a joint-stock company, of which the Yemeni Government—formerly North Yemen—owns 51 percent of the shares, while the government of Saudi Arabia

owns 49 percent of the shares. Alyemda is considered a national company wholly owned by the Yemeni Government—formerly South Yemen—and was founded upon the ruins of local and British companies that had deep roots in this field before South Yemen's independence from Britain.

Alyemda owns a fleet of Boeings, of which two are 707s used to transport passengers, and thus are completely overhauled when used to ship goods. It also has two Boeing 737s, two Dash 7s, and a Russian-made Tu-154.

In order to uncover the facts and to learn the future of the merger operation and the situation pertaining to the Saudi share, AL-SHARQ AL-AWSAT held an interview with Engineer 'Abdallah 'Ali 'Abdallah, chairman of the board and director general of Alyemda. This is the text:

[Shattarah] How would you assess the measures for the merger of the two airlines, Yemen Airways and Alyemda?

['Abdallah] The steps to merge the two airlines have gone through lengthy and complicated processes that have lasted for a period of time that could have been shortened. The failure to settle the issue, in spite of the repeated deadlines that were set, greatly affected the establishment's activity, because it froze our lines for two years and prevented us from keeping up with air transport requirements, since throughout that period, we remained partially paralyzed. All this took place while the development of this industry was being accelerated on the international level.

Even though we did everything we could to lessen the effects of this situation, it was enough to weaken this sector in the Yemen, to the advantage of competing airlines. More than once, we tried to warn of the seriousness of this situation, but to no avail. As you see, even though our Saudi brothers announced in an official memorandum last October that they were willing to liquidate the joint-stock Yemen Airways, we have not yet sensed any practical steps towards settling the issue.

[Shattarah] Some newspapers have accused your establishment of raising obstacles in order to prevent the merger of the two airlines, and also of rejecting the continued participation of the Saudis in the unified airline. Is that true?

['Abdallah] I do not know what the facts are upon which the accusations are based. Either these newspapers are unaware of the facts, or they are deliberately trying to make the establishment's position look bad for some specific reason. The fact of the matter is that Alyemda was the one that was quick to carry out proposals, decisions, and alternatives. It did all that it could to expedite the merger, but what hindered the merger process was not on Alyemda's side, wholly owned by the state. Rather, the problem was with Yemen Airways because of the presence of another party having an almost equal share in it, so we do not have full control over it.

As for the second part of the question, the establishment does not reject our Saudi brothers' participation in the unified airline. However, when asked, it presented its point of view about the bases upon which the unified airline could be established with the presence of our Saudi brothers. They are bases which would guarantee all parties their rights in the new company, and which would achieve the goals sought after from its establishment. Our brothers in Yemen Airways did not have any negative remarks to make about them.

What is important is that Alyemda was not given the right to participate at any stage of the negotiations. The negotiations would take place within the freamework of the general assembly of Yemen Airways alone. Alyemda did not stir up any trouble over being kept at a distance, despite the fact that it was just as interested as anyone else in determining the form, status, and identity of the unified airline.

The issue concerned Alyemda's board of directors as much as it concerned Yemen Airway's general assembly. I believe that is sufficient to answer such accusations and to demonstrate the concessions that Alyemda offered to facilitate and expedite the merger with our Saudi brothers' participation in the unified airline.

[Shattarah] Will your airline take part in paying the Saudi share if the Saudis insist on rejecting participation?

['Abdallah] No decision has been made by the Yemeni side on buying whatever assets and stocks would revert to the Saudi side if the joint-stock company were rejected, and so far it has not proceeded as an interested party concerned with the establishment of a unified airline. However, in my estimation, this issue comes under well-known accounting and legal measures.

There is a protocol that has been signed between the two states that defines the measures that must be followed in such cases. As far as I know, even those working in Yemen Airways agree upon that, and I do not see any signs that things are moving in a different direction.

[Shattarah] If the merger between Alyemda and Yemen Airways is concluded, will the names be changed, and is a name for the unified airline being discussed?

['Abdallah] When the state agreed to establish a unified airline in which our Saudi brothers would have a 49-percent share, the decision was to keep the name as it was, Yemen Airways. But when the situation changes and it is finally agreed that the joint-stock company will be dissoved, then the name of the established airline will change, and there are several ideas for names floating around. We have some proposals that will be decided upon with our brothers in Yemen Airways when this situation is discussed.

[Shattarah] Is there a short-term plan to modernize your airline's fleet? And will that be done in coordination with the Yemen Airways, your next partner?

['Abdallah] We in Alyemda consider that modernizing the airline's fleet is behind schedule, since our plan, which we began to prepare in 1987, was to introduce modern airplanes into the fleet by the beginning of 1991, with a first airplane of one of the modern models, and a second in 1992. The appearance of the joint-stock company has delayed this, because of the delay in determining the identity of the new airline. That is what has forced the establishment to look for an alternative in leasing, and we are now in the process of comparing the bids tendered to us, in light of which we will decide upon the type of leased airplane, and the time frame. But in any case, the new airplanes will enter the fleet in the first half of this year.

#### **BANGLADESH**

Finance Minister Meets With Pakistani President 92AS0801A Dhaka THE NEW NATION in English 14 Feb 92 pp 1, 8

[Text] Finance Minister M. Saifur Rahman, currently on an official visit to Pakistan called on President Ghulam Ishaq Khan at the presidency here yesterday.

The Finance Minister conveyed to the President of Pakistan the greetings and sincere good wishes of President Abdur Rahman Biswas and Prime Minister Begum Khaleda Zia, which were warmly reciprocated.

During the discussions, both the President and the Finance Minister recalled their previous meetings in various international fora.

The President evinced keen interest in the development activities taking place in Bangladesh since the assumption of office by the democratically elected government of Begum Khaleda Zia.

The Finance Minister briefed him on the process of democratization and the development efforts, particularly in the economic field, now under way in Bangladesh.

The President wished the government and the people of Bangladesh every success in their endeavours.

Mr. Rahman expressed his appreciation of the measures taken by the government of Pakistan to liberalize and privatise the economy.

Both the President and the Finance Minister, while noting with satisfaction the development of Bangladesh-Pakistan relations in the political field, hoped that cooperation between the two friendly countries in the economic, commercial and technical fields would also see further enhancement in the days ahead. They agreed on the need for strengthening of Bangladesh-Pakistan cooperation within the framework of the South Asian Association for Regional Cooperation.

Mr. Rahman informed President Ghulam Ishaq Khan of Bangladesh's sincere efforts to resolve the problem of influx of refugees from Myanmar through peaceful negotiations in keeping with its traditional principles.

Earlier on Wednesday, Mr. Rahman held a meeting with Sartaj Aziz, Federal Minister for Finance and Economic Affairs, and discussed matters relating to further development of Pakistan—Bangladesh economic relations.

Both sides stressed the need for making serious efforts to improve economic and trade relations between the two countries commensurating with their excellent relations at the political level.

Possibilities of purchase of Pakistani manufactured cement and sugar plants by Bangladesh were also explored during the meeting.

Mr. Sartaj Aziz briefed Mr. Rahman on various aspects of the economic reforms introduced by the Pakistani government which included privatisation, exchange and payment system, trade policy, industrialisation process etc.

The Bangladesh Finance Minister lauded these reforms and said that his country would try to benefit from Pakistan's experiences. He expressed the hope that the coming days would witness further improvement in Pakistan-Bangladesh cooperation.

The meeting was held in a very cordial atmosphere.

Mr. Rahman also visited the heavy mechanical complex at Taxila and was shown round its various units yesterday.

He will leave Islamabad for Karachi today en route to Jiddah.

Zia Notes Conditions for Country's Progress 92AS0799A Dhaka THE NEW NATION in English 17 Feb 92 pp 1, 8

[Text] Prime Minister Begum Khaleda Zia said in Dhaka yesterday the working force should refrain from making any illegal demands for the sake of unhindered socioeconomic development of the country, reports BSS.

"Let us work together, foregoing our demands for at least five years, to attain the cherished goal of progress and prosperity," Begum Zia added.

Addressing a big public meeting at Dholaikhal, in the old city area, she said the elected people's government would not yield to unjustified demands.

Organised jointly by the Sutrapur and Kotwali Thana BNP [Bangladesh Nationalist Party], the meeting was presided over by Sutrapur BNP President Kazi Abul Bashar.

Among others, State Minister for Youths and Sports, Sadeq Hossain, Mayor of Dhaka City Corporation (DCC) Mirza Abbas MP [member of Parliament], City BNP President Mir Shawkat Ali MP, Mrs. Selina Rahman MP, BNP Vice-Chairman, Chowdhury Tanvir Ahmed Siddiky, Mr. Shamsuzzaman Dudu of Krishak Dal and Kotwali BNP President Mr. Mohan addressed the meeting.

Begum Zia said the country could attain self-sufficiency through increased productions in the fields and factories. "We want to free the country from the dependence on foreign countries and become self-reliant," she said.

She firmly said that the state draft was run by the taxpayers money and, therefore, any illegal demands could not be met putting the people on more trouble.

Continuing, the prime minister said the whole nation could not suffer for the sake of a few people. She said there were demands for bonus from such mills and factories where there were no productions.

She urged the people to resist those elements who were foiling national development by abstaining from work.

Begum Zia, however, said the present government was sincere to the genuine demands of the people and those would be solved gradually.

In this connection, she referred to the devastated economy her government inherited and said the autocratic regime plundered the national economy and no development work was done. She said people came up with problems in all the areas she had visited. "If so much development was done during the autocratic regime why there are so many demands from all over the country," she wanted to know.

Begum Khaleda Zia said the BNP government was determined to lead the country towards progress and it had undertaken many programmes in this regard. She said the canal digging programme was launched to increase food production.

She also listed various steps taken by her government to solve problems facing the nation.

She stressed the need for setting up small and medium industries in the country for industrialisation. This would also help solve the unemployment problems to a great extent, she added.

The Prime Minister urged the entrepreneurs in the Dholaikhal areas to set up industries and produce quality goods to contest the imported ones. "You must maintain quality of goods," she said. Amid applause Begum Zia announced that there would be no eviction from the Dholaikhal area.

She called upon the people to plan their family saying "the city cannot take the burden of more people." She said the people should cooperate with the government in making the family planning programme a success.

Referring to the opposition allegation that the BNP government had failed in running the administration, the Prime Minister said "as far as distribution of relief is concerned, we were honest and there had not been a single pilferage of any relief material. If you mean this to be a failure, yes we have failed because we did not steal blankets."

Begum Zia thanked the people of Dhaka for electing the BNP nominees in the February 27 polls and said the government would do it's best to solve the problems faced by them. The Prime Minister said she had addressed a similar meeting on this day a year back asking for votes for the BNP candidates. Mirza Abbas said that all the roads of Dhaka City would be repaired by the year 1992. Mr Sadeq Hossain called for ensuring civic amenities of the old city. Mr. Shawkat Ali suggested constituting a task force to tackle the various problems of

the Dhaka City. Mr. Tanvir Siddiky said that the development of the Dhaka Metropolis should be carried out in a planned manner.

Earlier, hundreds of people carrying flags and festoons from various city areas thronged the venue to listen to Prime Minister Begum Khaled Zia. They also chanted slogans supporting the government programmes under the leadership of Begum Zia.

# Finance Minister Meets Press on Economy

92AS0804A Dhaka THE NEW NATION in English 30 Jan 92 pp 1, 8

[Text] The economy was gaining momentum, particularly in the past couple of months, in almost all sectors, Finance Minister Mr. Saifur Rahman said last night.

Talking to the editors of the national dailies and news agencies, the Minister said that the economy which suffered a nine-year battering under the autocratic rule performed better during the last five months till November than that of the corresponding period last year.

Exchanging ideas and replying to queries, Mr. Rahman said the economic activities in imports and exports stabilised in real terms in accordance with the needs of the country.

Speaking on allegation that accumulation of foreign exchange indicated stagnation of the economy, Mr. Rahman said the assumption was not correct. He admitted that the foreign exchange reserve was the highest being \$1,308 million.

But he referred to agreement with the International Monetary Fund (IMF) that the country should maintain a reserve of about a billion dollars, enough to meet three months import. Bangladesh needs about \$350-375 million dollars a month for imports. Some countries maintain reserve equal to import needs for two years such as Taiwan or Thailand. Only the poor countries are required to maintain a level equal to eight weeks' import needs. "Exchange reserve is the healthiest thing in an economy," he told the editors recalling that a famine which struck the country once could have been avoided had there been a reserve of only 70 million dollars.

The Finance Minister said that the imports performance was better than last year. He said the import had stabilised at requirement level with stress on intermediate goods. Luxury goods are not in the import list anymore. Private sector accounted for 7 pc [percent] more import than last year while the performance in the public sector declined. Most imports related to raw materials for industries—36 pc for industries.

Along with import, the credit sector also expanded.

During the five months ending in November, an amount of Tk[Taka]924 crore [cr] was advanced, Tk 760 cr

accounting for private sector. In other words, credit in real terms increased over last year.

Export performance also improved. Goods worth Tk 750 crore were exported during the five-month period this year as against Tk 700 cr last year. Wage Earners remittances also picked up—specially during the last couple of months. It was 389 million dollars this year against \$380 million dollars last year. In 25 days of January, remittances amounted to \$65 million dollars.

An official source said withdrawal of special rate helped improve the remittance level.

He was happy over the use of project aid which was only four million dollars in July last year increasing to \$150 million dollars in November.

On agricultural credit, he said the recovery was higher than advance and spending under ADP [Annual Development Program?] had increased. About 33% of allocation was so far spent. There was an inertia initially, he agreed.

However, he disclosed that the World Bank had refused to grant any further credit to the agriculture sector for waving the credit by the government. The WB [IBRD-World Bank] usually provided loans up to 130 million dollars in this sector.

He noted with satisfaction that Bangladesh so far financed the import bill from its own resource. The trend will continue, he hoped, if the current labour-management problem could be effectively resolved.

Paper Notes Agriculture Minister's Delhi Visit 92AS0803A Dhaka THE NEW NATION in English 16 Feb 92 pp 1, 8

[Text] Mr. M. Majedul Haq, Minister for Agriculture, Irrigation, Water Development and Flood Control, called on the Indian Minister for External Affairs Madhavsinh Solanki in New Delhi last Thursday, reports BSS.

They had a constructive exchange of views on various issues of Indo-Bangladesh bilateral relations convering [as published] Tin Bigha, Chakma refugees, water sharing and economic cooperation, according to an official handout.

Mr. Haq is in New Delhi to attend the 21st FAO [UN Food and Agricultural Organization] regional conference.

Mr. Haq told Mr. Solanki that with the advent of a democratic government, there was an expectation in Bangladesh that Indo-Bangladesh relations would move forward in a positive manner.

The Bangladesh minister told Mr. Solanki that with progress on issues like Tin Bigha, water sharing and Chakma refugee, Bangladesh and India would be in an excellent position to reap the fruits of very useful cooperation in cultural and economic fields for mutual benefits.

On the water sharing issue, he put across Bangladesh's perspective on the urgency for a sharing agreement and requested India's understanding. He sought Mr. Solanki's cooperation in this respect.

The Indian Minister underlined his country's interest in creating a positive momentum in Indo-Bangladesh relations and said the present government was earnestly working towards that goal.

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