



# ***JPRS Report***

## **Near East & South Asia**

19980203 379

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NATIONAL TECHNICAL  
INFORMATION SERVICE  
SPRINGFIELD, VA 22161

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# Near East & South Asia

JPRS-NEA-91-080

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**Gulf Mediation Improves Egyptian-Iranian Relations**

92AF0091A Paris AL-DUWALIYAH in Arabic  
14 Oct 91 p 8

[Report by Ayman Nur]

[Text] Efforts by Gulf states that have been trying to forge an Iranian-Egyptian accord are based on the importance of future Gulf relations with the two capitals, Cairo and Tehran. The two states have agreed to halt the media campaigns against each other, in accordance with the proposals of Shaykh Zayid Bin-Sultan, president of the United Arab Emirates, and Sultan Qabus Bin-Sa'id, the sultan of Oman; meanwhile, efforts are continuing to arrange a meeting in a Gulf capital that would include Egyptian foreign minister 'Amr Musa and his Iranian counterpart 'Ali Akbar Velayati.

AL-DUWALIYAH has followed the details of the Gulf role, and the Egyptian and Iranian reactions. It observed Shaykh Zayid Bin-Sultan and his counterpart Hashemi Rafsanjani exchanging important letters following the former's return from the Cairo summit and Damascus. In the two cities, Rafsanjani affirmed his acceptance of Gulf mediation and expressed his country's readiness to stop the media campaigns. He went so far as to speak of "Iran's desire to establish relations at the ambassadorial level with Cairo."

According to a Gulf source, the "question of Egypt's participation in any security arrangements in the Gulf is still viewed with reservation by Tehran, which still insists that the protection of the Gulf is the responsibility of only the states bordering it." This is something that meets with Gulf reservations, arising from the view that it is important for Egypt to have a role. This is the same inclination that was openly expressed by Shaykh Zayid during his latest visit to Egypt, and this was reaffirmed

by Sultan Qabus in two letters to Mubarak carried by the Omani minister of state for foreign affairs and the minister of information.

Saudi Arabia has informed Pres. Mubarak of its firm support of an Egyptian role in the search to envision security arrangements in the region, in conjunction with the states of the region.

According to reliable sources in the Egyptian capital, Damascus has taken on the burden of dialogue with Iran on its reservations towards Cairo's participation, and thus Damascus'. These sources added: "The role of Damascus in the Iranian-Egyptian peace plan is ??? at the latest time, based on Gulf diplomatic efforts."

AL-DUWALIYAH has learned that a secret meeting took place in New York between the ministers of the GCC [Gulf Cooperation Council] states and the foreign ministers of Egypt and Iran. Both ministers expressed their hope that the past was behind them, and that efforts would be made towards developing relations, but it seems that the quick meeting did not touch on the two states' points of view on the subject of security arrangements.

Sultan Qabus is now in the process of contacting and consulting with the Egyptian and Iranian parties in an attempt to bring about agreement between the two differing points of view, and it has been learned in Cairo that he (Sultan Qabus) is coordinating with Syria, which has found in the renewal of the agreement for military cooperation with Iran an open door through which it has been able to influence the Iranian position regarding the participation of non-Gulf parties in security arrangements.

There is talk that a summit meeting between Hashimi Rafsanjani and Gulf leaders is now being set up, which is seen as the start of a new phase in Iranian-Gulf relations, and an indication that the level of Egyptian-Iranian relations are being given the right push in line with the current situation and based on the proposals they were crystallized within the GCC states.

## REGIONAL AFFAIRS

**Hizballah Calculations on Hostage Issue**

TA19111257 Tel Aviv YEDI'OT AHARONOT  
in Hebrew 19 Nov 91 p 2

[Article by Ron Ben-Yishay]

[Text] The Iranians and Hizballah are conducting a sobering, cynical, and calculated trade in humans. They reward those who submit to their demands: in this instance, Britain and, to a certain extent, the United States.

On the other hand, they punish and activate psychological pressure against those who insist on their reciprocal right; in other words, Israel and Germany.

With the release of the British and American hostages, the Iranians are hinting to the "rejectionist" countries: If you do not comply with our demands, your hands will remain empty. As for Israel, it appears that the Madrid conference and the battles being conducted in southern Lebanon have further toughened the relationship of Iran and Hizballah on their demands. There is a theory that, in exchange for information about Ron Arad, they now want Israel to commit to halting its intensive warfare in southern Lebanon.

Yesterday, with the release of the last British hostage, the British hostage affair was ended. This was a prize for the public pressure that the British Government applied against Israel to release Lebanese prisoners, headed by Sheikh 'Ubayd. This was also a reward for the British Government's restoration of diplomatic relations with Tehran, which enabled the latter to renew trade with the West.

At the same time, the release, albeit at a slower pace, of American hostages is being conducted. Officially, it is claimed in Washington that the United States does not negotiate with hostage-takers. In reality, the American diplomat Kelly has already been holding such indirect contacts for months. The release of Sutherland is also a direct result of the talks Kelly held in Beirut.

It is not clear what Kelly promised, but it is reasonable to assume that the three American hostages who remain in the hands of Hizballah will, apparently, be released in the continuation of this process.

Iran and Hizballah are conducting indirect negotiations with Israel, with completely different rules from those of the negotiations being conducted with the other parties involved in the Lebanese affair. This is a subtle and tough game of extortion in which the cards of Israel are spread on the table, while the Iranians, Hizballah, and even the Syrians are trying to get as much as possible without revealing what they hold.

At the same time, they are blackening the name of Israel with respect to world public opinion. Thus, for instance, they demand the release of Shaykh 'Ubayd, but they do

not honor the promise they gave to the United Nations secretary-general two months ago, to disclose details of the fate of Ron Arad—a promise through which they extorted the release of Lebanese detainees held by the South Lebanese Army and the Israel Defense Forces.

Israel stands before a dilemma: Should it comply with the demand for additional gestures without knowing, at all, if the other side has anything to offer in exchange, or should it stand by its principles. It seems, for the time being, that the decision in Jerusalem is to remain obstinate. If Israel plays all its cards without receiving recompense, it is completely reasonable to assume that in the end, the process will be presented as hollow.

**Kuwaiti-Egyptian Loan Crisis Reportedly Contained**

92P40047B London AL-MAJALLAH in Arabic  
29 Oct 91 p 19

[Text] Intensive communications between Egypt and Kuwait have succeeded in containing the Kuwaiti fund loan crisis, following a decision by the Egyptian parliament to delay a discussion on it and attempts by circles opposed to the two countries to use the passing crisis to create a rift in Kuwaiti-Egyptian relations. Political maneuvering by Egyptian and Kuwaiti officials thwarted those attempts.

At the same time last week, Dr. Hamdi al-Banby, Egyptian minister of petroleum, was visiting Kuwait to meet with Prince Sa'd al-'Abdallah to discuss Kuwaiti-Egyptian cooperation in petroleum matters. Meanwhile, 'Abd-al-Wahab al-Fawzan, the Kuwaiti minister of health, was in Cairo carrying a letter from the Kuwaiti emir to Egyptian Prime Minister 'Atif Sidqi. During those communications Egypt received assurances from Kuwait that the Kuwaiti Fund for Arab Economic Development has agreed to give \$500 million in aid and easy-term loans to Egypt during the coming period to fund a number of Egyptian development projects, especially projects listed in the third five-year plan for 1992-97.

Dr. 'Atif 'Abid, Egyptian minister of state for cabinet affairs, has finished drafting a comprehensive report on the Kuwaiti loan agreement to present to the coming session of parliament during its review of the agreement for approval. The review will include clarification on the loan's importance and on the specific details of the loan, such as the interest rate and payment installments.

**Cairo, Tunis Cooperate Against Extremists**

92P40047C London AL-MAJALLAH in Arabic  
23 Oct 91 p 19

[Text] 'Abdallah al-Qallal, the Tunisian interior minister, agreed with Egyptian officials in recent discussions in Cairo on strengthening security cooperation between Egypt and Tunisia. Egypt agreed to provide security services to Tunisian intelligence personnel with regard to

activities of extremist groups. It also agreed to prevent extremists from receiving training in Cairo from Egyptian extremist groups, and to pressure these groups to halt any assistance to Tunisian groups.

At the same time the Egyptian interior minister, General 'Abd-al-Halim Musa, asked the Tunisian interior minister to deny entry to members of extremist groups fleeing from Egypt and to prevent their cooperation with members of Tunisian groups.

It is worth mentioning that the security agreement between the two countries came after information on cooperation between members of extremist groups, bilateral meetings aimed at carrying out terrorist operations, and the conduct of shared training in one of the Arab countries became available to the two countries' security organizations.

#### **Sudan Agrees to Egyptian Terms for Better Ties**

92P40047A London AL-MAJALLAH in Arabic  
29 Oct 91 p 21

[Text] After tense relations and a 15-month cut in ties between Egypt and Sudan resulting from the two countries' different stances in the Gulf war, Egyptian President Husni Mubarak has responded favorably to recent mediation efforts by Libyan President Mu'ammarr al-Qadhafi and Ibrahim Babangida, the president of Nigeria and current head of the OAU. This came after the military government in Sudan agreed to all of Egypt's demands for a halt to the media campaign directed against Egypt, a prohibition against training members of extremists groups in Sudan, and to a Sudanese agreement not to interfere in Egyptian domestic affairs.

At the same time Egyptian authorities informed a Sudanese envoy during a surprise visit last week that they are prepared to receive Sudanese leader General 'Umar al-Bashir in mid-November for his first visit since the beginning of the Gulf war. The visit is meant to remove tension between the two countries, restore Sudanese-Egyptian relations to their prior state, and turn over a new leaf for future relations.

Observers in Cairo note that Egypt has agreed to the restoration of relations with Sudan at this time in particular as a result of Egypt's desire to obtain the greatest amount of support for the peace conference from the Arab countries, after obtaining assurances that the conference would be held.

### **EGYPT**

#### **Army General Doubts Prospects for Mideast Peace**

92AF0092A Paris AL-DUWALIYAH in Arabic  
14 Oct 91 p 18

[Interview with Field Marshal Muhammad 'Abd-al-Ghani al-Jamasi by Ayman Nur in Cairo; date not

given: "I Am Not Optimistic About Peace Conference, October War Will Not Be Last One"—first three paragraphs are AL-DUWALIYAH introduction]

[Excerpts] Eighteen years after the October War, Field Marshal al-Jamasi, the architect of the 1973 victory, talks about the dimensions of that war and his doubt about reaching peace soon with Israel.

The importance of the conversation with Field Marshal Muhammad 'Abd-al-Ghani al-Jamasi derives from his being one of the Egyptian military men who shared in the heroic deeds that Egypt's soldiers achieved during the 1973 War. He was one of the few men in charge of the task of planning and implementing the war that restored dignity to the Arab soldier and destroyed the myth of the invincible soldier.

Although Field Marshal al-Jamasi usually refuses to talk to the press or limits himself to a few terse words, he has granted this interview to AL-DUWALIYAH.

[Nur] Eighteen years after the October War, many constants have changed in the region. In your view, does military strategy remain constant, or have new developments affected it?

[al-Jamasi] I believe that this strategy is constant, even after the Gulf war, especially since this war entailed Iraq's defeat politically and militarily. This situation has caused the Arabs to lose a power that had to be in the same trench as the other Arab powers to protect the greater Arab interests. What happened led to the final breaking of one aspect of Arab power, and this has, in turn, affected the other aspects, such as the political, economic, and social aspects. [passage omitted]

[Nur] Is there a possibility of creating an Arab army now, after the end of the Gulf war?

[al-Jamasi] No, the current circumstances we are experiencing as Arabs, the unfortunate fragmentation we are suffering, and the weakened Arab military capabilities—in addition to current international conditions—all these things stand as an obstacle to the creation of an army to serve the 21 Arab states. Even before the October War—right up to January 1973—the Arab League was unable to unite Arab military forces according to the charter. As a result, only Egyptian and Syrian forces participated in planning and worked together. A few Arab states contributed token forces. However, the Arab states used the oil weapon successfully, and that was an extension of military action. [passage omitted]

[Nur] With international reconciliation after the changes in Eastern Europe and the Soviet Union, has the possibility of international armed conflict by other parties, or between powers other than the United States and the Soviet Union, disappeared?

[al-Jamasi] The occurrence of a world war has become unlikely, but local wars will take place. The United States

will not remain alone at the top of the international ladder. Other powers will follow it to occupy the vacuum that has developed.

[Nur] Are you optimistic about the holding of the regional peace conference? Could this conference lead to a just solution if it is held?

[al-Jamasi] Personally, I doubt it for many reasons, although the conflict could be resolved by serious negotiations between the Arabs and Israel, if they take place. My reasons for doubt come from memories of the past. After the 1967 War, General Moshe Dayan said that the June war had ended all wars; after the 1973 War, Egypt's late President Anwar al-Sadat said that the October War was the last war. But it won't be. Does Israel's behavior to date indicate that it is inclined toward peace?

### Brotherhood Leader Argues for Jihad

92AF0096A Cairo AL-SHA'B in Arabic 22 Oct 91 p 5

[Editorial by Mustafa Mashhur, a top official in the Egyptian Muslim Brotherhood: "This Conference: Between Whom? With Whom? For Whose Benefit?"]

[Text] Perhaps we should recall the Balfour pledge [as published] from Great Britain—at that time—to the Zionists to establish a homeland for the Jews in Palestine. It was a corrupt and invalid promise, because it was made from those who did not own to those who had no right. However, by force, subjugation, and oppression, the English worked to achieve that pledge before and after their withdrawal from Palestine. They enabled the Zionist gangs to enter, possess, and to forcibly usurp the land from its owners, and protected those gangs while they carried out acts of violence and aggression against the Arabs, in order to make them flee out of fear and to leave their homeland for the Jews to occupy. The English plotted with their client Arab governments, so that they were able to announce the armistice and partition, and the emergence of the Zionist entity on a part of Palestine. A little while before that, they ordered al-Naqrashi Pasha, then prime minister of Egypt, to disband the Muslim Brotherhood and arrest them. They implemented the British order, plotted, and assassinated the martyr Imam Hasan al-Banna. America and Russia were in the forefront of nations that recognized this Zionist entity. Then, the power of England vanished from the area, especially after the tripartite attack on Egypt in 1956. America gained hegemony over the region, establishing a protectorate over this ugly child, and became tantamount to a watchdog in the region, particularly after abandoning the Arab and Islamic people to the occupation troops. However, after the evacuation, governing regimes were established that were subject to the policies of our enemies from the East or the West. Then came the 1967 plot, in which the Egyptian army did not really participate in fighting the enemy. There was conspiracy from without, and destruction and negligence by army leaders from within, while the enemy occupied the Sinai, Golan, and the West Bank and Gaza Strip.

Support for the enemy by America and Western nations has continued. Then came the Ramadan and October War, in which the Egyptian army performed admirably. There was cooperation with certain Arab countries, such as Saudi Arabia, Syria, etc. If it were not for American intervention to prevent the Egyptian army from going further, that war would have been another matter. This proved that the Egyptian army did not have a real opportunity to fight in 1967.

This was followed by the Camp David disaster, which removed Carter, Sadat, and Begin from the scene, and which had negative and lethal effects on the Arab world. The Zionist enemy benefitted the most from it. The conspiracy continued. The Gulf crisis was manufactured by the American director, and the Zionist enemy again was the biggest beneficiary. The presence of American and other forces in the region was made legitimate by agreements with certain countries extending for many years.

This alleged conference, which is one of the noxious fruits of the Gulf crisis, is to protect the Zionist enemy and attempt to bury the issue of Palestine. However, it will not be buried. It will continue, no matter what conferences they convene. The parties to the conference do not have the right to act on this issue. It is considered action by those who do not own for those who have no right, as England did with the Balfour Declaration.

This controversial Palestinian sideshow is intended by the enemies merely to bestow the name of Palestine to the conference; Palestinians will have no role in it.

Under this American moral, military, and political pressure, the Arab states will agree to participate in this capitulatory conference and the UN will take part in order to put an international stamp on the conference. Its results will be for the enemy's benefit against the Palestinian cause.

I don't know how these Arab and other participants in the conference can forget, or pretend to forget the nature of the people of the Zionist entity, and their devious, deviant character. They keep no promises and are despicable.

They wrote the Talmud themselves, but they give it the aura of having come from God, like the Torah; rather, they put it above the Torah itself. Thus, the Zionists dress their stratagem in the garb of doctrine, in order to make Jews enthusiastic about achieving it with them. Even if some Jews oppose them on this, those who read the Talmud, or some of it, will come to some clear conclusions, which may be summarized as follows:

1. The Jew does not have to love his fellow man or deal with him fairly, unless he is another Jew. As for the foreigner, he deserves every humiliation, oppression, and deception. Every time the Israeli is able to wreak havoc on foreigners, and does not, he deserves the curse of Heaven.

2. The Jew must make every effort to eradicate Christians and Muslims from every corner of the world, because they claim that they are God's religion. However, Almighty God only sent down one religion, Judaism. For these reasons, we see rabbis teaching their fellow countrymen this contemptible advice:

The life of those who are not of your kind are in your power; do what you wish. Their money and property are a gift to you. Be as pleased with that as you like and as you wish.

Moreover, the Talmud stipulates that all the blessings of earth belong to the Jews, and that men were created to be their slaves.

3. When the Jew is in court, it is incumbent upon him to win over his brother, whether he is unjust or wronged. When the country's law does not help him do that, he doesn't mind resorting to cheating, bribery, fraud, or intimidation, provided that secrecy is strict, lest he be discovered and shame holy Israel.

4. The Jew thinks of himself as descended from God himself, and that everyone else is derived from impure souls that God created for Israel's pleasure. Therefore, when the Jew swears an oath to a non-Jew, there is no conscience to hold him to that oath, because the trust is only between men. When he is forced to swear an oath in court or to a government agency, he can gainsay his oath within himself, by word or thought or intent, in order to free himself from his bond. In any case, it is incumbent on the Jew that he must be on his guard in strict secrecy.

5. The Jew can satisfy his lusts with the foreigner and his woman without restriction or limitation. Therefore, the Talmud teaches that when a Jew commits adultery with a non-Jewish woman or violates the honor of a foreign girl, he gains rewards with God. Moreover, the father works to provide happiness for his children, as God Almighty—may God forgive me—works to make His Israeli children happy by giving them free rein. On the other hand, the Jewish Talmud teaches that it is sufficient for the Jew to adhere to his religion, even if only outwardly, and God will absolve him of everything. Spanish Jews went for 200 years outwardly embracing Christianity; then, when their circumstances changed, they returned to their Judaism.

6. The Jew has the right to practice usury, rob others, and steal their money and property, because these treasures were created for him and were seized from him. It won't be held against him if he reclaims them by any means, because of the Jews' infamous principle; "the end justifies the means."

This, dear readers, is the testimony of the Jews about themselves from their Talmud. They consider themselves owners of the world, while the remainder of mankind are their slaves, whose money, honor, and all their property may be appropriated. Jews cheat, steal, swindle, and perpetrate all crimes without restriction or deterrence.

What can the conferees expect from them after they learn about their nature, since they keep no promise and are not trustworthy, that they cheat, that they would gain by peace what they cannot gain by war, and then gain by war—with others' assistance—what they cannot gain by peace. The Holy Koran has described their evil nature; it does not lie. This is true and incontestable; their current statements confirm that.

Their intent is clear, and they persist in it. It is to establish Greater Israel from the Nile to the Euphrates and to Medina. The picture of this state still hangs over the Knesset. They round up Jews in various countries so that they can settle them there after driving the Palestinians from their land.

Ancient and modern history confirms that they are the enemies of mankind. Previously they were driven out of Spain, England, and elsewhere because of their unethical nature and their mistreatment of others.

Why is America—led by Bush—demanding that the UN nullify its previous resolution that labels the Zionist entity a racist state? The purpose is to camouflage Israel's previous crimes against the rights of the Palestinian people, as well as its present and future crimes.

Muslims, the Palestinian issue is not the issue of Arab rulers, or the Palestinians' issue. No Muslim will agree with what this conference approves, because it is the issue of all Muslims. Islam does not recognize those who illegally seize any of Islam's land. On the contrary, all Muslims must strive to regain every inch of land usurped from Islam, no matter what the sacrifice costs, and no matter how long it takes. How much hatred the usurper has for the believers. The usurped land is Palestine, and al-Aqsa mosque is the first of the two *kiblahs* [places toward which Muslims pray] and the third holy place.

The ulema of Islam issued a *fatwa* [Islamic legal opinion] some time ago forbidding reconciliation with the Jews or recognizing them on any territory they usurped from Palestine. The duty of the Islamic community as a whole—ruler and ruled—is to comply with the opinion of Islam's canonical law [shari'ah] and not be remiss with regard to that opinion. The entire Islamic nation must be ready to oppose them, make sacrifices, and liberate al-Aqsa mosque. A ruling regime must not be allowed to prevent Muslim youth from going to Palestine and fighting directly with those cowardly Zionists in order to liberate Palestine, all Palestine, and al-Aqsa mosque from those Zionists.

Any abandonment of this issue will result in the Zionist enemy continuing his plans to attempt to establish his expanded state by 1997, i.e., 100 years after the Basle Conference in Switzerland. The Zionist wants to destroy al-Aqsa mosque and build the temple there. Do the Muslims—ruler and ruled—understand this plot, this conference, those who are taking part, and what will be achieved?

### Intellectuals Comment on Freedom Under Mubarak

92AF0042C Cairo AL-AHRAM AL-DUWALI in Arabic  
10 Oct 91 p 3

[Report by Thabit 'Awwad]

[Excerpts] [passage omitted] The famous novelist Najib Mahfuz, who won a Nobel Prize during Mubarak's administration, says: "I believe that freedom of speech under Mubarak, whether in the press, politics, or in social thought, has made unparalleled progress because not one newspaper or magazine has been confiscated and not one opinion has been suppressed. Democracy under Mubarak, is complete and the press has achieved a high degree of freedom." The novelist sees the presence of opposition newspapers as the embodiment of freedom and that Egypt, within the boundaries of its traditions, is as free and democratic as any other democratic country. He feels that democracy is progressing slowly, yet steadily, and wishes that the National [Democratic] Party would reconsider the emergency laws and some articles of the constitution. He said that it is sufficient for Mubarak to see his name associated with concepts such as democracy, freedom, and the speedy efforts to establish peace, nobility, and an increase in productivity. Mubarak's name, he added, has become a symbol for construction and civilization.

The famous writer Mustafa Amin indicated that the president's ability to tolerate criticism is the most significant feature of [the] Husni Mubarak era. Mr. Amin added that no one in the Middle East, with the exception of Egypt, can criticize the head of state without going to jail. However, and despite this privilege, he believes that Egypt "is still in the first grade of freedom and I wish that it would get to fourth grade in the near future." He added that Egypt, after ten years of freedom, deserves a new constitution prepared by a national assembly stipulating that people are the source of authority. The new constitution should cancel offensive laws. Finally, he confirmed that freedom of opinion is the most important characteristic of Mubarak's term.

Khalid Muhi'-al-Din, secretary general of the National Progressive Unionist Grouping [NPUG] Party, says: "No one can deny that President Mubarak has taken unprecedented steps, such as releasing political detainees and meeting with them, thus ending political tensions. President Mubarak also ordered the resumption of party newspapers such as AL-SHA'B and AL-AHALI." Mr. Khalid Muhi'-al-Din stated that during Mubarak's term, newspapers have not been confiscated, except for AL-AHALI, which was shut down for 24 hours during the election, and its distribution was resumed on the following day. This is called freedom of the press. He concluded, saying "during Mubarak's term the political parties, with the exception of those who utilize violence and force, have made significant progress toward achieving freedom of the press, which has been felt in all the Arab world."

Mr. Makram Muhammad Ahmad, head of the journalists' union, has confirmed that the opposition newspapers enjoy freedom of speech that is almost unrestricted. "There is no censorship of what these newspapers write and the fact that their number is growing confirms my statement. During Mubarak's term, no political newspaper has been confiscated." To show the degree of freedom tolerated in the opposition newspapers, he added, "during the Gulf war, these newspapers opposed the stationing of Egyptian troops in the Gulf, thus violating international and political traditions which dictate that political groups and opinions should unify to give moral support to troops stationed abroad." [passage omitted]

Mr. Makram Muhammad Ahmad proceeded to say that "the national newspapers, in addition to publishing government opinion, published varied opinions. If we read the editorials, we will find that opportunity is given to thinkers of all inclinations. Complete democracy requires the passing of a new law that will lessen the difficult restrictions on newspaper publishing, a reason for which many are resorting to establishing joint-stock companies abroad in Cyprus, for example, in order to publish newspapers and then distribute them in Egypt. AL-KARIKATUR [caricature] newspaper is an example of this. These restrictions should be cancelled because they serve no purpose." The other point that Mr. Makram discussed was the issue of information gathering. He stated that the law of free press gives newspapers the right to obtain information, but does not stipulate how this information should be obtained, nor where or when it can be obtained." [passage omitted]

Mr. Mahmud Amin, the well-known scholar, believes that Egypt, without a doubt, has seen a margin of democracy that has grown in the past ten years. However, this margin finds its roots in the economic liberalism which started during Sadat's era and has continued to grow during Mubarak's term. "Economic liberalism led to political liberalism, and the scope of economic liberalism is far larger than the scope of political liberalism, whose borders, unlike economic liberalism, are shrinking. Actor Mustafa Husayn is certain that freedom of speech is as clear as sunlight because there has been a real openness and real freedom to express opinions that are very critical of the government without any repercussions. He concluded by saying that President Mubarak, in many instances, has shown his critics a patience that the other leaders lack. [passage omitted]

Ibrahim 'Ali Muhammad, a newspaper vendor for fifty years, said that in the past he used to distribute three or four newspapers and four magazines, but now he distributes ten newspapers and twelve magazines. Khalifah 'Abd-al-'Al, a 32-year-old newspaper salesman, agrees with Ibrahim 'Ali Muhammad and asks for more newspapers and magazines to sell, because his business has flourished in the past ten years. [passage omitted]

### Former Ambassador on Future of USSR

92AF0086A Cairo AKHIR SA'AH in Arabic 12 Oct 91  
p 3

[Excerpts] What is the future of the Soviet Union? Will its republics continue to demand independence? Will the world be left with only one superpower? Will it become a marginal power? What is the future of the Soviet nuclear force? What will the future of the economy be like? What will be the fate of Gorbachev and Yeltsin? Is it possible that the Soviet Union will give up part of its nuclear force in return for the aid offered by the West and America? Is it finished as a superpower? These were the points covered by Ambassador Salah Basyuni, our former ambassador to the Soviet Union, in his lecture at Cairo University's Center for Research and Political Studies. [passage omitted]

### Future of the Soviet Union

Salah Basyuni says: "The first issue, when we speak of the future of the Soviet Union, is that of the numerous nationalities there. We are watching conditions in the republics very closely from the nationalism standpoint. Also, [we are watching]:

- "the Soviet infrastructure, which runs a 150,000 kilometer railroad network, an air transport network covering 3,600 cities inside the Soviet Union, and an integrated central energy network over the Soviet Union.
- mutual economic relations—there is no republic there that isn't interrelated with its neighboring republics.
- commercial exchange between the republics and the central government
- the most momentous kinds of involvement in the fields of education and culture, something which cannot be denied
- most importantly, the question of defense; security; and the nuclear warheads on Soviet territory, most of which have been moved into the interior of the Russian Republic."

"As a result of all this, I think it will not break up as easily as some people say. However, this does not preclude that these republics will continue to apply pressure and demand independence, especially given a number of key factors:

- "The Communist Party was the backbone that held everything together, and now it is gone.
- A psychological factor now playing a large role is the result of the recent coup: the fear of the return of that kind of government. The coup is a lesson that must be heeded: we see that the first demand, after the declaration of independence, is for the withdrawal of forces.
- Even if the historic circumstances and elements had been different, there was Moscow's precedent in recognizing the independence of the Baltic republics.

- The strong foreign stance of the European powers, the United States, and Japan certainly still support this independence, and all their demands are contained in a constitutional framework which much be dealt with in the context of security and nuclear power."

### No Return to Past

Salah Basyuni adds: "I don't think there will be any retreat from the demands for political independence, though a new federal or confederal formula must be found to bring them together. There must be some formula to go along with the new situation. A return to the past is an impossibility. Balancing the factors working against pressure for independence are factors pressing towards the future, as we see from the role that the Russian republic will play, with its weight, influence, its abilities and responsibility for nuclear security, as well as its nationalities.

"If we concede that the old ideologies are gone for good, as the Europeans and Americans demand, then the Soviet Union and all its republics must institute free market economies. So every republic will look to America, Japan, and Europe to seek economic and political assistance. I think that these republics and new elements will soon see the formation of an economic unit like the European Common Market, and they will be able to set it up easily.

"Everyone concedes that there must be a central authority responsible for defense and security, and this is also an American and European condition for extending aid."

Regarding the fate of Gorbachev and Yeltsin, Salah Basyuni said: "Gorbachev's popularity has reached its nadir. It is clear that he does not enjoy the people's respect. As for direct elections, I think he will hesitate to move towards elections, and he will have an excuse not to. He led the country for a certain period and will let history judge it, but Yeltsin will go on until his time is up. New constituents will emerge to lead the new state in the future."

### Russian Nuclear Force

Next, there was open discussion in which Basyuni was asked about certain points, and about whether the Soviet Union might agree to them in return for Western and American aid; whether it would accept a reduction in its nuclear forces, in addition to limiting them. Salah Basyuni said, "In the last three years, the Soviet Union has agreed to things it never accepted before, and I think something similar might happen. Besides, we must admit that the traditional enmity towards the West and America no longer exists. Thus, the situation with Soviet nuclear forces will be a formality in the new [world] order, so it might be said that there is a nuclear force only in order to counterbalance America's nuclear force."

Asked if the Soviet Union was finished as a superpower, he said, "I imagine the Soviet Union will have a new form, and in the framework of this political form, a not-insignificant conventional line will also prevail at

the global level, with no fear whatever for the future of the Soviet Union, because it is essential that there be involvement between it and Europe." On the economic future of the Soviet Union, he said, "The Soviet Union will become a market for which Europe, America, and Japan will compete. American and European capitalism must look to the Russian market. In three years, the Japanese indicator for the Soviet economy will begin to rise." On the weight of Jewish influence there, he said, "There is Jewish influence there, and it will always play its role. There is a strong Jewish lobby within Soviet institutions."

Asked whether the Soviet Union would become a marginal power, he said, "The Soviet Union will remain an important and major factor in the world order, and will not be a marginal power. In the Gulf war, America could not have arranged the alliance without the consent of the Soviet Union. I rule out the idea of a unipolar international community."

### **Soviets To Provide Technology for Phosphate Project**

92AF0089A London AL-SHARQ AL-AWSAT in Arabic  
17 Oct 91 p 10

[Text] Cairo, AL-SHARQ AL-AWSAT bureau—Egyptian industry officials recently reached an agreement with concerned Soviet parties that would allow the Egyptians to import the advanced technological equipment needed for the Abu-Tartur phosphate project from the Soviet Union. It was also agreed that all Soviet machinery would be supplied in accordance with the design laid down by Western experts from French and Swiss companies. Meanwhile, other studies of the project have revealed that the total cost of implementing it will be 1.7 billion Egyptian pounds.

It is said that the project, which Egyptian and Soviet experts are implementing, is being done within the framework of a comprehensive contract between the Egyptian Ministry of Industry and the Soviet side, whereby the latter will supply 650 million Egyptian pounds worth of machinery and equipment needed for the Egyptian project in exchange for the Soviets getting phosphate concentrate.

Engineer 'Abd-al-Mun'im Isma'il, head of the project's executive office, which is 800 km from Cairo, said that the value of the total investments will reach 1.7 billion Egyptian pounds, and he pointed to the agreement, which stipulates that work on the project be completed within its set time frame without delay.

In the hills of Abu-Tartur, located in the al-Wadi al-Jadid Governorate, there are billions of tons of raw phosphate, according to experts' estimates, in an area of 112 km. The area represents 10 percent of the total area of the hills, where there are natural deposits of the raw material that can easily be reached.

Eng. Isma'il explained that, so far, tunnels 12 km long have been dug, out of a total of 42.5 km needed to start extracting the raw material. This will happen when the first line of the mines is put into operation in 1993, with a capacity of 1 million tons a year. Concentration operations will start in 1994, with a capacity of 600,000 tons of concentrate per year. Meanwhile, the lines of the project will be installed successively, so that capacity will reach 2.2 million tons per year in 1996, whereby production will meet the needs of the local Egyptian market and export to India, China, the countries of East Asia, Bangladesh, and the Soviet Union, within the framework of increasing the project's capacity to 3.5 million tons per year in the year 2000.

Eng. Isma'il added that the project has several goals, including using the raw material to produce phosphate fertilizers; increasing Egypt's hard currency revenues; providing job opportunities for around 5,000 citizens in the project and its complements; and establishing an industrial settlement in the al-Wadi al-Jadid Governorate. In this context, a railroad line is now being built, 850 km long and extending from the region of Safajah on the Red Sea to al-Wadi al-Jadid, linking eastern and western Egypt for the first time, except for an electric line extending from Naj' Hammadi to al-Wadi al-Jadid, and from there to the region of al-Kharijah, until the transformers of Abu-Tartur are installed to transform the electric current into the energy used in the project. Also, a new port will be built in Safajah to accommodate large ships of more than 70,000 tons; 2,500 feddans around the project will be reclaimed, and a city to hold a population of 25,000 will be built.

The project's administration has begun to carry out the scientific endeavors connected with the project. It has established the Abu-Tartur Phosphate Institute to study the raw material, fertilizers, and ways of concentrating the phosphate. This has resulted initially in raising the concentration from 26 percent to 31 percent. This is in the production of phosphorus pentoxide, and there is a strong possibility that this percentage could be raised.

### **Domestic Debt Presents Future Peril**

92AF0015B Cairo AL-AHRAM in Arabic 20 Sep 91 p 7

[Article by Usamah Saraya: "Domestic Debts: The Future Peril"]

[Text] Lack of resources is the cause of resorting to debt, be it foreign or domestic debt. Loud warnings voiced by economists are alerting us to the danger of domestic debt, deeming it the future peril. Can we avert this? How can we protect our financial institutions, the Egyptian banks, and, indeed, the Egyptian economy against the danger of growing domestic debt? Now that we have recently been able to contain the foreign debt, following the agreement with international organizations and creditor countries to forgive 50 percent of our debts and to reschedule the balance over long periods of time, we must deal with the domestic debt.



Dr. Hazim al-Biblawi, chairman of the Export Development Bank and an Egyptian economic expert, revealed the seriousness of the escalating burden of domestic debt, saying that the domestic debt burden (treasury notes and treasury bonds) will become one of the biggest expenditure items in the future. The budget deficit is the source of danger, for if government revenues do not increase in the future, then the government will be unable to continue financing the budget through treasury notes and within the scope of a policy of economic reform. It might be forced to once again resort to inflationary policies and to admit failure. We must heed the warning signs, because it is inconceivable that we should surface from the whirlpool of foreign debt only to fall into that of domestic debt.

Continuing the dialogue on the question of treasury notes and domestic debt, Dr. Midhat Hasanayn, professor of economy at the American University and an expert on the Egyptian economy, entered into an interesting debate with Dr. Hazim al-Biblawi, in which he gave a precise evaluation of treasury notes and their pros and cons, saying that it is a bitter medicine for the economy that has its side effects. He defined with figures the interest burden on treasury notes which this year is expected to reach \$1.1 billion if financing through treasury notes remains at \$6 billion and the interest rate remains at an average of 19 percent. What applies to the treasury notes also applies to investment certificates, since they have been financing the public sector's investment expenditures. But the situation is beginning to change since passage of the law on public sector business, in that the new holding companies will float new financial instruments and turn over their financial portfolios to the companies. Dr. Midhat Hasanayn said that he is neither calling for reducing the interest rate on treasury bonds and investment certificates, nor for reducing interest rates; neither is he asking for a change in the government decision to fix credit ceilings. Rather, the solution is to create real competitive forces in order to attract [money away from] savings toward investments. He asserted that restoring the Egyptian economy's lost balance will not happen unless the day comes when investment returns in society's productive assets become greater than savings returns, the savings being in treasury notes.

There is wide-spread public debate stimulated by the present situation. The legislation of the law on public sector business has whetted the economists' appetite for real change. They regard it as a truly wide gate leading to the stage of real economic reform. But all this necessitates completing the batch of economic reform laws, foremost of which is the banking and credit law that would review the structure and method of operation of the units of the banking system. This is turning out to be a point of concern and apprehension because the collapse of the Bank of Credit and Commerce International has raised so many questions about the future of the banking system in Egypt and its operation method, e.g.: Where are the funds it [the Egyptian banking system] has

lent to the public sector and how will it retrieve them? What about the foreign currency and savings it has lent to faltering projects? How will it be recovered? The banks' relation to the economy and the preservation of the depositors' money have become a major and serious issue. Alarms are being sounded to halt the series of collapses through effective action and sound economic principles.

If we are to complete the economic reform laws, we must not forget to pass a viable law for sound relations between landlord and tenant in agricultural lands and estates. This is because the economy cannot continue much longer under the existing lame law which, if anything, indicates the degree of economic "stupidity" that led the economic administration to enact a law that is against the interests of everybody, foremost those of the Egyptian economy. Secondly, it is against the interests of both landlord and tenant. So far we don't know of any interests served by this law. It definitely reflects the degree of the administration's intellectual paralysis and inability to change, even though everybody welcomes this change which serves the interests of all parties. The delay to change this law reflects our indecision and lack of knowledge of the economic reality in which we are living.

Economic changes are fast developing; they will not wait for the weak ones to act with fear or hesitation. We are in dire need to review the tax law so that taxes will regain their role as a means of development and not merely of revenue. The poor tax situation is begging everybody for help, for taxes have become the big bludgeon that kills activity. Advocates of the idea that "we are people with the highest income" will not remain happy for long, for it has simply become the tool to kill the economy and bury all activities. In their present form, taxes have become a danger to the economy, indeed, a danger to increased revenues and a balanced national budget in the future. A weak economy will not be able to pay exaggerated taxes.

We must understand that in order for economic reform to continue, we must overcome the state of laxity that has reemerged after having breathed easily following the agreements reached with the IMF, the Paris Club, and recently the International Consultancy Group in Paris. Overcoming laxity is the key to progression so that we will not once again be sucked into the whirlpool.

The government has the right to feel that it has achieved a lot in the past period, but laxity and standing still will take us back to square one. The fear that we are unable to complete any reform course will reemerge, for customarily our view is focused on the interim goal rather than on a complete and comprehensive treatment of our economic problems.

The fear we now feel stems from the suspicion that the recently adopted economic policies are intended as a treatment that falls within the category of "palliatives," or just as a means to overcome obstacles in reaching

agreement with the IMF, rescheduling debts, and canceling part of them, after which we will still be unable to achieve our economic objectives.

The alarm bell warning of the danger of the budget deficit draws attention to the dimensions of the domestic debt; it warns that loans will put increasing burdens on the budget. We will not be able to repay our debt without increasing our current revenues or raising taxes, which have already reached a dead end and cannot be increased any further. Therefore, the goal before us requires curbing public expenditure and transforming the services for which the government pays for with a great deficit into services with actual fees. The new business sector should incorporate in its plans the need to repay the \$80 billion to \$100 billion which the public sector borrowed from banks. This is because the failure to repay these debts will put Egyptian banks at risk. The banks must also strive to retrieve the money they lent to public companies, just as it is seeking to retrieve its delinquent loans from the private sector. The recent alarm bell also warns the banks of the need to protect their activities and boost their credibility with their customers. The government debts owed to insurance and pension authorities should be streamlined, and those two authorities should be turned into economic authorities operating according to market methods in order to protect the savings of the retirees and the insured. The threat of domestic debt to the economy will force the government to repay the debt. This will eventually compel it to streamline expenditures and to redline hundreds of expenditures lacking justification. If the economic reform process continues, then it will halt the squandering of funds and will turn all our authorities and companies into economic authorities.

Thus, the times show that the return to a market economy will lead to adjusting all imbalances.

Since we realize the dimension and seriousness of the economic crisis and are proceeding with the reform, then indecision and fear are inexcusable. We need individuals who are capable of carrying on with the change without hesitation or fear. This brings to the fore the importance of the fact that economic reform requires a comprehensive change in management thinking in the Egyptian society, politically, economically, socially, and in all the fields.

**Bank Rates, Security Forces Shrink Black Market**  
92AF0042B London AL-AHRAM AL-DUWALI  
in Arabic 2 Oct 91 p 10

[Text] Cairo, AL-SHARQ AL-AWSAT bureau—Recent economic and security reports issued in Cairo indicated that currency trading in the black market has greatly decreased, especially in the past three months. These reports also indicated that the price difference between the free market and the black market does not, at the present time, exceed one piaster [one-hundredth of an Egyptian pound] and dealing with banks by those who are willing to buy or sell has recently increased by more

than 80 percent. The reports also mentioned that the concentrated security campaign has succeeded in limiting the activities of money traders, not only in Cairo, but in various governorates, and that many of these traders have withdrawn to a great extent. It was also noted in these reports that money trading has changed from an organized system in which the price of exchange was high, as in past years, to a pattern that can be characterized as infrequent and individual. The same sources stated that limiting banks' credit ceiling has helped to achieve this stability in the exchange rate. Also, the increase in interest rates on local currency, which has reached three times that of the interest on the dollar, has led to a great surplus of foreign currency at the money-changing companies. This has increased their operating funds, which is sold at accredited banks.

**Small Business Loans To Stimulate Employment**  
92AF0086B Cairo AL-SIYASI in Arabic 6 Oct 91 p 1

[Report by Samihah Karim]

[Text] Steps are now being taken to deal with the unemployment problem by employing youths in investment projects with easy interest rates, not exceeding 9 percent. The Industrial Development Bank will begin offering the loans soon.

Young graduates and small business owners will benefit from the loans. It has been decided to open sixteen offices in Cairo to offer the unsecured loans, and technical consulting and feasibility studies will be offered at no cost to project founders. An official source in the Ministry of International Cooperation said that "there is an accord with three international development agencies—American, German, and Dutch—to offer to the small projects free technical consulting and feasibility studies in various fields, such as maintenance, quality control, and marketing."

There has also been an agreement to set up an overseas exhibition of the small projects, to be overseen by one of the international development agencies, and to set up a permanent exhibition of the small business owners' products.

The National Development Bank has decided to set up sixteen offices in Cairo to offer unsecured loans to small factory owners. This system is based on offering services to agents in their workplaces. The project is a cooperative one with the American [as published] Agency for International Development, which is providing the bank with the planning and execution of a system for offering small business loans.

The project is aimed at boosting employment rates in Cairo and the rural areas by offering developmental facilities to younger skilled workers at commercial interest rates. This marks a significant departure from the program of subsidized loans.

### Minister Details Future Loan Agreements

92AF0092B London AL-SHARQ AL-AWSAT in Arabic  
22 Oct 91 p 10

[Article by Sabri al-Jundi: "Egypt, World Bank To Sign \$654 Million in Loan Agreements in November"]

[Text] Four agreements, valued at \$654 million, are to be signed between Egypt and the World Bank this November, giving Egypt loans on easy terms to implement structural adjustment programs for the Egyptian economy, natural gas development projects, railroad improvement, and the national covered sewers project. This is in addition to a Japanese grant of 105 million Japanese yen to the Egyptian Government under World Bank supervision to monitor pollution in the Hilwan industrial zone and to develop projects on the northern coast.

This was stated to AL-SHARQ AL-AWSAT by Dr. Maurice Makramallah, minister of state for international cooperation. He added that an agreement would be signed between Egypt and the Agency for International Development [AID] giving Egypt a \$140 million loan with easy terms and low interest earmarked for social fund projects, in addition to \$50 million for covered sewers projects.

The minister added that Egypt would sign an agreement with the African Development Bank, whereby the bank would grant the Egyptian Government a \$130 million loan to be used to help in structural adjustment of the Egyptian economy in accordance with the government's current policies of economic reform.

An agreement will also be signed with the Arab Fund for Economic and Social Development to contribute \$35 million to the water stations project and cleaning sewers, and \$30 million for plate glass [production] in a factory at Madinat al-'Ashir min Ramadan [10th of Ramadan City].

The Kuwaiti Fund for Arab Economic Development will offer 14.4 million Kuwaiti dinars for a project to expand production of polyester at Kafr al-Dawwar. The Saudi Fund for Development will offer 64 million Saudi riyals to fund the Cairo-Asyut highway project.

The Abu Dhabi Fund for Economic and Social Development will offer a grant of \$85 million to fund the project to extend the al-Salam Canal to Sinai and reclaim 400,000 feddans of land in Sinai.

In a related development, the Egyptian cabinet has approved a total of \$465 million in agreements signed between Egypt and the United States during the past months.

The agreements cover the areas of health, small projects development, energy sector support, and commodity import and export. The cabinet also approved agreements for grants totaling 139 million kroner offered to

Egypt by the Danish Government, earmarked for technology development, energy, spare parts, and technical assistance to the yeast factory at Madinat al-Salam.

Also approved was a Japanese grant of 898 million yen to help implement Phase Two of the project to re-equip and improve the fishing harbor at 'Ataqah on the Red Sea.

### Businessmen Assail Economic Reform Program

92P40043B Cairo AL-AHALI in Arabic 23 Oct 91 p 1

[Text] In its Tuesday evening session, the Seventh Convention of the Chambers of Commerce witnessed a bitter attack on the economic reform program embarked upon by the government. The Committee for Banking Affairs demanded a re-examination of the way elective ceilings are set on interest rates for loans and deposits. It also demanded a limit to the issuance of treasury bonds because of their negative effect on the money supply available for investment. The committee also voiced opposition to the banking law, in particular to the bank's right to refer faltering projects to the public prosecutor, which the committee described as a type of intimidation against investors and businessmen.

The Committee on Taxes and Customs demanded a re-examination of the law on general sales taxes and an increase in the exemption limits for family income from 3,000 to 5,000 Egyptian pounds. It also demanded the issuance of a unified tax law to limit the incidence of tax evasion.

The Committee on Domestic Development and Commerce affirmed the need to pass a new law against commercial fraud in order to limit its occurrence by placing responsibility for fraud upon the producer and limiting the responsibility of the seller to situations where goods have been spoiled due to poor storage.

### Police, Weak Economy Exacerbate Extremism

92P40043A Cairo AL-AHRAR in Arabic 14 Oct 91 p 1

[Text] The People's Assembly Committee for Social and Religious Affairs and endowments today begins preparing a report on the results of hearings on the rise of extremism.

A number of opinions formed in the course of three sessions led by committee chairman Dr. Ahmad 'Umar Hashim, affirm that the emergency law and the extremism of police toward youthful zealots are the cause of the increased incidence of extremism, in addition to the economic crisis besetting Egypt and the increase in unemployment and underutilization of young people's energies.

## ISRAEL

**Poll on Attitudes Toward Conference**

TA2510161491 Tel Aviv YEDI'OT AHARONOT  
in Hebrew 28 Oct 91 p 1

[Text]

**A Poll In Conjunction With Dahaf Institute Reveals The Following:**

Q. Do you support/not support participation in the conference? (Replies in percentages).

SUPPORT	DO NOT SUPPORT
7	91

Q. Do you believe the conference will produce significant results?

BELIEVE	DO NOT BELIEVE
57	7

Q. In exchange for peace with the Palestinians, what price are you willing to pay?

NO PRICE	AUTONOMY	RETURN MOST OF TERRITORIES	PALESTINIAN STATE
12	19	26	16

The survey, carried out this week, encompassed 510 interviewees by telephone, according to a representative sample.

**Saudi Arabia Continues Boycott**

TA0611173091 Tel Aviv HA'ARETZ in Hebrew  
6 Nov 91 p 1

[Article by Shlomo Shamir]

[Text] Saudi Arabia continues to adhere to the boycott policy against Israel and there is no sign of a softening of its position in this respect—it was reported in the "Boycott Report" journal, published by the American Jewish Congress.

Recently, reports were widespread that—as a result of the Gulf War and pressure from the American administration—Saudi Arabia had demonstrated a willingness to turn a blind eye to commercial ties which American firms hold with Israel. At the same time, solid proof has been compiled that Riyadh continues to implement the laws of the Arab boycott on Israel.

American companies wanting to set up commercial links with Saudi Arabia and which recently presented project proposals received a list of demands and limitations from the Saudi Government, whose main object is the prohibition against maintaining trade relations with Israel.

According to a law against the boycott, which was approved in the United States in 1977, every American company which receives the Arab boycott questionnaire—which includes questions on trade links with Israel—must report this to a special department (OAC) which operates inside the federal Department of Commerce and deals with complaints concerning the operation of the Arab boycott.

According to the American Jewish Congress, during the months of May and June of this year, 132 American companies reported to the special department that they received the questionnaire from the Arab boycott headquarters in Saudi Arabia. Officials in the department are investigating the complaints in order to ascertain whether they were sent by the Saudi Government or by private Saudi companies.

Uncertainty prevails about the position of Kuwait on the application of the boycott. Evidence exists that, without officially and publicly declaring such, the Kuwaiti government has ceased conditioning trade relations [with Kuwait] on the fulfillment of the conditions of the Arab boycott.

In May of this year, United States Ambassador to Kuwait Edward Gnehm, sent a letter to Senator Ernest Hollings in which the Ambassador quoted the proclamation of the Customs Director in Kuwait, who promised that the "blacklist" of the Arab boycott did not include American firms. The Ambassador did not clarify whether the declaration of the Customs Director was related to him in a private or official capacity.

At the same time as this declaration, Kuwait participated in a convention organized by the Arab boycott staff 14 April and 4 May this year. The conference, in which representatives from 11 Arab countries took part, accepted a decision to include the companies of Robert Maxwell on the Arab boycott list.

The American Jewish Congress is complaining about the fact that the matter of the cancellation of the Arab

boycott against Israel has, in the hands of the American administration, become a pawn in its Middle Eastern policy.

According to its claim, at the conclusion of the Gulf War, the administration had a good opportunity to demand that Saudi Arabia and Kuwait revoke the boycott and cease the pressure on American firms to break their relations with Israel, but—instead of that—the administration created a linkage between cancellation of the boycott and the freezing of settlements.

According to the "Boycott Report," the income tax authorities in the United States (IRS) are not enforcing the article which was included in the income tax law last year. The article determines that every company which maintains trade relations with Arab countries must fill out a special form (5713) and report on all incidents in which it is asked to abide by the demands of the Arab boycott.

#### **Sketch of Jewish Holdings in Muslim Quarter**

92AE0059B Tel Aviv HAYARDEN in Hebrew  
20 Oct 91 pp 2, 9

[Article by Herzl and Balfour Hakkak: "There Are Jewish Houses in the Muslim Quarter"; boldface words as published]

[Text] We are all acquainted with the division of the Old City into four quarters: a Jewish quarter, a Muslim quarter, a Christian quarter, and an Armenian quarter. The opinion that the Jews in the Old City lived only in the "Jewish Quarter" also is widespread. It turns out that the truth is something else.

We met for a talk with Attorney Shabtay Zakhariya, who has been fighting for years for the redemption of the Jewish property in the quarter that is called the "Muslim Quarter." Since the Six Days War, he has acted quietly to identify Jewish property, and he is examining the legal ways of returning the property to Jewish ownership. He is engaged primarily in research on the Jewish community in the Muslim Quarter. Attorney Zakhariya believes that the British introduced the term "Muslim Quarter" into use. In the nineteenth century, hundreds of Jewish families lived here and many Torah institutions operated here. The quarter was then called "Hebron Street Quarter," because the first Jewish settlers were Jews from Hebron who left Hebron due to pogroms (in the forties of the 19th century!) and took up residence in the area of Hagay Street, Ma'ale Haldiya and Saraya Street. According to Attorney Zakhariya, some date Jewish settlement there to 1834. Settlement in that area was not by chance: the area is near the route that leads directly to the gates of the Temple.

Jewish settlement in this area dwindled following the disturbances of 1921, 1929, and 1936: there were bloody pogroms and Jewish businesses were destroyed. In 1936, the Jews pulled up stakes from this area, and the term

"Muslim Quarter" stuck to the entire complex, and the two names were current then.

After the Six Days War, the rehabilitation and settlement of the "Jewish Quarter" was begun, but no attention was paid to the settlement of other parts of the Old City. That was the situation until 1978. Attorney Zakhariya is proud to tell of his involvement in the founding of the voluntary society "Society for Restoring Pristine Splendor." This society has set as its goal the identification of the Jewish property in the other quarters, and it has scored successes far from the eyes of the media: many buildings were identified and public and Torah institutions that formerly operated in the Muslim Quarter were restored. Since 1967, Attorney Zakhariya has published books and articles on the Jewish property in the Muslim Quarter. In the introduction to his book on the subject of the Muslim Quarter, Attorney Zakhariya writes that dynamic and speedy government action, similar to the activity to restore the Jewish Quarter, is necessary. The failure to redeem the vacant and ruined Jewish houses constitutes a prize to the Arab pogromists and the establishment of monuments to the pogroms of 1921, 1929, and 1936.

#### **A Tour in the Muslim Quarter**

We cannot encompass in the framework of this article all of the Jewish houses in the Muslim Quarter. We went out for a brief tour with Shabtay Zakhariya to see with our own eyes a little of the Jewish property in the Muslim Quarter and the few courtyards of the Jews who chose to settle in the Muslim Quarter. Most of the Jewish houses in the Muslim Quarter were documented in the researches of Attorney Zakhariya, and he has much more material that will be published in the future.

We met in the piazza at the Western Wall near the northern entrance to the Wall. We went into the entrance, and at the end of the roofed tunnel, following a security check, we entered Hagay Street (al Wad). At the entrance of the street there is the bookstore of **Hanoch Ben Arza**, one of the first pioneers in the redemption of houses in the Muslim Quarter. He arrived immediately after the Six Days War. The building had belonged to "Kollel Shomrey Hahomot," and after the disturbances of 1936 it was abandoned by its Jewish residents. Hanoch Ben Arza, a bearded and yarmulka-wearing Jew, speaks with satisfaction. He tells that the building was built in stages and that a synagogue for Pharisees and one for Hasids had operated there. There was a ritual bath there (and the "ritual bath" today serves as the book storeroom of the shop), as well as the "Mishmorim" house of learning, where shifts of worshippers prayed all the time. When Ben Arza arrived there after the Six Days War, the building was covered with debris. In a swift action, 150 cubic meters of dirt were removed. For ten years, Ben Arza was the only Jew in the Muslim Quarter. Today he has not a few neighbors and partners.

### The Street That Leads to the Temple

We went with Shabtay Zakhariya up to the roof of a house near the roof of the "House of the Guardians of the Walls." From there, we looked over to the "Cotton Market" (Suq el Qatannin), a market that leads to one of the gates of the Temple. North of the Cotton Market can be seen the courtyard of Rabbi Mendel Rand. This was one of the well-known courtyards in walled Jerusalem. Rand was a philanthropic Jew who purchased the courtyard and devoted it to the poor of Jerusalem. Rabbis well-known in the Torah world lived in this courtyard in the nineteenth century.

We continued to walk in Hagay Street until we arrived at the Cotton Market (Suq al Qatannin), and the sign that greeted us was "Street of the Shops." This covered street once led to the gates of the Temple, and today it leads to the Temple Mount and the mosques. In the Midrash it is said that forty years before the destruction of the Temple, the Sanhedrin moved from the Chamber of Hewn Stone [in the Temple] to the shops. It is assumed that the reference is to this structure. According to the diary of Eli'ezer Ben Yehuda (one of the first who fought for the revival of the Hebrew language), he lived in this area, near the Temple Mount: "Our apartment...was in the vicinity of a dark and covered alley near the Temple Mount, and they looked like the entrances of ruined shops from ancient times, and the Jews say that these are shops from the time of the Temple."

From Hagay Street we turned to Ma'ale Haldiya Street, where the yeshiva student Eliyahu 'Ameydi was murdered. In Ma'ale Haldiya Street there still stands the courtyard of Rabbi Moshe Rechtman, who emigrated from Russia in 1885 and settled here. The entire street was once inhabited by hundreds of Jewish families, some of whom were murdered during the disturbances of 1929 and 1936.

Near Rechtman's courtyard we saw the courtyard of the "Hayyey 'Olam" Yeshiva, which was founded by Jews from Poland in the nineteenth century. This courtyard has been resurrected and again is filled with the voices of scholars, and this time it is a yeshiva of Breslav Hassids.

At the top of the street on the left we see a house of Arabs that is decorated with drawings of the "Black Stone" in Mecca, and this, of course, is a sign that the owner of the house is a haj and has returned from a pilgrimage to Mecca. We turn right to Saraya Street, where a large group of Jewish families lives today. On the floor above the residences at one time was the Diskin orphanage, which was built by Moshe Yehuda Diskin, an ultraorthodox zealot. A number of families live in this neighborhood: Tzvi Rabinowitz, the son of Rabbi Nahman Kahane (who is the brother of Me'ir Kahane of blessed memory), the Arend family, and others. At the entrances of the houses we see the niches of the mezzuzas that remained in the place since there was a Jewish settlement here in the nineteenth century.

### The Memorial Marker for 'Ameydi

After we completed our visit in this renewed Jewish neighborhood, we returned to Ma'ale Haldiya Street. At the top of the street stands the memorial marker in memory of Eliyahu 'Ameydi, who was murdered here. House No. 31 on this street is the "House of the Western Community," an impressive structure that was restored and redeemed. It is a three-story house that belonged to the "Western" (Moghrabi) community since 1865. It is interesting that the Arabs continued to call the house by the name of "Dar el Kollal" (the house of the kollel), even when Jews did not live here. The entrance to the house is magnificent: an arch of hewn stones and two iron doors covered with Magen David symbols.

We entered the "House of the Western Community," which serves today the "Society for Restoring Pristine Splendor." The house has three stories. We went up the stairs to the second story, and memorial stones and a dedicatory inscription of the Western Community can be seen clearly in the wall. To the left of the inscription is visible a stone with a rubbed out inscription: "Renew our days." According to Attorney Zakhariya, two Moghrabi synagogues operated here, and the religious court of that community operated on the top floor. The committee of the Western Community was established in 1860 by Rabbi David Ben Shimon (known as Tzuf D'vash). First, a center was established in the Jewish Quarter, and five years later (in 1865) the second center was established on Ma'ale Haldiya Street. Rabbi Ben Shimon was aided at the time by the wealthy men Maimon 'Ami'el and Shlomo Aboushdid.

### "Renew Our Days"

Shabtay Zakhariya relates that when the restoration of the building was begun and the inscription "Renew our days" was discovered, the youths who came to redeem the house felt that this was a testament on the wall of one of the Moghrabi Jews before they left the house during the disturbances of 1936.

We left the "House of the Western Community" and went towards the "Galician Courtyard," where more Jewish families live today. We continued to go up the street, and we went up steps to a narrow opening. The Arabs around us looked on with curiosity at a small band of Jews who were coming to visit the Jews who had moved in to live among them. Near the roof we saw a kindergarten, where small children wearing yarmulkas were playing.

Our tour ended here. From this section of the roof it is impressive to see the boundary between the four quarters. He who lives in the Galician Courtyard sees below him the Muslim market, and opposite him the Church of the Redeemer, the houses of the Armenian Quarter, and the houses of the Jewish Quarter. Clearly, our exciting tour included only a small part of the Jewish property in the Muslim Quarter. Shabtay Zakhariya stresses at the conclusion of his comments that there is a great deal of

Jewish property in the Muslim Quarter, and that urgent action must be taken to rehabilitate the property.

### Editorial on Propaganda Value of Lebanon to Syria

TA0311142291 Tel Aviv YEDI'OT AHRONOT  
in Hebrew 3 Nov 91 p 7

[Analysis by Ron Ben-Yishai]

[Text] It is clear to the helmsmen of the defense establishment that the intensified activity of the Israel Defense Forces [IDF] and the South Lebanon Army [SLA]—which is being reported in Lebanon—north of the security zone is likely to serve [the cause of] Arab propaganda at the Madrid conference.

It appears the possibility that Syria and Lebanon are liable to use this activity as a pretext to suspend their participation in the bilateral talks with Israel has been taken into account. Nevertheless, the defense establishment—with the approval of the Prime Minister—decided to carry out all [actions] necessary, including offensive activity of various types [designed] to frustrate [terrorists], in order to prevent Hizballah and the Palestinian organizations from continuing their wave of attempted attacks—which started on the eve of the Madrid conference and whose declared intention has been to sabotage the political process.

In doing so, the Israeli government is taking the military steps required by the situation in the field, while—at the same time—signaling to the participants of the Madrid conference and to the elements under whose aegis [it was convened] that the physical security of the citizens and soldiers of the State of Israel stands at the top of its list of priorities.

Israel clarified, already at the start of the political process, that—at no stage of the process—would it hesitate to exercise its right of self-defense, including therein the right to take offensive action of all varieties and sorts [in order to] thwart [attacks on Israel].

On the basis of reports emanating from Lebanon, it seems that the IDF and the SLA are using—north of the security zone—a strategy [wherein] the civilian population of villages giving cover and assistance to Hizballah members cannot carry on normal lives. The residents of these villages, in a strip extending about 10 kilometers north of the security zone, must choose between the continuation of aid to terrorists—and the continuation of shelling and other IDF and SLA activity—and the cessation of assistance to terrorists and the ability to return to the routine of normal life.

Therefore, the IDF and SLA activity is continuous, of extended [duration] and without pause—even after the [terrorist] attacks cease. This strategy [of forcing the population to make a choice] was used by Israel at the end of the 1970's in the Jordan valley and it finally

brought about coexistence, with peace and serenity on both sides of the [Jordan] River.

The type of activity now being used by the IDF and the SLA has two additional goals:

- To clarify to the Lebanese military that, if it does not fulfill its task and prevent terrorist activity against the security zone, the IDF will not take it into consideration as in the past—and will not hesitate to attack, even the areas in which [the Lebanese] are deployed.
- The shelling and aerial activity are causing the civilian population to sequester themselves in their homes or to flee. Consequently, all those wandering about in open territory are terrorists and the IDF and SLA can strike them.

### Schiff Analyzes Soviet Thinking

TA2310164491 Tel Aviv HA'ARETZ in Hebrew  
23 Oct 91 p 1

[Article by Ze'ev Schiff]

[Text] Senior officials and experts in Moscow have disclosed that the Soviet Union no longer insists that the conflict in the Middle East will be resolved by establishing a Palestinian state. They define the change in the Soviet position as a tactical one. Like the United States, the USSR is settling for a solution that will be acceptable to Israel, Jordan, and the Palestinians.

From talks with senior officials and experts in Moscow, it emerges that the Russians have stopped talking about the need for a Palestinian state as a condition for resolving the conflict in the Middle East because the USSR has accommodated its positions—primarily on procedural issues relating to the peace conference—to the American position. At the same time, they say in Moscow that the change in position on the Palestinian problem is a qualitative one.

"Perhaps we will come back to this idea of a Palestinian state one day, but today it is unrealistic, and if we intend to ease the convening of a conference, that should not be insisted upon," one of the experts said. The objective is, first of all, to end the conflict in the Middle East which grows increasingly more dangerous due to the weapons of mass destruction that the sides possess.

To balance this position which will certainly complicate Moscow's relations with the Palestinians, Russian Middle East Experts are calling on the United States to act more objectively in their position towards Israel and the Arabs, in other words, to change their special relationship with Israel, even before the peace negotiations begin. The Soviets say that this was the situation also of their relationship with Cuba and North Korea. These two countries in the past received special and preferential treatment from the USSR, and more than once took advantage of this situation negatively.

According to the [Soviet] experts, U.S. President Bush's determination on the matter of [loan] guarantees for Israel is the first sign of this and it is good that it happened on the eve of the peace conference.

These experts also said that Israel's strategic importance decreased in U.S. eyes, primarily since the Persian Gulf war, since Moscow no longer supports radical regimes as it did in the past.

### **Border Guards' Tactics in Territories Discussed**

92AE0027C Tel Aviv HA'ARETZ in Hebrew  
29 Sep 91 p 5B

[Article by Ruven Shapira]

[Text] One day last month, the newspapers, in side-by-side articles, printed two reports dealing with members of the Border Patrol. One reported that "a girl attempted to stab a soldier of the Border Patrol who was guarding Minister [Ari'el] Sharon's house in the Moslem quarter of Jerusalem. The soldier cocked his gun as soon as he realized what was happening. Two other soldiers gave chase and caught her." The second related the complaint lodged by MAPAM [United Workers' Party] Knesset member Hasin Faras with the Minister of Police and the Police Inspector General regarding the improper behavior of two Border Patrol soldiers who stopped him at Jerusalem's central bus station and demanded that he identify himself, apparently because of his Arab appearance. Faras alleged that the soldiers threatened him.

The two articles represent the two sides of the public image of those who wear the green berets and their activities. On the one hand, it is hard, dangerous work in the territories and in Israel, the first violent line of contact with the intifadah and crime. On the other, there is the image of brutal, sometimes violent soldiers who do not hesitate to strike civilians and demonstrate an arbitrary authority. Border Patrol commanders and their men do not like this image but they cannot ignore it. To their great distress, it has followed the Border Patrol for years along with the prestige it has won as a trained and disciplined corps of professional operatives.

The Border Patrol, indeed, is the primary operational force of the Israeli police. It includes thousands of officers and men and constitutes about one third of the manpower of the police force. The Border Patrol's role is defined as "the professional operational arm of the police for combating terror and carrying out special actions to assure security and order. It is to serve as a central, mobile reserve for immediate deployment, providing assistance and reinforcing police units in the execution of their duties in both internal and security matters for preserving the public peace and enforcing law and order. It is to perform a variety of police functions for security and protection in police zones and districts."

Among other things, the Border Patrol serves as the central police unit for rapid intervention in hostile

terrorist incidents. For that purpose, its members are armed with long-range weapons and, like soldiers, are issued an array of combat equipment. About 15 years ago, a special antiterrorist unit was created. This unit is regarded as one of the best of its kind in the world; many countries have turned to it with requests for advice and training.

Included in the duties of the Border Patrol, along with the Israel Defense Forces, is protecting the state's borders, guarding essential installations, defending rural towns, and organizing security and guard duty in them. Since the Six Day War, the responsibility for guarding the borders has passed to the IDF, but the Border Patrol has no regrets. A senior officer in the Border Patrol says: "The country's current security problems in Gaza, Shehem, Jerusalem, and along the Green Line are no less serious now than along the cease-fire lines. True, the Border Patrol is not posted to an active border, but it is attending to the daily security problems present in all parts of the country created by the intifadah and the existence of sensitive spots both inside and outside the state." At the request of the police and the IDF, the Border Patrol's operational force has grown by nearly 50 percent in the last six years. Half of the increase has occurred in the past two years with the formation of new units, the assignment of new tasks, and the substitution of police for IDF units.

Through their experience in the territories, the IDF and security specialists have come to the conclusion that a single, standing unit of the Border Patrol, permanently assigned to and operating in a given area, is equal to a much larger force of soldiers who arrive for brief periods of duty. For the troops of the Border Patrol, a majority of whom are career men of long service and many of whom speak Arabic (a large portion of the Border Patrol is made up of Druze, Bedouins, and Circassians), it is easier to get along in Palestinian cities and the refugee camps. Border Patrol troops are often able to take control in a disturbance without firing their weapons, using force, or causing injuries to the residents.

At the start of the year, for example, the police decided to transfer, in practice, responsibility for internal security matters and public order in Jerusalem and its surrounding areas to the Border Patrol. Ultimate authority in fact rests with the men in blue and the upper echelons of the police in each district, but direct responsibility on the ground in all areas is in the hands of the Border Patrol's men and officers. Until that decision, command of the various districts in the Jerusalem area overlapped, and responsibility was split between the police and the Border Patrol.

An example of such exercise of authority can be seen in the events that took place in the Jabalya refugee camp in Gaza. A small force of Border Patrol troops commanded by a master sergeant found itself in the center of a riot that began after the arrest of a boy who was throwing rocks. It was not long before the Border Patrol men were surrounded by scores of angry residents who threatened



them with violence and showered them with rocks and other objects. At the forefront stood the boy's mother.

A senior army officer in the area was planning to order the use of force to extricate the patrol when the patrol commander approached the woman's husband. The man then turned to his wife and asked her to go home. She refused. Suddenly, the sergeant was seen whispering something in the husband's ear. The man approached his wife again, swung his hand, and slapped her. The woman hurried home. The rest of the mob dispersed and the incident ended.

"I told him very quietly: 'What kind of a man are you?'" relates the patrol commander. "Your wife is not listening to me, OK. But she is not showing you the proper respect, which demeans you in front of the entire neighborhood. You told her to go home and she did not obey. How will you show your face to your neighbors?" The sergeant knew how to take advantage of the Arabs' social customs to defuse a serious incident without injuries to either side.

Not all incidents involving the Border Patrol in the territories and Jerusalem, however, have ended without injuries. According to Border Patrol figures for the year ending March 1991, eight Palestinians were killed and 549 wounded in incidents between them and Border Patrol men (this total does not include the bloody incident on the Temple Mount in October last year). Eight hundred and seventy-four Border Patrol soldiers were wounded in these incidents (an increase of nearly 100 percent over the previous year). The Border Patrol dealt with 9,381 demonstrations and confrontations this past year and contends that, given the extent of this activity, the number of killed and wounded among the residents of the territories is relatively low compared to the number of incidents with the IDF.

Many people, particularly in farming and rural areas, are happy to see the jeeps of the Border Patrol around their homes. Others, by contrast, view the men in the green berets as violent, unthinking perpetrators of assaults. Arabs especially complain about them in both Israel and the territories.

"They stop people right in the street, put them against a wall and tell them repeatedly first, to put up their hands and then to put them down. Meanwhile, they perform searches in an unpleasant and disrespectful way," says one resident of the territories. "They harass people and inconsiderately commandeer people's cars for their own use. They have beaten many people. Our situation has begun to calm down a little, yet they continue to use force."

When you talk to young people in Jaffa about the Border Patrol, you can see how tense they are. They do not like the men of the Border Patrol, nor do they hide their fear. "The soldiers of the Border Patrol beat us for no reason," explains a youth from Jaffa who asked to remain anonymous. "I have been slapped, hit, and cursed by them a lot. I do not know why. As soon as they see us, they ask

for our ID cards without any cause. We show them our cards, but they act rough, talk tough, and sometimes hit us. We do not complain about it. Nothing would happen to them anyway. Besides, we are afraid they would get back at us if we brought a complaint. That has already happened."

Solomon Mashrawi, the police spokesman in Jaffa, says: "Until about a year ago, relations between Border Patrol men and citizens were very poor. There were some men who even took up with Arab girls in the city. They thought they were in the territories. I personally saw Border Patrol soldiers hit people, not criminals, just people they stopped in the street for identification. Their approach to people in general, and to Arabs in particular, was negative. They would stop people in the street and shake them up for no reason at all, even law-abiding citizens. The Arabs of Jaffa are still afraid of them and are too scared to register any complaints.

"This past year," Mashrawi continues, "especially since the Gulf War, there has been a tremendous improvement in the conduct of the Border Patrol's soldiers. Now they are helping in the war against crime, patrolling in the neighborhoods a lot and giving us a hand in enforcing the law." The chief of the Border Patrol, Police Commander Meshulam 'Amit, says: "The Border Patrol carries out more than a million operational actions each year. With such a broad scope of activity, it is natural that there may be some irregularities, the more so since a third of the operational manpower of the Border Patrol is conscripted soldiers who do not have the full police background or police training of experienced, seasoned policemen. Despite the breadth of our activities, we receive only about 300 complaints each year against Border Patrol soldiers for improper behavior and unlawful use of force—about 12 percent of all complaints brought against police in Israel. The Border Patrol takes every complaint seriously and thoroughly investigates each one. The proof of that is the high percentage (about 45 percent, compared to about 18 percent for police in general) which are found justified. Personal advancement, leave for command courses, and enlistment for permanent service in the police are considered and determined on the basis of the discipline and conduct of the conscripts, with special emphasis given to public complaints brought against them."

An opinion widespread among civilians is that conscripts routed to the Border Patrol are of lower quality than those sent to combat units in the IDF. Commander 'Amit rejects that view. "That is simply untrue. The conscripts the Border Patrol receives are a representative slice of the country's youth. In recent years, there has been a rise in the conscripts' personal profiles. Many of them are of officer quality. Likewise, everyone drafted into permanent police service must meet the enlistment standards of the Israeli police." The Border Patrol claims that some 30 percent of its conscripted soldiers requested this placement in their induction camps.

Raz Edelstein of Upper Nazareth is a volunteer. He joined the force four and one half months ago and will complete an extended period of basic training in another few weeks. During boot camp, he and his buddies went through some stints of active duty in the territories. "At my induction camp, I asked for placement in the Border Patrol and I am glad that I am here," says Edelstein. "I like what the Border Patrol does. We train hard with live ammunition and different weapons, there is good instruction and plenty of action. All in all, it is good to be in the Border Patrol."

The force's unflattering image does not bother him, he says, just as he was not frightened by the knowledge that most of the unit's work is in confrontations with the residents of the territories. "I do not like running after locals," he says of himself, "but that is an important job, keeping the peace and order, and it has to be done. The image of tough guys in the Border Patrol is all wrong. The Border Patrol's personnel are professionals. We have good training and preparation and the commanders make sure that we follow orders."

"The Border Patrol is an important unit and makes a significant contribution to the country. In my opinion, the Border Patrol men who work in the territories are better than the guys in Golani and Giv'ati [elite infantry units] and the paratroopers. We go through the same infantry training they give Golani but we receive additional training for internal security. Golani trains mostly for war while the Border Patrol is active all the time in operational work, not just in the territories, and is constantly engaged in assuring Israel's safety."

Edelstein is interested in becoming an officer in the Border Patrol. So is Sharon Hen from Acre. Hen scored high on the aptitude tests and was selected for a marine commando course but did not make the cut. When he returned to induction camp, he said he wanted "only the Border Patrol."

"I see my future in the Border Patrol and the police," says Hen. "The whole subject fascinates me—internal security, weaponry, combat. Before my induction into the Border Patrol, I knew, of course, about its activity in the territories and that it was the Border Patrol that goes in to maintain order. It did not scare me that I would have to serve in the territories. I knew that I would be in confrontations with local residents but I also knew that the Border Patrol teaches you how to react to every situation you might face so there will be a minimum of casualties on both sides."

Hen talks about his friends in Golani, the paratroops and Giv'ati who have returned from combined operations with the Border Patrol in the territories and have expressed their admiration for "the way the Border Patrol operates and keeps order, how pleased they are with it and how they look forward to working with it." Hen, who is close to finishing his basic training, sums it up: "We were in a number of actions in the territories. I felt that I was very well prepared for what we did and

knew what to do to protect both my buddies and the local residents, even when they were throwing rocks and molotov cocktails at us. I would not have learned that in another branch."

### Use of Hang Gliders in Cross-Border Operations

TA07111438 Tel Aviv YEDI'OT AHARONOT  
in Hebrew 7 Nov 91 p 2

[Article by Danny Sade]

[Text] Only 24 hours after the IDF [Israel Defense Forces] warned that an increase in the number of Hizballah attacks from southern Lebanon was expected, a terrorist roadside device exploded yesterday on the security zone's border and two others were discovered before they exploded. No injuries.

In the morning hours a terrorist device exploded on the security zone border, near the village of Rashaf. The device exploded while an SLA [South Lebanese Army] patrol passed by, but caused no damage or injuries.

Later on, SLA soldiers discovered another terrorist device within the security zone and an additional device in the Jazzin sector, north of the security zone. Hizballah took responsibility for laying the devices.

Senior military sources yesterday said that there is no room for calm following the announcement by the Hizballah leadership that the IDF succeeded in developing a means to neutralize remote control roadside devices.

Yesterday for the eleventh day, IDF and SLA artillery continued to shell Hizballah targets north of the security zone. During this time, it was published outside of Israel that the Hizballah acquired gliders in order to try and carry out attacks against settlements on the northern border. A senior military source said in reference to this announcement: "It is nothing new that terrorist organizations are acquiring gliders and are setting up a kind of 'aerial unit.' These are civilian aircraft that anyone can purchase for recreational purposes. But, since the night of the hang glider incident, four years ago, we have improved our detection system and we assume the terrorists with gliders will not succeed in crossing the border."

A week ago sources in Lebanon announced that the IDF at that time shot down three gliders in which Hizballah people were on their way to carry out an attack in Israel.

According to the same announcement, the squad was eliminated on the northern border of the security zone. This information was not confirmed by the IDF. Both the chief of staff and the officer-in-charge of the Northern Command, who commented on the remarks then, said: "the identity of the glider was suspicious. We operated our system accordingly. We cannot say with certainty that we hit a glider."

The Italian paper *CORRIERE DELLA SERA* published, on the eve of the opening of the Madrid Conference, that the Islamic terrorist organizations, as well as those of Ahmad Jibril and Abu-Musa, are planning to attack Israel by gliders which they recently acquired in Germany and Iran. For that purpose, they are training pilots in Lebanon's al-Biqa' region.

The paper added, that the gliders are also designated for attacks against Arab states which will take part in the political process, such as Egypt, Jordan, and Saudi Arabia.

From an investigation that was conducted by the paper, it emerges that in Hizballah's central base in the Lebanon valley in Ba'labakk, and in Jibril's base in [Lusfi?], also in the al-Biqa', a division of 10-20 gliders has been set up and changes and improvements have been made in the gliders, thereby enabling them to carry explosive devices and weapons with an added weight of 180 kilograms.

In a meeting yesterday with members of Moshav Dovev on the Lebanese border, Deputy Defense Minister 'Ovadya Eli said: "Israel will pursue Hizballah and will guarantee quiet in the northern settlements."

#### **New Immigrants in IDF Profiled**

92AE0027D Tel Aviv HA'ARETZ in Hebrew  
22 Sep 91 p 2B

[Article by Ya'el Kopelman]

[Text] "There are no new immigrants in the Army. A new immigrant disappears in the Army." Four soldiers from Giv'ati [an elite infantry unit] and a paratrooper, natives of Ethiopia, the Soviet Union, and France, explained that to me this week. "We all live in the same tent and the same shacks [?]," one of them said. "We all sweat the same," said another. Uri Nagah, from Ethiopia, quietly remarked, "Yes, but one sweats white and another sweats black." He immediately added, however, that "All of us in the army eat the same...." "Shit," Frank Bardah from France finished the sentence.

For all that, they all say they are very happy. It is rough on them, they have more than a few problems at home and, like any other soldiers, they would like to go home more often, but when they grumble in the latest Hebrew slang, there is no mistaking their pride: in being soldiers, in their rather sloppy uniforms and in their weapons; in becoming Israelis in every way, at least in this setting; and in the fact that they are serving in combat units and acquiring by the sweat of their brows the right to stand as tall as any Israeli.

The wave of immigration from the Soviet Union still has not reached the IDF [Israel Defense Forces]. Immigrants are granted a transition period of two years from their arrival before they are drafted into the army. Many prefer to be drafted earlier if they are not working or studying. The first call-up of immigrants from the Soviet

Union began in August of last year. The first big draft of Russians is expected in October and, by February, this wave of immigration will be flooding the induction camps. The growth in draft levies is not expected to have any effect on the term of regular service. In fact, we hear from the office of the IDF spokesman that, as of now, "The inclination is to ease up on the length of reserve duty."

The period of compulsory service for an unmarried man entering the army between the ages of 18 and 23 varies from 12 to 30 months; for a married man between those ages, it is 12 months, 18 months, or just reserve duty. An immigrant 24 years or older, or married with at least one child, must serve only in the reserves for up to 120 days. Immigrants 40 or older are exempt from military service. Throughout their military service, immigrant physicians receive a wage payment fixed on their first day in the army. The information sheet handed out to every new immigrant at the draft office emphasizes that "The period of service will be finally determined after you report to the draft office and may be affected by other factors."

At Mehaveh Alon, an Air Force base near Karmi'el, where the IDF holds most of its Hebrew language courses, scores of teachers wait expectantly for immigrants. "I wish they would get here already!" says Second Lieutenant Esther Ben-Aharon, who is in charge of the Hebrew course. Lt. Colonel Hayim Lasari, chief of the "wolf" division (Hebrew language) at Mehaveh, answered with a hearty yes when asked if the IDF was ready to absorb the large numbers of immigrants expected.

The intensive Hebrew courses at Mehaveh are one reason that immigrants are eager to be drafted. "I started studying in a university class but I decided to enlist to improve my use of Hebrew so I could understand the teachers," says one raw recruit.

Because of the large draft class and the current increase expected to get even bigger as immigration continues, the term of service required of immigrants has been shortened and significant breaks are being given to those who arrive past the age of 18. Older immigrants are called up for only reduced periods of service, known in the IDF as "Grade B" terms.

Women who immigrate past the age of 18 are not required to perform military service of any type. Still, the Hebrew course now in progress at Mehaveh includes 16 girls, of whom 15 volunteered for the IDF.

"This is the entry ticket to Israeli society" they say in first rate Hebrew. "As a new immigrant, I want to give something back," says Stacey Samari, who comes from Leeds, England. "I would say to every new immigrant who is pondering whether to join the army that it is worthwhile," says Sonny Liartet after one month in the army. "I did things in basic training that I never thought I could do," she relates, "and when I realized that I could, I was thrilled with myself and the army."

The same high motivation is clearly apparent among the men although, unlike the women, they reveal that some of what they have encountered in the army has been tougher than they expected. Lasari says that the vast majority of immigrants who have taken part in the Hebrew courses at Mehaveh have gone on to combat units even if they originally wanted to serve in other capacities.

Ethiopian soldiers show especially high motivation for service in combat units, says Colonel Dov Orbach, commander of MAKAM (the Center for Advancement of Minority Groups) and of the office of army education, which places a third to one half or all immigrants in the IDF in military schools where they study functional Hebrew essential for service. Before their induction, only some of them have any familiarity with the army, either through the IDF's "Project Companion," in which military units (89 so far) adopt absorption centers, or through the "Shield of Zion" course run by Gadna [pre-military youth corps] exclusively for Ethiopians.

"They do not know much about the army before they arrive, aside from rumors," says Colonel Sharon Dan, commander of the immigrants' department at Mehaveh. "Many of them say they would like to go to Moran [?] because they have heard it is a fine unit, but they have no idea what it is. One Russian wanted to go only into the naval commandos." Others, who must support the entire family, ask to serve near home.

"Why did you volunteer for the infantry?" I asked some of those wearing mauve berets. "Suppose war breaks out; do you want us sitting in a park in Tel Aviv?" answers Nagah, who has been in Israel for six years. The word "jobniks," spoken with contempt, is spat into the air a number of times during the interview. Even Miesie Kaplan from Lithuania, who began studying medicine in the reserves, left after two years because "I preferred not to sit on a chair," and followed his friends into Giv'ati.

Ayal Germai, who came to Israel 10 years ago from Gondar, Ethiopia, speaks fluent Hebrew. He shrinks from the description "new immigrant," and was deeply offended when summoned to a special interview after being assigned to the commandos for review of his security classification. "You see yourself as a soldier ready to give his life for three years and suddenly they put a stain on your reliability," says the former Ethiopian with the accent of a native Israeli. "Suddenly, they tell you that certain places in the army are off limits to you. I was very hurt personally and it hurts every Ethiopian who must pass these tests." Bardah, too, who immigrated alone from Paris, was offended when called for a classification review at the end of basic training in Giv'ati. He is worried that there is no one, aside from his brothers, who can testify on his behalf in Israel.

The official version regarding determination of the security classification of the immigrants, was released by the IDF spokesman after repeated requests. It is less than clear. "If some of them meet the necessary security

criteria, and if their personal needs and qualifications are suitable, and the needs of the IDF permit it, they will receive a high security classification."

Irina Shmidat from Russia says that one of her friends, who studied computers at a university in Moscow for three years, was told that the chances are she will not find work in her profession because of her security classification. After 10 months in Israel and three months in the army, Shmidat is able to recognize that "Most young women have no place in the army." Lt. Col. Lasari confirms that most female immigrants have received clerk assignments rated grade "B" because their Hebrew is too poor even for a senior clerk. "But there are better positions now," he says, "as translators in induction centers, language courses, and absorption centers."

For men, the foremost difficulty is separation from home. From a physical standpoint, most of them expected hardships even greater than those they met. Other troubles derive principally from problems at home, usually financial. The army tries hard to help them, says Lt. Col. Lasari, but "It cannot solve their problems," says Avi Bageta from Ethiopia, who is studying at a military-affiliated religious seminary in Alon Shavot. "It takes years before they get involved," he says after his request for financial assistance was rejected.

Nagah has an elderly pair of parents in Netanya who have neither work nor money. His wife arrived in Israel on Operation Solomon [from Ethiopia] and, like most Giv'ati soldiers, he remains on his base two Saturdays out of every three. He is 26 years old and was supposedly going to receive a reduced term of service under special conditions but says that on his arrival here at the age of 20, "They turned me into a 15-year-old." Germai explains that, because there are no identification papers in Ethiopia, registration in Israel is based on one's parents' memories. "When they are old and do not remember very well, age is determined by height, weight, whatever comes to their minds," says Nagah with a bitter smile. Nagah claims that he intends to correct the error at the Ministry of the Interior as soon as he has the time. In the meantime, he can only request special passes, which are usually turned down or postponed.

"Like all IDF soldiers, they want to go home as much as possible," says Col. Dan. But some of them think that their problems arise only when they do go home. "People get excited when you put on a uniform," says Germai. "You win praise and respect. But when you take it off, you are an Ethiopian. In fact, you have two different definitions. The army holds you in esteem but, as a civilian, you are garbage." This state of affairs has caused a wave of outbursts—restrained and dignified—among Ethiopian soldiers. "In the army, we are together after training through the good and the bad," says Bageta. "You feel like you are one of the gang, that you belong. The moment you leave the confines of the army, people remind you where you are. They tell you to stop.

Then you have to think, 'Wait a minute, is this our country or are we foreigners here?'

They speak about remarks they hear on the street but do not want to repeat them. They do not like to expose insults. Nagah, of whom one can only read between the lines and guess that his situation is exceedingly difficult, prefers to make a joke of most matters. Bageta, too, laughs at the start of the interview when I ask where he comes from. "Where am I from? From Chicago. What do you mean, where am I from? Can you not see? I am from Ethiopia!" This is obvious. "After a year, a Russian can feel that he has succeeded," says Bageta ("until he opens his mouth," Kaplan interjects). "An Ethiopian—right away, people say, 'Operation Solomon.'"

"Israelis do not know people from Ethiopia," says Germai. "So people in civilian life, in the parks and schools, are afraid and draw back. There are almost no problems in the army. They see that you are giving your all, are willing to die in battle, but you suddenly see that, as a civilian, you are a little different from the rest. Some people tell you that you are different."

Mark, from Lithuania, does not think army life is hard. Twenty-four hours after his arrival at Mehavah for a long, prebasic training course, he already knows that he loves the army. "Everyone says the army is fun," he says, and Mart, an immigrant from Russia attending the course, agrees. "In the army, you are a man like you should be," he explains. "You are not free, there are regulations, everything is arranged. I do not need a vacation," he says simply. He wants to become a paratrooper. And after the army? "Maybe I will stay in the army," he says.

In contrast to civilian life, there are no special units for immigrants in the army except for seed groups of immigrants in Nahal [combined military and agricultural service] formed long before the waves of immigration. The immigrants are scattered among the various branches and units, "So they must study Hebrew," says Col. Dan. The IDF reports that the army now has nine immigrant officers, all of them Ethiopians; one is in the Air Force. Forty-three immigrants were among the soldiers who took part in the ceremony for the Prime Minister this past Independence Day.

"At first, I did not understand anyone, I just ran after them wherever they were running," says Bardah. "Now everything is OK." Kaplan, formerly of the Soviet Union, says, "Sometimes, I understand them better than they understand each other." The IDF spokesman's representative would not let them comment on their service in the territories. Germai said only that "We got a thrill at first from the action, but our point of view changed later when we saw that those on the other side are people just like us." Bardah said that the one great difference he feels between himself and native soldiers is the attitude towards Arabs.

"They are exceptionally well-disciplined soldiers," says Dan. "There are almost no instances of soldiers disobeying orders or being absent without leave. Perhaps they never think about that." Lasari is very careful to avoid stereotypes and characterizing the immigrants. Of the immigrants from Eastern Europe, he says, "They are very suspicious of institutions. The army frightened them in the beginning, but they are quickly learning the difference."

Regarding the Ethiopians, he is willing to state only that "Their culture is fundamentally different. For them, the home is the most important thing, while fulfilling society's obligations takes a back seat. If there is an important Ethiopian event or a celebration at home, a new Ethiopian soldier simply has no intention of coming back and does not understand at all what is wrong with that." He points out that the Ethiopians are very proud people and do not make an issue of their difficulties. Germai confirms that "We keep our thoughts to ourselves. We open up only on the Sabbath with our friends."

Apart from some minor gripes, none of the soldiers has an unkind word to say about the army. But, says Germai, they are deeply disappointed with the state, the populace, and their long-term future. He would like very much to be an officer. Seven Ethiopian officers live in his neighborhood in Be'er Sheva. "It does something for people when they see an officer in uniform," he says. Besides, he explains, "If you reach a level at which you can influence society, you can affect stereotypes."

The IDF has had no better public relations agents than the soldiers themselves. In the face of what the immigrants call "civilian life," there stands the challenge of affording them the same sense of belonging the army has given them.

### Editorial Examines Goals of Modern Zionism

92AE0059A Tel Aviv HAYARDEN in Hebrew  
1 Oct 91 p 1

[Article by Aharon Ben-'Ami: "The Strategy of the Zionist Struggle"]

[Text] Despite the unholy trinity, which is again revealing itself, of great-power interests, Arab genocidal dreams and idiotic leftist self-righteousness in Israel—there is no reason for panic concerning the moves of President Bush. Zionism, as one of the only ideologies to be proven true during the twentieth century, can regard the attempt (the last one, perhaps) to imprison its project within the bounds of a territorial ghetto that depends upon the beneficence of a foreign patron, as no more than a passing historical episode.

President Bush is not the first ruler to advocate pushing Israel back into "Auschwitz borders." There were presidents before him who tried to prevent the very establishment of the state at the beginning of the War of Independence, and afterwards tried to tear from it the

expanses of the Negev, to return to the remaining territory hundreds of thousands of Arab "refugees" and even to steal Jerusalem from the body of Israel. The present policy of "territories for peace" (that is: territories for the promoting of American interests in the Arab world) was given form by the five presidents who preceded Bush. And this was not exactly because of "antisemitism," but was rather an unfeeling, imperialistic giveaway whose roots go back to the period of the British mandate. The British "White Papers" also explained the edicts against immigration and Jewish settlement in vital parts of the country by the need to calm Arab violence and to promote peaceful relations. Then, as now, there were in the country "Zionists" who believed in achieving a "Covenant of Peace" by sacrificing settlement for the sake of a Palestinian state. But in those days, the contagion had not spread to the dimensions of a national plague, such as today; the Arabs declared openly their genocidal goal; while those who were forced to agree to absurd partition plans were, at least, sufficiently realistic to understand that wars must come in the wake of Palestinian self-determination.

Nevertheless, despite the columns of hysterical incitement in all of the Israeli press (not to mention here the rotten cultural systems), and despite the psychosis of a "New Order" under an all-powerful president in a supposedly centralistic world, there is no chance to turn back the wheel of history.

What was it that enabled Zionism in the past to overcome greater and more powerful forces? What was and remains the secret of its success?

There are those who believe that Jewish distress explains everything. And there are even those who certify the Holocaust as cause and effect. These persons confuse the necessary conditions for the Zionist revolution (including the distress of Russian Jewry in our time) with the sufficient conditions, which were always created by the stubborn, conscious struggle that went on within the confines of this country over immigration, settlement, and security. Even in exchange for peace, fighting Zionism never abandoned its basic goals. Its struggles were always not over what "is," but over a vision, based on the consciousness of those who made it real that their cause was connected to questions of life and death, while the opposing forces were sustained by interests that were not vital.

The "sane" persons of our day err especially when they extol the traditional Zionist pragmatism regarding world rulers and the hostile Arab environment. Zionist pragmatism never lacked a guiding vision and never came to terms with existing reality, but instead challenged it and challenged it again with the aim of creating a new reality. That was always the secret of its strength. And today, as well, it has nothing to learn from the false messiahs who operated with the Jewish people in opposition to the Zionist vision and who are now pushing again, and from

the ruins of their "universalistic" and "humanistic" prophecies, towards the brink of the chasm of a new holocaust.

The Zionist leadership of today has one central role: to hold on to the existing security borders of the State of Israel and to obtain a lasting peace and not a counterfeit peace. This still requires a struggle. But this is not a desperate struggle as in the past.

The State of Israel did not bring millions of Jews to the country so that they would live in the shadow of destruction or at the mercy of foreign forces, whatever their intentions. This is the strategy and tactics of its existence and the essence of its policy.

### Politics, Economics of Pediatric Health Care Appraised

92AE0051A Tel Aviv HA'ARETZ in Hebrew (Sabbath Supplement) 18 Oct 91 pp 4-7

[Article by Iris Milner; words in boldface published in English]

[Text] Preparations for the ceremony are already at their height: in another two weeks, in the presence of the Prime Minister, the "Medical Center for Children in Israel," adjacent to Beilinson Hospital, will be dedicated. In addition to Shamir, the event will be honored by the presence of Olmert, Keiser, Dinitz, and William Brown.

We are speaking here of a very large, elegant structure, costing 60 million dollars to construct, the donation of a rich American Jew named Irving Schneider. The slogan of the Sick Fund's public service broadcasts, "Children are our 'Baby'" is apparently meant to prepare us for this event.

Two days before the festive event in Beilinson, the Minister of Health, Ehud Olmert, will attend another ceremony where another children's hospital will be inaugurated, this time on the Ikhilov grounds. This institution's name is "Dana," and it will replace the old Rokeach hospital ("Hadassa Balfour") in the heart of Tel Aviv. "Dana" was built with a budget one tenth the size, just 6.5 million dollars, and it is much smaller and much less glittering than the new center at Beilinson. In contrast to Beilinson Hospital, at Ikhilov we are actually speaking of a children's ward, an integral part of the rest of the hospital services, although in a separate building.

Concerning the proximity of the opening dates, doctors told me, off the record, that there was a race going on here; in Beilinson, they decided to have the ceremony right now, even before the building is finished, in order to get ahead of Ikhilov; Ikhilov sent out invitations for a date a little earlier than that planned by Beilinson, in order to interfere with the festivities there. A spokeswoman for Beilinson even said to me that at Ikhilov they had actually planned to use the new building for another purpose, and decided in the end to put a children's

hospital there just because of the competition with Beilinson. At Ikhilov, they deny this.

At "Dana," Ikhilov's new children's hospital, they did not let us in at all. At Beilinson's new building, they did allow us in after an argument. "The Director, Professor Danon, is busy with a photograph session," apologized the spokeswoman. At the opening ceremony, she explained, a videotape will be shown to the visitors, which will tell how seven floors covered with marble, covering 37 thousand square meters, with a glass roof and glass elevators, hanging plants, spacious rooms with cable television, and game rooms with wall-to-wall carpeting, were erected in just three years. A total of 224 beds for hospitalization of sick children, and laboratories equipped with up-to-date and expensive equipment, and operating rooms, and everything else.

Judge Netanyahu's report on the health system, which came out a year ago, includes a very sharp criticism about the construction of this new hospital: "an outstanding example of the fact that the administration of the health system is greatly influenced by considerations of prestige completely unconnected to actual needs."

If the Beilinson children's hospital is superfluous, perhaps the one at Ikhilov is too. I asked to discuss the subject with the two guests of honor, the directors of the new hospitals, but both declined to be interviewed. Even the general director of the Sick Fund, Nahum Pasa, communicated with me only through a spokesman. I met Professor Yehuda Danon, director of the new Beilinson Hospital, on the lawn of his new hospital where he was being photographed for the information tape. Danon refused to take time even for a moment, and said that as far as he was concerned, we could write anything we want in the paper.

Professor Dan Mikha'eli, director of Ikhilov, also chose not to talk with me. A possible explanation, which I heard from people who know: Professor Mikha'eli is afraid. If he says that the new Beilinson Hospital is superfluous, the Sick Fund could boycott his new hospital. If it does not send children to him, to be hospitalized in "Dana," "Dana" will have no reason to exist.

About the question I sent to the Sick Fund administration, through the spokesman's office, of whether medical priorities in Israel justify opening a new children's hospital, the spokesman's office sent me this answer: "Israel's children, too, are getting their own special hospital, the most beautiful in the Middle East, just as in Los Angeles or New York." But only a tiny number of countries in the world have allowed themselves a luxury like this. Who exactly set this order of priorities, passing up, for example, institutions for geriatric hospitalization? To a request for a slightly more detailed explanation, I also received the following answer from David Tagar, the Sick Fund spokesman: "When you are offered a gift that does not cost a penny, do not say no. Anyone criticizing the new institution is just envious."

Who is criticizing? Senior doctors in the health system, the report of the Netanyahu committee, as we mentioned, and the Ministry of Health as well, though not openly. In answer to the question of whether the Ministry gives its blessing to the building of the new hospital, and whether it would still authorize building it if asked to do so today, they say today in the Ministry that the previous Minister of Health, Shoshana Arbeli-Almozolino, was the one who gave the authorization. Minister Olmert, by the way, was out of the country at the time this article was being prepared, and his general director, Dr. Moshe Mashiakh, refused to be interviewed. This gives the impression that the Ministry of Health has no desire to dig into the question of the necessity of the new hospital, certainly not two weeks before Minister Olmert is to be present at the opening ceremony.

Senior doctors in the system recalled that the Sick Fund is sunk in two billion dollars of debt. About the Sick Fund spokesman's claim that when you are talking about a gift you do not ask questions, they answer that the donation is only until the opening. After that, somebody needs to fund this palace, with its expensive equipment, its workers, its continuous upkeep. The Sick Fund says that all the ongoing expense will be paid by the donors. But is it likely that the new installations will ease the shortage of hospitalization space? Professor Boikis, director of the children's wing at Tel Hashomer: the demand for beds for children is actually getting smaller. The average length of hospitalization for a child went down over the last few years from eight days to three and one half days. This decrease is the result of good antibiotic care and progressive medical services outside hospital walls, a phenomenon which is occurring all over the world. [Doctors try to treat even children with cancer without hospitalizing them. In the Hadassa-Balfour ("Rokeach") hospital, there has been a decrease of dozens of percentage points. In "Tel Hashomer," the number of "purely medical" hospitalizations has gone down by almost 25 percent.

David Tagar says that actually there are no more beds for children at Beilinson than before, because previously they were scattered in the other wards, and now they will be all together in the new building. The Netanyahu report relates precisely to this point: even if the theoretical premise of the committee which initiated the project for the donors is realized, and 100 beds are freed, in other hospitals, it is still clear that we are speaking of a total of just 75 more beds.

If so, the Sick Fund spokesman still has another argument: now, with the great immigration, all the talk about not needing more beds has been refuted, he says. "It is not at all certain," respond the pediatricians. "It is still not clear if the new [demand] that the immigration has created fills even the empty beds that we already have." No government examination of the needs was carried out before the decision to build the new institution at Beilinson, the critics claim.



Those who did examine, according to Professor Danon, were an "international team." But the Netanyahu report comments directly on this, and writes that the team is made up of "three American experts who are not aware at all of the Israeli reality." The authorization given by the Minister of Health, according to the report, was dependent on the authorization of the Health Ministry's committee for the project. But the Sick Fund cut off contact with the Ministry of Health, and did not receive the necessary authorizations.

And, in any case, so the criticism goes today, the "international team" was hooked on the idea from the beginning, and actually was just looking for an address that would adopt it.

Why was it hooked? Because of Schneider. The donor, Irving Schneider, an American Jewish millionaire (the Beilinson spokeswoman told us that he began as a truck driver and became wealthy through real estate and construction), had a dream. In the past, he had built, with his own money, the children's hospital connected to the "Long Island Jewish Hospital," in Long Island near New York City (Professor Philip Landskovski, a member of the "international team," is the director of that hospital). Schneider wanted Israel to have a similar hospital too, one that would serve all the children of the Middle East and would be an exact copy of the hospital on Long Island, including the architecture of the structure. Schneider turned, they say in the health system, to the Ikhilov hospital, which refused the suggestion, and to Tel Hashomer, also, where they told him that the idea did not seem urgent. Later, when Beilinson was already decided on, Professor Dan Mikha'eli, then general director of the Health Ministry, wrote to Isra'el Kaiser: "Building a children's hospital as a separate facility, including X-ray machines and operating rooms, even if part of the financing comes from donations, is irresponsible and unjustified, at the same time that similar facilities already in Beilinson are not being used to full capacity. The Sick Fund is being dragged into an ostentatious project that has not gone through the accepted authorization process."

The Sick Fund did accept the suggestion, and the key figure in contact with the donors from the beginning was Professor Yehuda Danon. Danon, a pediatrician, is considered an energetic type, not a small "pusher", who was until recently chief medical officer of the IDF (Israel Defense Forces), and is a past director of Beilinson Hospital. He is known as someone who has close contacts with many donors in foreign countries, and his booming public relations style reminds one of Professor Mordekhai Shani, managing director of Tel Hashomer, who also built an empire of donations over the years. The new children's hospital, they say, came just at the time of Danon's retirement from the IDF, and turned into the "project of his life."

And, from a purely professional point of view, is an independent hospital for children a good idea? There are those who say absolutely not, because centralization

creates a monopoly which enslaves the patients. Others, like Professor Boikes, claim that under very specific, idealistic conditions, this could be a good idea: where there is a large population of children; where there are no economic limitations and no need to consider the high cost of operating twice the equipment and teams; where there is a national decision that all the children with complicated diseases, from all over the country, will be streamed to this one hospital; when all the best doctors, in all branches, are centered in it; when the population agrees to travel, despite discomfort, to a hospital distant from their homes.

This is not what is happening in Israel. On the contrary: the Ministry of Health says today that it knows of no intention to recognize the project as the only children's hospital in the country, and he feels that it is important that the children's wings in each hospital in Israel continue to exist. The fact is that they erected "Dana" in Ikhilov, and even agreed to call it a "hospital," in spite of the fact that it is actually smaller than the children's wing at Tel Hashomer, which is not called a "hospital," and that it also functions according to the usual format of a ward in a large hospital.

And it is a fact that other hospitals have also expanded: Tel Hashomer hospital, for example, built a new and costly premature infant care unit not long ago, with the best modern equipment, and is also adding a ward for children with cancer.

And in the meantime, says Professor Boikes, nothing concrete from the viewpoint of the nature of medical services for children in Beilinson has changed: the approach that all sick children are to be hospitalized under one roof and not scattered in different wards, and that all specialties are to exist in the children's section itself, has already existed for a long time, even at Beilinson. In addition to this, the doctors who worked in the old children's ward at Beilinson are moving to the new hospital. In the fields in which they excelled, they still do; in areas in which other hospitals are superior to them, no significant personnel change has taken place. The "stars" in pediatric medicine in Israel are still scattered among a number of hospitals.

Concerning the "stars," another senior doctor brought to my attention the violations of the rules of ethics involved in the extensive media publicity that the new hospital at Beilinson is undertaking. Doctors are forbidden to advertise, and another hospital, which has not built a new institution on its premises lately, cannot set out on a comparative publicity campaign and claim that its children's oncologist is the best in the country. The new hospital's public relations campaign, said that doctor to me, is accompanied by a great deal of publicity of that forbidden type. And actually, the Beilinson spokeswoman, Elisheva Riftin happily volunteered to tell me, definitely on the record, which of the best doctors in the country were working for them, and what their specialties are.



Personnel changes, as is well known, are not so easy to carry out in Israel, whose hospitals function under the dictates of workers' committees. The Medical Association already presented a request six months ago for a restraining order that [may] halt the operation of the new institution, when it learned of an arrangement between the Beilinson administration and the donor, Schneider, that the directors of the new institution would be appointed in rotation, without making a public announcement of the job availability. The administration, in response, promised that hiring of new workers will be subject to agreements with the rest of the hospital workers.

It is true, says David Tagar, that all the new manpower comes from the Sick Fund's reservoir of workers. And this also proves the claim that the Sick Fund will have no extra expenses because of the new hospital. Besides this, all additional expenses will be paid by the donors anyway.

That is to say, the fact that the Sick Fund owes two billion dollars is irrelevant to the decision to put up a hospital that costs 60 million dollars. Where did all the new workers come from? "We took off 'fat' from other places in the Sick Fund," according to Tagar, "even secretaries from the administration building are moving there." "Then it turns out that the donor Schneider really did make a little arrangement with you?" I ask. "After the fact, that is how it has turned out," Tagar agrees.

In general, Tagar presented the real change involved in running the new hospital to me as less dramatic than it is presented in the background pages distributed by the hospital. The original approach to the children's hospital was complete autonomy, but Tagar says that it is clear that there will be "mutual nourishing." For instance, they will decide where to carry out examinations according to the case, and not according to a rule of separation, and they will be careful to avoid duplication.

Because no new policy has been set for the other children's wards in other hospitals, they are in a state of confusion and fear for the future today. In the Sick Fund they call this envy and inability to give credit where it is due. The Sick Fund is in a position of power right now: there is no regional hospitalization today. In effect, everyone can go to any hospital; it can route as many patients as it wishes to Beilinson, and not to Ikhilov or Tel Hashomer, for example. A Sick Fund pediatrician can send a child who lives on Be'eri Street in Tel Aviv, 100 meters from Ikhilov, to Beilinson in Petah Tikva for an operation.

This threat is not just connected with the new institution at Beilinson. According to the Ministry of Health, this is part of the Sick Fund's battle against the concept of corporations. The Sick Fund, according to Ministry of Health spokesman Hagai Eli'as, wants to show that it can hurt the corporations. Lowering the number of hospitalizations in the government hospitals is a powerful means

of economic pressure. Because the hospitals need patients, and the patients come mainly from the Sick Fund.

"Nonsense," says Tagar. "The decision of where to send someone will be based on the clinical condition of the sick child, and everyone will have work. The new hospital is, in any case, an institution for special, difficult treatments." But this is exactly what worries the others: What talented and famous doctor will want to work in a hospital which receives only the patients with diarrhea and colds? With these difficult and confused feelings, the new hospital at Ikhilov, for example, is starting out, and other senior pediatricians I have spoken to feel the same way.

That is to say, the somewhat cloudy concept, "lack of planning and policy," has a direct and concrete impact on doctors, especially young ones, who have many years of work still before them. In these cloudy circumstances, it is hard for them to know if they are not likely to get stuck in wards that will be fading away.

Now, as we have said, they all prefer to avoid the debate, and to wait quietly for what will come. Perhaps the new hospital at Beilinson will be simply another good children's ward, with physical conditions that nobody disagrees are the optimum from the standpoint of hospitalization of children, and no noticeable shocks will occur. The rather surprising response of the Medical Association, which spokeswoman Rahel Blustein gave me, is somewhat symptomatic: "The mission of the children's hospital at the Beilinson campus is to be a vision of the era of peace. This is what the donor wants, for this hospital to serve the children of all the Middle East. And so, the Medical Association's attitude toward the new hospital is positive." Then is it not a bit early to begin operating it now? "To get the idea started," answers the spokeswoman. In the meantime, the Middle East also includes Cyprus, Turkey, and Greece."

### **AIDS Virus Increasing Among Heterosexuals**

*TA2410152491 Tel Aviv DAVAR in Hebrew 24 Oct 91  
p 1*

[Report by 'Ezra Hen]

[Text] Over half of the people found to be carrying the AIDS virus in Israel over the past two and a half years do not belong to "high-risk groups," in other words, homosexuals or intravenous drug addicts, DAVAR was told by Professor Ze'ev Handzel, head of the Clinical Immunology Department at Kaplan Hospital in Rehovot.

Some 100 new AIDS carriers are discovered annually. Contrary to previous years when over 75 percent belonged to the high-risk groups; in 1989, 1990, and in the first half of 1991, it became clear that their numbers have declined significantly and that they now make up less than half of the new carriers.

"The sickness is definitely penetrating slowly into the heterosexual population, although very slowly; that is a clear conclusion from the data," Prof. Handzel said. "It is worthwhile mentioning again that in addition to the carriers known to us there are people who were tested for the virus but do not admit it and do not think they should be checked since they do not belong to the high-risk groups."

Prof. Handzel said that the drop in the number of carriers belonging to the high-risk groups is also because more are avoiding being tested.

## LEBANON

### Reconstruction Priorities, Constraints Detailed

92A50019A Beirut LE COMMERCE DU LEVANT  
in French 19 Sep 91 pp 10-12

[Article by Butrus Labaki: "The Reconstruction of Lebanon: Priorities and Constraints"]

[Text] If, in our present state of affairs, there can be no development without reconstruction, it is quite obvious that reconstruction cannot be achieved without development. Without a vision of development that reflects the goals, means, instruments, and conditions of success, reconstruction would draw us into experiences similar to those of countries where haphazard reconstruction projects having no organic link to the national economy engender inflation, internal and external deficits, as well as growing income disparities among regions, social strata, and the sectors of the economy.

Examples of this are to be found in the negative aspects of the Lebanese economy prior to 1975 and in the experiences of several Third World countries.

Our purpose here is to present the priorities for reconstruction in a context of development, priorities that take national, regional, and sector-specific aspects into account.

At the same time, we would like to underline the obstacles that exist with regard to not only resources, but the capacity to absorb existing resources as well.

In this context, we believe it useful to provide a few assessments of the losses caused by "other peoples' wars" on Lebanese soil. These will give an idea of the magnitude of the task to be accomplished.

### I. RECONSTRUCTION IN THE SERVICE OF DEVELOPMENT POLICY: WHICH POLICY?

We begin by defining the framework for such a policy. This framework includes the following goals and means taken as a whole:

—To develop our economic system, the foundation of which is individual and group enterprise with the state serving as a balancing mechanism. The role of balancing mechanism entails coordinating action and

forecasting economic trends. These activities must be conducted in a spirit of national unity of purpose and with planning serving as a guideline. Similarly, the tendencies toward monopolization must be eliminated so as to allow greater freedom for private enterprise.

—To ensure an even distribution of the national product across regions, sectors, and social strata by pursuing a policy of development and social justice aimed at meeting the fundamental needs of citizens in health, education, and housing, and at offering the disadvantaged segments of society opportunities for social and economic advancement.

—To diminish the economic and social disparities between regions by creating regional hubs of development and outfitting the regions with infrastructure to stem the tide of emigration to the city or foreign countries.

—To bring the various sectors of the economy into balance by reactivating the productive sectors and the sectors engaged in services that benefit society, while simultaneously adjusting to the regional and international changes that have taken place since 1975.

—To make use of the country's natural resources in a rational and systematic manner.

—To stimulate Lebanon's human resources, the foundation of the country's economic capital, by taking the following steps:

- arranging for the reintegration of displaced persons into their areas of origin;
- drawing up a policy of education and scientific and technical research that would work to restore intellectual achievement which has been deteriorating since 1975;
- adopting the various measures that would result in the repatriation of emigres;

—To optimize the productive potential that Lebanon has by virtue of comparative advantages that result from its geographic location, its traditions, and its human and natural potential.

—To diminish Lebanon's dependence on the outside world by promoting economic complementarity among the country's own regions and economic cooperation with the Arab world.

## II. RECONSTRUCTION PRIORITIES

The priorities of reconstruction fall into two categories:

- short-term priorities which address needs related to the current economic context; and
- long-term priorities which address structural needs.

### 1. Short-Term Priorities

**Rehabilitation and Expansion of the Power Supply Network (production, transmission, and distribution):**

In addition to the role it plays in the daily life of the citizen, electrical energy plays an important role in

economic activity. This is especially true in industry, services, irrigation, agriculture, and communications.

#### **Rehabilitation of the Drinking-Water Supply:**

In every region of Lebanon, water is in short supply and of poor quality. This takes a toll on the health of citizens and delays economic growth.

#### **Rehabilitation of Telecommunications:**

The current state of affairs in telecommunications adversely affects the citizen in his day-to-day activities and makes working conditions more difficult.

#### **Reconstruction of Downtown Beirut:**

Special consideration should be given to the reconstruction of downtown Beirut because of its social, cultural, economic, and political impact on Lebanon's various communities: As a meeting place for all Lebanese, this area of the capital city was—and must again become—the platform for Lebanon's regional economic role.

#### **Rehabilitation of Transportation:**

Priority must be given to rehabilitating Beirut's port and airport because all sectors are affected by their activity.

### **2. Long-Term Priorities**

Long-term priorities require intensive action starting immediately in order to pave the way for the necessary structural changes:

#### **Rehabilitation and Development of Agriculture:**

First of all, the institutions involved in extension services, research, credit, and marketing must be restored. It is true that agriculture accounts for only 11 percent of the gross domestic product, but more than 15 percent of Lebanese depend primarily on agriculture for a living.

The development of this sector will lessen emigration to the cities and will encourage displaced persons to return to their villages. It will help to even the geographic distribution of production activities.

#### **Rehabilitation and Expansion of Irrigation Networks:**

The relative scarcity of arable land makes intensive farming preferable for its high yields, hence the importance of irrigation and the importance of rehabilitating what already exists while beginning new projects in the regions where there is potential in this area.

#### **Building Industrial Zones in Rural Regions:**

The purpose of building industrial zones is to stimulate the emergence of hubs of development in the rural regions. This will enable the inhabitants of rural regions to benefit from another economic activity in addition to agriculture and to enjoy stability and conditions that will discourage emigration to the cities.

Having looked at the priorities, we now turn to the constraints.

### **3. Constraints to Reconstruction**

The principal constraints are related to either of two categories: financing and absorption capacity.

#### **Reconstruction Financing:**

Although a very important constraint, reconstruction financing does not seem to us to be the sole constraint, or the most important one.

The entire undertaking of rebuilding and developing Lebanon and its future was presented as being linked to external financing, which led to dreams and, occasionally, disappointments. For that reason, it is useful to recall that in the case of Lebanon, the types of financing available are the following:

#### **External Financing, Public and Private:**

External financing from public and private sources (bilateral and multilateral) can be divided into three categories:

The first of these consists of grants in cash or in kind which generally do not exceed 5 to 10 percent of external financing and are agreed to on the donor's conditions.

Second, there are "soft loans" which are long-term loans at low interest rates and with a long grace period. Such loans account for nearly 20 percent of external financing, and they carry conditions such as the requirement that equipment be purchased from the lending country. It would be preferable to use this type of loan for projects that mature over a long period of time, such as water and agricultural projects.

Third, commercial loans are made at commercial rates and are often accompanied by conditions such as the requirement that equipment be purchased from the lending country. These loans would be useful in financing projects that immediately generate returns (electricity, telecommunications, port, airport) and are compatible with the terms of repayment.

Public and private external financing may not be substantial, but it could serve as a stimulus to Lebanese financing (from residents or emigrants) which should play an essential role in the reconstruction process, particularly at a time when the world's attention is focused on financing the reconstruction of other regions of the world—eastern Europe and the Gulf.

#### **Private Lebanese Funds (Resident and Emigrant):**

Lebanese funds should be the principal source of financing for reconstruction.

External financing from public sources helps to encourage Lebanese investors, because the Lebanese are accustomed to thinking that the fate of their country is determined outside its borders and not at home. Given

that, initial financing from external sources should be enough to stimulate Lebanese financing. It will be necessary to establish institutions capable of mobilizing the financial resources of Lebanese investors (financial institutions, specialized banks, commercial banks).

We should also recall that domestic financing can be generated by the reactivation of such sectors as industry, which is currently operating at less than one-third its capacity. Industry can generate large sums in terms of value added, advantageously replacing external financing. Financing from Lebanese emigrants should be spurred by the formation of specialized financial institutions having a stimulative effect on investment. It would also be a good idea to organize a conference for emigrants in the very near future on the theme of "The Reconstruction of Lebanon" and conduct a study of the economic and financial potential of Lebanese residing abroad.

#### Public Lebanese Financing:

It would not be utopian to consider the possibility of Lebanese public financing in sectors that produce direct returns (electricity, telephone, port, airport). In the short-term, the state could begin rehabilitating these sectors using a portion of the revenues they generate. This could be done while the state recovers its health of the pre-war period when it was taking on an important role in development.

Financing is an obstacle to reconstruction for the above-mentioned reasons. In summary, they are:

- the other focuses of external sources of financing;
- the private sector's lack of confidence in Lebanon's current situation;

- the public sector's inability to provide the necessary funds.

Financing is not the only obstacle to reconstruction, however: Lebanon's absorption capacity is still very limited.

#### Absorption Capacity:

In Lebanon, there is a potential for financial resources that is not yet being utilized, just as its human and institutional capabilities are under-utilized. The reasons for this inability to absorb existing resources are numerous. We will mention the following:

- political and governmental instability and the lack of security;
- the lack of personal motivation and weak institutions;
- the lack of specialized workers (which is particularly acute in certain domains) due to emigration and the decline in the level of education;
- the destruction of a portion of the country's infrastructure.

Consequently, the human and financial potential required for reconstruction must be mobilized, while acting quickly to restructure and rehabilitate infrastructure.

#### Assessing the Losses Caused by Other Peoples' Wars in Lebanon:

We have an assessment by the CCIB [Beirut Chamber of Commerce and Industry] of the loss of earnings incurred in terms of national income during the period 1975-86: The CCIB assesses lost earnings at about 31 billion dollars.

With regard to losses of material assets, we have the following estimates:

**Capital Losses Caused by the Wars Between 1975 and 1983**  
(in millions of 1983 U.S. dollars)

Sector	Amount of Loss	Description of Loss
Housing	756	11,200 dwellings
Tourism	252	65 hotels in Beirut and mountain areas (40 in 1975-76 and 25 in 1982)
Commerce and services	1,953	13,400 businesses, offices and public infrastructure in commercial zones
Industry	315	300 companies destroyed or damaged
Agriculture	210	(FAO estimate)
Public Infrastructure	840	Roads, ports, airports, schools, hospitals, telephone system, power and water supply networks
Capital and property of citizens	420	Raw materials, finished products, other property owned by companies or located in private homes, automobiles
Total	4,746	

Source: C.G.T.L. [expansion not provided] 1983

**Estimated Losses in Material Assets Due to Wars (1989-90)**  
(in millions of U.S. dollars)

Sector	Amount of Loss	Description of Loss
Housing	16	22,000 dwellings damaged
		5,000 dwellings completely destroyed
Commerce and services	20	1,000 offices and stores damaged
		16 banks damaged
		240 garages destroyed
		car dealerships destroyed
		travel agencies destroyed
		gas stations destroyed
Industry	50	620 industrial enterprises completely destroyed
		150 factories damaged
Public Infrastructure	25	Roads, ports, airports
	100	Telephone system
	99	Water supply networks
	100	Power supply networks
	40	Schools and hospitals
Capital and property of citizens	150	Raw materials, finished products
	30	Other property owned by companies or located in private homes, automobiles
Total	531	

Sources: Reports by the Chamber of Commerce and Industry of Beirut, 1989 and first and second semesters of 1990; LE COMMERCE DU LEVANT, 27 November 1990; and AN-NAHAR, 16 July 1990.

We can conclude from these partial estimates that losses of material assets exceed 5 billion dollars by a clear margin.

Indeed, the estimates of these losses vary from 6 to 12 billion dollars.

**Conclusion:**

This has been a brief survey of the goals, means, priorities, and obstacles of reconstruction, and an overview of some of the economy's losses due to other peoples' wars on Lebanese soil.

The Lebanese have a tendency to count on external financing for the country's reconstruction. In the present circumstances, external financing is no doubt necessary, but primarily as a means to eliminate the bottlenecks that are holding back the reconstruction process and to help restore lost confidence.

True reconstruction is reconstruction undertaken by the Lebanese people themselves using their own means, thus avoiding the heavy obligations and costs associated with external financing. "Capital is made at home."

It is also the responsibility of the Lebanese people to understand the changes that have occurred on the local, regional, and international scenes since 1975 so as to avoid inconsistencies at the economic, demographic,

social, and cultural levels and respond to the demands of the country's reconstruction and progress with the greatest chances of succeeding.

**Role of Banks in Reconstruction Discussed**

92A50019B Beirut LE COMMERCE DU LEVANT  
in French 19 Sep 91 p 8

[Remarks by Georges 'Ashshi, interviewed by Na'ilah Shammass; place and date not given: "What Role Should Banks Play in Reconstruction?"]

[Text] The cost of Lebanon's overall reconstruction will run into the billions of dollars. Where are the funds to be found to finance the projects and what should be given priority as credit is meted out?

[Georges 'Ashshi] "In a recent statement, Prime Minister Karami estimated the cost of rebuilding Lebanon's infrastructure at 15 billion dollars. Even with the highest of hopes in foreign aid and assistance, that amount is beyond the current reach of Lebanon's public sector. But, regardless of what the bill comes to, a start must be made without delay, using the means at hand."

"The first priority is the downtown of Beirut. This project, in which the state's responsibilities will be assumed by the private sector and no financial contribution required of it, is to its advantage from all points of

view. The ministerial committee recently made adjustments to the project to reassure the eligible parties in central Beirut by granting priority to those who will have claims for the acquisition of property, by giving investors and eligible parties equal weight in the Council, and by preventing the members of the Administrative Council from taking part in the sales. These precautions are very comforting to those who had questions in their minds about it. The project should therefore be launched without hesitation using the means available—Lebanese emigrant capital, in particular, which will be used at this stage. It will be the example for a broader start-up of activity across Lebanon, as other private groups may take interest in Lebanon's other regions. In this way, the downtown project could serve as the spark for economic recovery."

"A glimpse of this trend was already given this year by a very significant indicator: the improvement in Lebanon's balance of payments in the first six months of the year. According to the figures, a surplus of about 800 million dollars was posted for this period, solely as a result of the increase in the monetary reserves of the BDL [Central Bank of Lebanon] and increased foreign currency deposits at banks. Actual work has yet to begin on any given project, but capital is already pouring in as confidence has been restored."

"What policy will banks adopt with regard to reconstruction lending? It is not up to the banks to provide credit to individuals seeking to rebuild their homes. That should be done by the state's banking institutions and specialized banks such as the Housing Bank and the Agricultural Bank.... As far as commercial and industrial loans are concerned, the banks are never reluctant to take up a serious proposal supported by valid guarantees. Nonetheless, credit must be used wisely and toward productive ends with a view to ensuring repayment."

"As reconstruction resumes, the banks' resources will expand with funds from local sources as well as abroad. In dispensing credit, the banks will create new deposits and, consequently, new credit, and so on. This will get the economy moving."

"At present, banks are encountering difficulties in investing funds in Lebanese pounds because of the prevailing rates. The Association of Banks, in cooperation with the BDL, is doing its best to lower lending rates. To bring that about, the depositor rates of interest and rates on Treasury bills will also have to be lowered. The policy regarding interest rates on Lebanese pounds will be aimed at lowering rates to encourage the use of Lebanese pounds in the reconstruction of Lebanon. The most recent statistics to be published show that at the banks of Lebanon, the percentage of deposits and loans denominated in dollars has fallen from 90 percent to 70 percent in the space of less than a year. Thus, usage of the Lebanese pound as the currency for transactions on the Lebanese market is in the process of being made a reality."

"The banks currently operating in Lebanon have foreign currency deposits of nearly 3.5 billion dollars, some 5 percent more than at the beginning of the year. However, the amount of foreign currency reinvested by banks is about 50 percent of that figure. Since the dollar is not the national currency, Lebanon's monetary authorities have no control over its abundance or scarcity which are determined instead by the political, economic, and security conditions in Lebanon and the region. Therefore, the country's economy cannot be based upon its ebb and flow. We must recognize that we should go no farther than we have in our use of foreign currency deposits and foreign currency loans to the private sector. We must return to the Lebanese pound, even if it means that the Central Bank will have to lessen the minimum reserve requirements and the mandatory subscription to Treasury bills. These measures are in line with current thinking and perfectly compatible with the spirit of the monetary policy to be instituted."

"Thus, given local possibilities and the present context, banks will be in a good position to meet the usual needs. But neither the Central Bank nor the Treasury can be asked to actively finance reconstruction in the form of ambitious projects such as the downtown project, because neither one of them has the means to do so for the time being. The Central Bank's reserve of 1.2 billion dollars is adequate for the purposes of pursuing an effective monetary policy, but it cannot finance reconstruction. The Treasury, for its part, must improve its resources in order to cut its annual deficit in 1991; the goal of a balanced budget is out of the question for a fairly long while to come. The Treasury deficit is estimated in the best of scenarios at 1,100 billion Lebanese pounds. A very thorough study should be made of the state's financial and tax policies. It is possible that a reduction in income tax rates would be salutary right now. Those who pay income tax are the salaried workers with steady incomes subject to withholding. The others do not pay their income taxes because the rate in Lebanon has risen too high. It now stands at about 40 percent, and for some time it has been proportional rather than progressive. That is an extremely onerous and dangerous level; elsewhere around the world, the general trend is toward lower levels. With a tax cut, citizens would be more inclined to pay their taxes and the Treasury's financial position would improve as a result."

"Similarly, Lebanon's entire set of tax laws, including customs duties and other taxes, should be revised in an effort to bring them into line with current needs and potential. The value of the dollar for customs purposes must eventually be made equal to its market value. It should not be calculated at 200 Lebanese pounds when it is worth 900 Lebanese pounds on the market."

"In other matters, privatization should be given serious consideration since the public sector's means are limited. The Lebanese are much wealthier than the state of Lebanon and their money must be put to use. For that, the avenues to investment must be opened up to them."

All the services currently provided by the state could be partially privatized. Moreover, privatization is the general trend in all countries of the world. Public-private partnerships could be founded with a majority interest in private hands to ensure better service and the public sector acting as a safeguard. Unable to rescue the power supply, water, telephone, and sanitation services, the state could open the way by selling a portion of its operations to the private sector, which would bring in appreciable revenues."

"All these reforms should be implemented gradually. We must begin with the downtown project. In addition, the nation's industry must be strengthened. Part of that responsibility belongs to the state. Funds could also come from the banks and specialized financial institutions in the Western world as aid for infrastructure, provided that they are confident that Lebanon has found long-lasting peace."

## MOROCCO

### Government Urged To Address Socioeconomic Issues

92AF0099F Rabat L'OPINION in French  
25 Oct 91 pp 1, 3

[Editorial by Mohamed Idrissi Kaitouni: "Improving the Social Climate"]

[Text] To achieve social and economic progress, several conditions must be met, in particular the existence of a sound social climate making it possible to solve problems and to satisfy the people's demands in a context of sincere and constructive dialogue.

However, when the authorities persist in refusing the dialogue or attempt to empty it of all substance and divert it from its goals, when they fail to provide appropriate solutions to the thorny problems that affect the citizens daily, it is quite simply irresponsible and it reflects the lack of any real political determination to face problems and find the required solutions.

Certainly, territorial integrity and the defense of the Moroccan character of the Sahara are the people's top priorities today, and they remain ready to make all the sacrifices this requires, but the government, for its part, must show some imagination in looking for solutions to social and economic problems, and a sense of its responsibilities in analyzing them and assessing their causes and effects.

The government must resolutely chose dialogue and an objective diagnostic, so as not to cover up facts or make do with palliatives, the limited and short-lived effect of which is in no way the effective remedy required by the condition of the affected sector.

Besides, the solutions to certain problems do not require excessive funding, but essentially a responsible attitude on the part of those who have to solve them, as the

citizens in general, and workers in particular, are perfectly aware of their duties and the obligations dictated by the current stage through which our country is going, which requires vigilance, mobilization, and a closing of the ranks.

When they show indifference toward the issues raised, when they fail to keep and respect the promises and commitments made, when they turn a deaf ear to the workers' complaints, officials show a negative attitude, which further exacerbates social tensions and further complicates the issues raised.

Therefore, the important thing is to study seriously and urgently the dossiers that have given rise to workers' protests and social unrest, to consider the demands registers with the determination to find the required solutions, and to start a dialogue without engaging in stalling tactics designed to postpone the introduction of the necessary reforms and the emergence of the indispensable solutions. Opening a sincere, frank, and positive dialogue can only contribute to the creation of a climate of understanding, agreement, and cooperation, because what matters to all social strata is our country's higher interest, the consolidation of its achievements, and the preservation of its independence and territorial integrity. Improving the social climate will promote a general and permanent mobilization to build a strong, united, and prosperous Morocco.

### Government Accused of Domestic Complacency

#### Strikes: Social Unrest

92AF0117A Casablanca AL BAYANE in French  
30 Oct 91 p 1

[Editorial: "Strikes and Social Discontent"]

[Text] Will the strike in the public-health sector be followed by a comprehensive strike in primary, secondary, and higher education?

More than likely, it will, because the CDT [Democratic Labor Confederation], UGTM [General Union of Moroccan Workers], and SNE-Sup [National Union of Higher Education Teachers] have jointly approved the principle of a concerted action program which could go as far as a strike.

Some could make the mistake of viewing these threats of strike action as merely "political."

Given the known organic ties between these unions and certain political parties, it may be tempting to dismiss the pressure by the unions as nothing more than an artificial and mechanical extension of purely political and oppositionist stands to the labor arena (primarily the civil service...). Some would blithely go one small step farther to conclude that these labor actions are of no particular significance.

We think that such an error of interpretation must be avoided. The reason is that, beyond the tactical calculations of some, there is no choice but to acknowledge that the current socio-political situation is rather uncomfortable, if not unhealthy.

Let's set aside the tactic of successive strikes used this year in place of last year's nationwide general strike (which eventually went out of control as everyone knows....)

What seems more important, in our view, is the fact that in calling for their members to mobilize, to become active, and even to go on strike, the health workers' and teachers' unions know that they are addressing a deeply held and real expectation: the expectation of civil service employees whose discontent is legitimate, whose demands are not heard, and whose goals are neglected.

That is the crux of the matter and it is also true for many other categories of employees, including private-sector employees. In fact, the labor climate has gone beyond the stage of sullenness and rumbling discontent and has reached the stage of determination to "take action for change."

It thus becomes clear that a strong desire for change now prevails in Morocco, as it did last year. An undeniable potential for mobilization exists as well, and certain labor confederations are making the most of it.

It must be realized that the government, by contrast, is "distinguished" by its inability to take matters in hand. It would be laughable to assert that such a cabinet is, in the eyes of the public, responsible for rallying patriotic support in defense of the national cause.

Lacking aura, punch, and credibility, the government knows but one "virtue" and that is blissful self-satisfaction. At every opportunity, it is quick to state that all is going well.

In view of that, it should be acknowledged that the government's unpopularity represents a powerful stimulant to the prevailing discontent.

The circumstances leave no choice but to argue the case for true change in all areas, with the goals of achieving a fruitful dialogue with workers and their unions and effectively rallying the country to the national cause.

#### **Attitude of Ministers Viewed**

92AF0117B Casablanca AL BAYANE in French  
31 Oct 91 p 1

[Editorial: "Where Is the Government?"]

[Text] In our last editorial, we criticized the government's blissful self-satisfaction in response to the country's social conditions. We said that the ministers prefer to speak in soothing, falsely optimistic terms rather than acknowledge the magnitude of the problems and the depth of discontent.

Regrettably, current events provide a steady stream of examples illustrating this frame of mind, one that is completely inexplicable and incompatible with the imperatives of present economic conditions.

For instance, when we count five or six ministers present at the opening session of a meeting between Moroccan and foreign businessmen, we have a right to wonder who in the government takes time to study the issues instead of systematically seeking to be seen in public and in front of the obliging cameras of official television!

When a minister defends his facade of optimism on the question of unemployment among young people with little more than an outline of the broad intentions approved by the CNJA [expansion not given] (and still not enacted), we have a right to question the soundness of an approach that does not go beyond the appearances to tackle harsh realities.

When another minister—the minister of education, not to name any names—answers a legislator by stating that the problem of overcrowding at the law schools (20,000 students in Casablanca) will be solved by building new lecture halls, we have a right to worry about a logic that equates higher education with stadium seating of vaunted capacity (as if it were a matter of herding a crowd and not one of offering a decent, fitting education to those who will hold positions of responsibility in the future).

And so on and so forth. In fact, we might ask: Is there a government? What is it doing? Where is it heading? What is it saying?

These questions should be put to the entire public for its opinion. The response would be enlightening, as there is no one left in the country who understands the logic that causes a cabinet with no cohesion and strategy to avoid the broader problems and constantly stall for time. Meanwhile, the stumblingblocks remain and the rift between the real nation and official circles is widening.

In this context, strikes and other types of labor action, whether widespread or localized, are already significant. When problems arise, they must be dealt with, not dodged!

#### **No Confirmation Sudanese Students Involved in Clashes**

LD0611152291 Rabat MAP in English 1227 GMT  
6 Nov 91

[Text] Rabat—Sudanese Ambassador to Rabat Bashir Abu-Sittah said his country's mission in Morocco has not received so far from the Moroccan authorities anything that could confirm the participation of Sudanese students in the events that shook the Moroccan university. In a statement quoted Tuesday by Saudi daily AL-SHARQ AL-AWSAT, the Sudanese diplomat specified that the official reports the embassy receives from the Moroccan authorities certify the good behavior of



the Sudanese students and their respect for the Moroccan laws. The Moroccan opposition press reported cases of involvement of Sudanese students in the events that happened in a number of Moroccan universities, especially in Oujda, Fes and Kenitra.

The events which opposed fundamentalist to left-wing students resulted in various reactions within university and political milieus which unanimously condemned recourse to violence and "attacks perpetrated by fundamentalists against students."

### Foreign Investment Figures Published

92AF0088B Casablanca LA VIE ECONOMIQUE  
in French 18 Oct 91 p 20

[Text] Approved industrial investments by foreign entities and individuals grew markedly over the last decade.

From 252 million dirhams in 1978, they rose to nearly 2.6 billion dirhams in 1990. Concurrently, their share of the total of approved industrial investments from 16 percent in 1978 to 24 percent in 1990. The proportion of foreign capital in each sector varied a great deal from one sector to another, as demonstrated by the figures below:

- Forty-two percent in the electric and electronic industries;
- 30 percent in textiles and leather;
- 26 percent in the agrifood industry;
- 23 percent in metal working and mechanical industries;
- 18 percent in the chemical and related industries;
- 17 percent in industry-related service companies; and
- 12 percent in companies of an industrial nature.

These figures confirm an expansion in foreign-domestic partnerships as encouraged by the economic authorities of the Moroccan Government.

For the year 1990, the breakdown of approved foreign industrial investment by sector is as follows:

### I. 1990 Approved Foreign Industrial Investment by Sector

Sector	Percent
Textiles	42
Chemicals	20
Foodstuffs	20
Machinery	8
Electronics	4
Other	6

Source: Ministry of Commerce and Industry

In the breakdown by nationality, aside from Morocco's traditional partners, which are France, Belgium, and Switzerland, other Western countries (Germany, the United States, Italy, and Great Britain) and Arab countries (Saudi Arabia and the United Arab Emirates) are increasingly attracted to Morocco:

### II. 1990 Approved Foreign Industrial Investments by Nationality

Country	Percent
France	27
Switzerland	21
Spain	17
Italy	5
Panama	4
West Germany	3
Saudi Arabia	3
Others	20

Source: Ministry of Commerce and Industry

To take the case of France, 691 million dirhams were invested by French nationals in 1990, as compared with only 184 [million] in 1984.

They thus accounted for 27 percent of total foreign industrial investment and 6.3 percent of total approved industrial investment, foreign and domestic combined. The distribution of French investments is as follows:

- leather and textiles: 34 percent
- chemicals and related products: 22 percent
- machinery (mechanical): 18 percent
- companies of an industrial nature: 11 percent
- electric and electronic industries: 8 percent
- agrifood industry: 6 percent
- industry-related service companies: 1 percent

The Spanish invested 437 million dirhams in Morocco in 1990, as compared with only 45 [million] in 1984. Spain therefore took second place with 17 percent of foreign investment and 4 percent of all approved industrial investments.

Spanish capital was invested primarily in textiles, which received three-fourths of the total. The chemical and related sector and the agrifood industry each received 9 percent of Spain's total.

The Swiss were more attracted to the agrifood industry in which they concentrated three-fourths of the 537 million dirhams they invested in Morocco in 1990.

The Germans, like the Spanish, were attracted by the textiles sector. German investment in Morocco had been on the rise up through 1989. In 1990 it fell sharply from 190 million dirhams to 82 [million], or 3 percent of approved foreign investment.

Among the Arab countries, Saudi Arabia seems to alone in investing in Moroccan industry. Its share, however, remains very slight, totaling a mere 3 percent of foreign investment in 1990. The Arab countries nonetheless come in second after France when non-industrial investments are also taken into account.

Covering both the industrial and nonindustrial sectors, Table III provides a breakdown by sector of the foreign capital flows registered by the 1990 balance of payments.

**III. 1990 Foreign Investments and Loans by Sector**

Sector	Percent
Industry	26
Real Estate	23
Banking	8
Holding Companies	8
Tourism	6
Commerce	3
Insurance	3
Other	21

Source: Exchange Office

From these figures, the following observations emerge:

- While maintaining a certain level of investment in the industrial sectors previously mentioned, foreign investors are showing a growing interest in the other sectors of the economy. Indeed, balance-of-payments receipts under the heading of investments rose from 569 million dirhams in 1980 to 1.872 billion dirhams in 1990.
- The real estate sector ranks second with 422.5 million dirhams in 1990, or 22.6 percent of the total, as compared with 188 million in 1980 and 33 percent of the total.
- Banking and holding companies take third and fourth place, respectively, with 150 million dirhams (8 percent of the total) going to banking and 145 million dirhams (7.7 percent of the total) for holding companies in 1990.
- The tourism sector is also attracting foreign investors for a total of 105 million dirhams (5.6 percent of the total) in 1990, as compared with 41 [million] in 1980.

**IV. 1990 Foreign Investments and Loans by Country**

Country	Percent
France	31
United Arab Emirates	12
Saudi Arabia	9
Spain	8
Others	40

Source: Exchange Office

The breakdown by country reveals that France again predominates with 594 million dirhams or 31 percent of the total. In 1980, France had invested 113 million, accounting for 20 percent of the total.

The Arab countries take second position with 234 million dirhams (12.5 percent of the total) from the United Arab Emirates and 170 (9.1 percent) from Saudi Arabia. In 1980, they had accounted for 85 [million] dirhams (14.9 percent) and 100 [million] dirhams (19.2 percent), respectively.

Spain, as was noted in connection with industrial investments, is also increasingly interested in investing in Morocco.

After having been almost absent only a few years ago, Spain now represents 8.2 percent of balance-of-payment receipts under the heading of investments, or 154 million dirhams.

**Results of Trade Mission to Tunisia Discussed**

92AF0088A Casablanca LA VIE ECONOMIQUE  
in French 18 Oct 91 p 8

[Article by Aziza Belouas: "What Are the Problems and Solutions?"]

[Text] In collaboration with 15 Moroccan businessmen, the CMPE [Moroccan Center for Exports Promotion] organized a trade mission to Tunisia from 6 to 10 October. The purpose was to explore the Tunisian market, establish a maximum number of contacts, and thereby promote national products.

The trade mission resulted in 350 contacts with the Tunisian business community. The 15 Moroccan companies that participated in the mission under the CMPE's leadership represented various industrial sectors: textiles and leather, household electrical appliances, electro-mechanical devices, plywood, foodstuffs, gift items, etc.

**Regulation of Moroccan-Tunisian Trade**

What will follow from these initial contacts now depends upon the general framework that governs trade between the two countries.

However, the regulatory context of Moroccan-Tunisian trade is a shifting one.

Morocco and Tunisia signed a trade and tariffs agreement on 30 April 1986. The spirit of that agreement reflects the goal of liberalizing trade to the extent that trade would be exempted from customs duties. Because the economies of the two countries are similar, however, free trade proves to be difficult at times, and commercial adjustments are necessary.

In view of that, measures were taken to bring about equitable competition. Goods produced in one country and having no "counterpart" locally produced in the other can be freely imported with the advantages available under the 1986 bilateral agreement. Goods produced in both countries can also be freely imported, but the materials required to produce them are subject to import duties and charges and are not covered by the economical customs arrangements.

It was also decided that a quota would be applicable until such time as the A and B lists went into effect. From that point onward, all import authorizations granted in that connection would be valid for a period of three months

and would lapse at the end of that period. The framework for trade relations between the two countries was changing, and it was moving away from the free trade policy initially embraced. Indeed, on 19 June 1991, a supplement to the trade and customs agreement of 30 April 1986 was signed. Bilateral trade is henceforth governed as follows:

- Products originating in and coming from either of the two countries' territories are exempt from customs duties but not from taxes paid on local products.
- Trade remains subject to the foreign trade and currency exchange regulations in effect in each of the countries.
- Goods of Moroccan or Tunisian origin appearing on List No. 1 (products to be traded freely) and on List No. 2 (products subject to a compensatory tax of 17.5 percent) are exempted from all nontariff restrictions on imports and exports in each of the two countries.
- List No. 2 goods originating in and coming from either of the two countries' territories and made from raw materials and semifinished products imported from a third country under the economical customs arrangements are subject to an ad valorem compensatory tax of 17.5 percent, calculated on the customs value of the goods.

The shifting nature of the regulations reflects the existence of certain hindrances and obstacles.

The turnabout was discussed by Mr. A Bennani-Smires, president of the CGEM [Moroccan General Economic Federation] in an interview he gave to *ECONOMISTE MAGHREBIN* in May 1991.

"We began by instituting a veritable free-trade zone between us(...). Then we reversed direction and (...) enacted import licenses, just as we were freeing up our trade with other countries."

While the legal framework is changing, trade is proceeding at a sluggish pace.

#### Slow Pace of Trade

Overall, the volume of trade between the two countries remains weak. It represents a slim share of their total foreign trade.

The table below shows the evolution in trade between them.

Evolution in Morocco's Trade With Tunisia

Year	Imports	Exports	Combined Volume	Percent of Total
1987	247.3	240.5	487.8	0.9
1988	137.3	395.2	532.5	0.8
1989	193.4	107.0	300.4	0.4
1990	224.0	509.0	733.0	0.8

It is to be noted in passing that Morocco's exports totaled 509 million dirhams in 1990. They were made up of textile yarns, paper pulp, unwrought lead, wood, volatile oils and essences, lubricating oils for blending, spare parts for passenger vehicles, potatoes, spices, iron ore, medicines, garments, cotton yarn, and miscellaneous products.

Morocco's imports from Tunisia have risen, totaling 223 million dirhams in 1990.

For the most part, Morocco imported crude petroleum oil, chemicals, cotton fabrics, ceramics, dates, household hardware, paper, and paperboard, man-made plastics, industrial vehicles, machine tools, and miscellaneous products.

Evolution of Morocco's Balance of Trade With Tunisia

Heading	1986	1987	1988	1989	1990	1991 <sup>1</sup>
Imports	100,284	247,380	137,319	193,080	223,665	77,963
Exports	122,493	240,533	395,161	404,481	509,263	184,805
Balance	22,209	-6,847	257,842	211,401	285,598	106,842
Cover Rate (%)	122.1	97.2	287.8	209.5	277.7	237.0

1. Figures are as of April.

Source: Exchange Office

Moroccan-Tunisian trade represents 1 percent of the volume of Tunisia's trade with the countries of the Maghreb. "In any case, our trade with Tunisia represents less than 1 percent of Morocco's total trade, and if we do not solve our problems, they will become more complex as business grows," Mr. Bennani Smires said in the above-mentioned interview. The following are among

the problems—or more exactly, the obstacles—to be overcome, as described by some businessmen:

- administrative formalities;
- transportation; (The difficulties mentioned in this regard are two-fold: the high rates of air freight costs and the organization of maritime freight.)

- insufficiently organized rail transportation;
- the high level of the compensatory tax (17.5 percent), particularly in view of the fact that Tunisia can import certain Italian and French products that are similar to Moroccan products, but taxed at only 10 percent;
- the high cost of business travel (air fares, etc.)

Nonetheless, financing problems are solved in that trade between Morocco and Tunisia is governed by ordinary law, whereas for Algeria and Libya special agreements apply and they involve the intervention of the Bank Al Maghrib.

#### What Are the Potential Solutions?

With a view to expanding and, more particularly, facilitating trade, two-way action must be taken:

- more aggressive promotional activity;
- bringing businessmen from both countries together to make suggestions for official discussion;
- certain Moroccan businessmen would like to attend official commission meetings so as to create and maintain a dialogue at all levels;
- monetary unification, or failing that, the possibility raised by one businessman of trading in national currency on the condition that the banks of the Maghreb assume the task of stabilization; and
- the need for a central body to organize and administer trade.

The general impression given by all Moroccan businessmen is that the Tunisian market is buoyant and offers several business opportunities. However, one businessman added, "there is a need for encouragement and a belief in cooperation among the countries of the Maghreb, and there has to be a Maghreb label."

#### Chamber of Representatives Holds Session

##### New Parliamentary Group

92AF0082A Rabat L'OPINION in French 18 Oct 91 p 3

[Article: "New Parliamentary Group"]

[Text] On Wednesday the Chamber of Representatives held its first plenary meeting in the first session of the second supplementary legislative year.

During the meeting, which was presided over by Mr. Ahmed Osman with several members of the government in attendance, Mr. Mohamed Majdoubi, member of the provisional bureau of the chamber presidency, read several communications to the presidency, including those from deputies Mahjoubi Aherdane, Mohamed Tougani, Kaidi Mohamed Amahrouk, Mohamed Reda Boutaieb, and Yahya Ahmed Amrou Allal announcing their resignation from the "Moroccan Authenticity and Social Justice" parliamentary group.

Other communications announced the resignation of deputy Akka Ghazi from the USFP [Socialist Union of

Popular Forces] group and deputy Marzouk Ahaidar's resignation from the UC [Constitutional Union] group.

The presidency also received a list signed by 12 deputies concerning the creation of a new parliamentary group called "National Movement" led by Mr. Mohamed Ahmed Fadili. The list included Messrs. Mahjoubi Aherdane, Akka Ghazi, Mohamed Tougani, Marzouk Ahaidar, Kaidi Mohamed Amahrouk, Ouzzine Aherdane, Ibrahim Barbach, Mohamed Ahmed Fadili, Hassan Akram, Oulkaid Lahcen, Mohamed Reda Boutaieb, and Yahya Ahmed Amrou Allal.

The presidency also received communications from the president of the USFP, who indicated that deputy Akka Ghazi was no longer in the group, and from deputy Ahmed Yahya Amrou Allal, asking that his name be removed from the rosters of the Moroccan Authenticity and Social Justice group and the National Movement for the current legislative session.

Among the other communications received by the presidency was one concerning the resignation of deputy Ait Rahou Ahssaine Ouaddi Oubihi from the Moroccan Authenticity and Social Justice group.

The presidency received two other communications, from Mohamed Ahmed Fadili and Ait Rahou Ahssaine Ouaddi Oubihi, regarding their decision to join the new National Movement group.

In his opening remarks, Mr. Ahmed Osman, president of the chamber, noted that the new session is beginning at a time of mobilization and responsibility, a time when Morocco is facing a critical test, adding that the Moroccan people remain strong in their faith and patriotically resolved to thwart the maneuvers of those who launch attacks and campaigns to denigrate the kingdom.

He added that citizens from every walk of life are determined to remain totally mobilized and show the same kind of active solidarity that brought independence during the Revolution of the King and People [as published]. He said that Morocco, as in the past, will emerge triumphant from this ordeal, which enemies hope to exploit to tear the country apart.

He said many Moroccans stuck in Tindouf would have returned to the Fatherland [as published] if they were given the same opportunity as some of their compatriots, adding that it is indispensable to include in the referendum voter lists all those Saharans who were not enumerated in Spain's 1974 census. This is a fundamental demand, he said, and the Moroccan nation insists that the rights of these thousands of citizens be respected and that the United Nations establish the conditions for holding an orderly referendum and ensure respect for the principles of international law with regard to voter lists, international borders, and a halt to the infiltration of aggressors near the defense wall. He added that Morocco has the right to defend its territory from

Tangier to Lagouira, and to react firmly to any attack on its integrity if the United Nations fails to carry out its responsibilities.

Noting that the Sahara is Moroccan and that the referendum in no way derogates from the "Moroccanness" of certain compatriots or represents the abandonment of any part of the national territory, he added that the Moroccan nation, mobilized for action, reminds the "lost sheep" that His Majesty has urged them to come back to their fatherland, which as ever remains merciful and forgiving.

Mr. Ahmed Osman then expressed satisfaction at the results of the Fourth summit of the Union of the Arab Maghreb [UMA], adding that implementation of the accords between the members of UMA will allow the union to join the ranks of groupings like the European Economic Community, with which it must establish relations on an equal footing.

After emphasizing the need to work to see justice done with respect to the Maghrebian workers in Europe, who are subject to all sorts of tribulations, he called for an objective examination of certain issues such as the indebtedness of developing countries, the pillaging of their resources, the stability of the African continent, and the resolution of Arab problems, including the Palestinian question.

In that connection, he said that Morocco and the Maghreb support the revolt of the Palestinian people, noting it is necessary to hold a peace conference at the earliest possible date to put an end to the tension in the Middle East and the tragedy of Palestinians in the occupied territories.

He mentioned in that regard the beneficial results of His Majesty Hassan II's visit to the United States and his support for the Arab cause and Moroccan-U.S. relations.

After discussing the participation of the Chamber of Representatives in regional and international parliamentary unions and in legislative action, he said that democracy in Morocco results from a fundamental choice and is intended to promote citizen participation in the management of public affairs as well as the work of nation building.

He put special emphasis on the need to consolidate the constitutional institutions and expressed hope the legislative and executive branches would support and complement each other in a spirit of understanding and dialogue. He added that Morocco is entering a new phase that requires much effort and patience to rectify the fundamental choices and search objectively for solutions to the problems at hand, noting that it is necessary to pay special attention to youth, by improving their standard of living, assuring stability and jobs, and making the most of their human potential.

### Elections Held

92AF0082B Rabat L'OPINION in French 23 Oct 91  
pp 1, 3

[Article by Jamal Hajjam: "Election of Members of the Chamber Bureau and Chairmen of the Permanent Committees"; first paragraph is L'OPINION introduction]

[Text] When the MNP [Popular National Movement] group was reduced to 11 members, the polemics grew intense....

Twelve days after the opening of the new parliamentary session, the Chamber of Representatives finally managed to elect members of the chamber bureau and the heads of the permanent committees.

The delay was due to the formation of a new parliamentary group, Aherdane's MNP (following a schism within the Popular Movement [MP]), which had managed to come up with the 12 members required (Article 23 of the chamber's rules). Its advent seems to have turned everyone's expectations upside down; hence the delay, until Monday 21 October, of the meeting at which the bureau and committee chairmen were elected.

But the new group's existence proved ephemeral.

At the opening of Monday's session, the provisional rapporteur announced the receipt of two letters: the first from Aherdane, and the second, from deputy Mohamed Reda Boutayeb, announcing his return to his former group, the Popular Movement.

All at once, it was the MNP group that was deemed to have perished, and its candidacies were the subject of polemics between the said group and the president of the chamber, Mr. Ahmed Osman.

Deputy Fadili of the MNP, speaking on a point of order, referred to the last paragraph of Article 26 of the chamber rules, which stipulates that no adhesions or resignations are considered definitive until after their publication in the official bulletin, within a period of eight days following such resignation, expulsion or adhesion.

According to deputy Fadili, the MNP group still existed legally and continued to enjoy the right to participate in the election of members of the chamber bureau.

This point of order put the presidency in a clearly awkward position.

Mr. Osman, who could not permit an additional eight-day delay, which would have kept Parliament still longer in a state of enforced idleness, was forced on to the defensive.

In an effort to influence the intransigent position of the Aherdane group, recalling that when the formation of the new group was announced (last Wednesday) the presidency had not held it rigidly to the chamber rules, he

urged the deputies to show flexibility and cooperation, so as to allow the chamber to function.

But far from being persuaded, the MNP deputies refused to drop the issue, and Lahcen Agourrame rose to speak before the president made his decision and ordered the bureau elections to proceed.

It was then that deputy Mahjoubi Aherdane, after a speech about the violation [of chamber rules], ordered the members of his group to leave the chamber.

Once the MNP deputies had withdrawn, the chamber went ahead in its normal fashion with election of the bureau members for the 1991-92 legislative year and the chairmen of the permanent committees. The vote resulted in the following composition of the bureau:

- 1st vice president: Mr. Mohamed Jalal Essaid (UC)
- 2d vice president: Mr. Mohamed Haddou Echiguer (RNI [National Rally of Independents])
- 3d vice president: Mr. Mohamed Saad El Alami (PI [expansion not given])
- 4th vice president: Mr. Takiallah Maa El Ainine (MP)
- 5th vice president: Mr. El Habib Sinaceur (USFP)
- 6th vice president: Mr. Abdelaziz El Yacoubi (PND [National Democratic Party])
- 7th vice president: Mr. Zarouali Brika (UC)

Five questors were elected:

- Mr. Johana Ouhanna (UC)
- Mr. Ahmed Lakrafes (RNI)
- Mr. Abdeslam Beroual (MP)
- Mr. Ahmed El Kadiri (PI)
- Mr. Abdelouahab Mouline (USFP)

The chamber also elected Mr. Mohamed El Malki (UC) and Lahcen Nidoumghar (RNI) as secretaries of the chamber.

Then it went on to elect the chairmen of the 12 permanent committees:

- Ahmed Laski (RNI), chairman of the committee on foreign affairs, borders, occupied zones and national defense
- Mohamed Lakhsassi (USFP), chairman of the committee on national education, managerial and vocational training
- Abderrazak Afilal (PI), chairman of the committee on agriculture, agrarian reform and animal resources
- Tahar Al Masmoudi (UC), chairman of the committee on finance, planning and regional development
- El Alami Tazi (RNI), chairman of the committee on economic affairs, commerce, industry, energy, mines and employment
- Amin Demnati (MP), chairman of the committee on internal affairs, local communities and national advancement
- Taieb Benkirane (UC), chairman of the committee on judicial affairs, legislation and civil service

- Biadillah Mohamed Echeikh (PND), chairman of the committee on infrastructure, communications and posts
- Mohamed Maana Snoussi (USFP), chairman of the committee on national territorial development, housing and environmental protection
- Soualhi Bouzekri (MP), chairman of the committee on social affairs, health, youth and sports
- Abdelaziz Lamsiou (UC), chairman of the committee on information, culture and Islamic affairs
- Mohamed Al Majdoubi (PI), chairman of the committee on maritime affairs and tourism.

### PPS Leader Cited on Sahara Issue

*LD0411222691 Rabat MAP in English 1226 GMT  
4 Nov 91*

[Text] Laayoune, MAP—The Central Committee of the Party for Progress and Socialism [PPS] held here Saturday its 17th session, which was exclusively devoted to the latest developments in the Sahara issue and the kingdom's territorial integrity.

The Committee adopted a report presented on behalf of the Political Bureau by party Secretary General Ali Yata and a statement pointing out that the national cause has entered a decisive phase which will confirm that Morocco has legally recovered its Sahara provinces.

The statement said that this cause should be the major concern of all Moroccans, of all political parties, and of all social associations, adding that the separatist movements are now in a deadlock, in view of the firm determination of the Moroccan nationals sequestered in the Tindouf camps to return to their motherland, and in view of the far-reaching changes on the international scene.

The PPS backs the UN-sponsored referendum, confident that the world body will side with the principles of justice and will enable all Sahrawis to express their opinion during the referendum in accordance with the UN Charter and the UN secretary general's plan for the settlement of the Sahara issue.

The party, which hails all the citizens who manage to escape the Tindouf camps and return home, drew world public opinion to the tragic conditions of the thousands of Sahrawis still detained in the camps, and called on neighbouring countries to put an end to their ambiguous speech for—the statement pointed out—the edification of the Arab Maghreb requires mutual respect.

The statement also paid tribute to the Royal Armed Forces who succeeded, thanks to their courage and self-sacrifice, in driving back all attacks, and urged those who still claim belief in the separatist ideas to return home so that the referendum operation be a family reunion and a confirmation that the Sahara is Moroccan.

In his report before the gathering, Ali Yata renewed the party's stand on the Sahara issue, pointing out that all the plots hatched in past years against Morocco and its

territorial integrity were fruitless. They merely resulted in consolidating the Moroccan people's mobilization and solidarity with the national cause.

For Ali Yata, three conditions are necessary for the success of the referendum:

- unifying the views of all national forces;
- that the referendum is the only means to legally confirm that the Sahara is Moroccan;
- making the Sahara issue the top concern of the whole country;
- mobilizing all human and material means to win the fight.

Ali Yata called for the adoption of a national charter committing the government, economic milieux, and political parties.

### **New Party Presents Political Platform**

92AF0106B Casablanca AL BAYANE in French  
23 Oct 91 pp 1, 2

[Text] As we announced in a previous edition, a new political acronym has just been born (6 October 1991). It is PADS, or the "Democratic Socialist Vanguard Party," the new name for the USFP [Socialist Union of Popular Forces]—Administrative Commission."

This faction of the USFP, led by Ben Ammar and Ahmed Bengellounn, among others, has made public a declaration by its Central Committee, in which it explains the reasons for the new name and its political and ideological leanings.

For the information of the general public, we are publishing below the translation of the PADS declaration.

"Declaration of the Central Committee, Democratic Socialist Vanguard Party, Continuation of the People's Liberation Movement of the USFP—National Administrative Commission"

The Central Committee of the Socialist Union of Popular Forces—National Administrative Commission, which met in special session in Rabat on 6 October 1991, makes the following declaration to the Party's active members, followers, democrats, progressive socialists, and the general public in this country and abroad:

- After hearing the report from the National Administrative Commission regarding the work done by the Preparatory Committee for the Party's Fourth Congress so that it may take place on the scheduled dates of 27, 28, and 29 December 1991;
- After a detailed and precise discussion of the Party's status and the way it has evolved since 8 May 1983, particularly;
- On the basis of various historical, doctrinal, political, and organizational considerations;

- On the basis of the tremendous historical patrimony of our Party, its strong background of legitimacy, and its roots among the common people throughout a number of decades;
- Contending that the Party of the People's Forces is not a trade name or a legal formality, but consists of a series of principles, a struggle and sacrifices for these same principles, an organization, and a revolutionary instrument to lead the working people in their fight to attain their legitimate aspirations and objectives to build a free and democratic socialist society, and to abolish all forms of exploitation, tyranny, despotism, and violation of human rights;
- To avoid any ambiguity or possibility of confusion related to the name that the Party used and the democratic, socialist, or vanguard character of our Party, the USFP, to which we added the terms "National Administrative Commission" on 8 May 1983, to distinguish ourselves from the faction of the Political Bureau;
- In view of the fact that a small opportunist, dissident group has gotten a hold of the Party's name and is trying to use it as a slogan and a decoy to deceive the working masses who have unfailingly placed their hopes in our Party; and, in view of the fact that this group at the same time is attempting to capture votes and is engaged in an obvious and low-level form of collaboration, serving the interests, the strategy, and the objectives of the ruling class, and that this has been the case since this small group managed to gain control over part of the Party's apparatus, as a result of an openly contrived plot in collusion with the government, against the grass-roots level and the legitimate leaders of the Party, on 8 May 1983, and before and after that date;
- Although the majority of our hard-working people and the USFP's active members and followers who lead them on are perceptive and knowledgeable enough to realize the difference between the following: on the one hand, the leaders of the rightist, vote-oriented faction, that have been working endlessly to abort all the causes that the Party and the popular masses have fought for and at the same time have tried to exploit these struggles for their own personal ends, and the leaders of narrow, elitist groups that have nothing to do with the objectives and aspirations of the people; and, on the other, the true USFP and the party members loyal to its principles and its democratic policy, both in theory and in practice;
- Once again, to eliminate any ambiguity and put an end to the confusion and disinformation being spread by the small dissident group with regard to the Party's name and its policy positions:

The Central Committee of the USFP—National Administrative Commission has decided to change its name from the Socialist Union of Popular Forces—National Administrative Commission to the Democratic Socialist Vanguard Party, effective today. The leaders of the Party represented by the members of the National Administrative Commission will take the steps and follow the legal

procedures required to accomplish this prior to the fourth congress for the adoption of the Party's new name.

By adopting this historic resolution, the Central Committee is once again asserting forcefully the following:

- The change in the Party's name in no way means that a new party has been formed, since the basic components of our Party are crystallized in its ideology, policies, and organization, and not in any formal structure;
- The Democratic Socialist Vanguard Party (PADS) will be the continuation of the People's Liberation Movement and the Unionist Movement, and the actual framework for the historical patrimony of the USFP, as stated in the Central Committee's resolution dated 8 May 1983, for the following reasons: First, because it has not and never will betray its active members and will remain the Party of Mehdi Ben Barka, Aomar Bendjelloun, Mohamed Grina, and all the loyal members who have sacrificed their life, liberty, family, and livelihood to take up the struggle during a period of over 30 years; Second, because it truly espouses, with conviction, the revolutionary ideology of the USFP, that is, the scientific socialism adopted by the Party at its special congress in 1975 and confirmed at the third congress in 1978, as its analytical tool and objective, and it has fought with sacrifice, following the Party's traditional democratic policy of action.
- The Democratic, Socialist Vanguard Party represents the culmination of over 10 years of refining its ideology and radicalizing the Union's democratic, action-oriented policy, and of an unrelenting fight against rightist and deviationist opportunism, populism, and collaborationism.

The Party's new name also reflects the qualitative leap it has made during this period of time.

Our Party has acquired legitimacy over the past decade as a result of the sacrifices of its active members and leaders and their resistance to repression, and to all sorts of troubles and pressures, and to all the schemes and plots of whatever origin, that were designed to subjugate our Party and make it deviate from its rightful position and its noble objectives.

But all the plots and schemes were broken up and will be broken up once again, on the rock of the resistance and the enlightened and deeply rooted knowledge of our Party's active members.

- The Democratic, Socialist Vanguard Party, on the basis of its historical, ideological, and political identity, that is entirely unequivocal, will remain a unified and single structure, open to all USFP members who have remained loyal to the principles and the action-oriented platform of the Party, whatever group they belong to for one reason or another, and to all progressive democrats and all Moroccan workers from the cities and countryside, and living abroad,

who share the Party's principles, convictions, and objectives, and are committed to leading the action and struggle of our people for liberation, democracy, and socialism.

Long live the Democratic Socialist Vanguard Party, a continuation of the People's Liberation Movement and the unified, and sole structure for all USFP followers and progressive democrats!

The Central Committee, Rabat, 6 October 1991.

#### **Maghreb Arab Trading Company Notes Progress** *92AF0106D Casablanca LA VIE ECONOMIQUE* *in French 4 Oct 91 p 35*

[Article by Aziza Belouas: "An Instrument To Consolidate Trade in the Maghreb"]

[Text] One year after the creation of the Maghreb Arab Trading Company MARTCO, Abdellatif Rtal Bennani, its acting director, says that "our objectives are in the process of being realized and our position is profitable."

If it is too early to draw up a balance sheet, it is, however, possible to take a look at the first year of business.

Exports amounted to 100 million dirhams, which was largely financed through "an exceptional effort by Algerian banks," according to Mr. Bennani.

As for imports, they were valued at 20 million dirhams. It should also be noted that MARTCO signed a contract to import energy products valued at \$5 million for the coming two years, 1992-94.

At the end of a year, it is clear that MARTCO is pursuing its initial objective, namely to promote and step up trade between Maghreb countries.

#### **Obvious Complementarity**

Trade has mainly involved the following sectors and has either been from one country to another, or between the two respective partners:

- Agrofood sector (Morocco-Algeria);
- Textile sector (mixed);
- Chemical and parachechemical sector (especially petroleum derivatives, Algeria-Morocco);
- Processing (mixed);
- Steel sector (mixed);
- Construction materials (Morocco-Algeria);
- Machinery (this trade has focussed primarily on Algerian resources);
- Tourism.

Market prospecting studies are constantly being conducted by the two teams working in Algiers and Casablanca.

Since its creation, MARTCO has seen its business evolve in the direction of the economic integration of the Maghreb. In other words, there has been a mutual



rediscovery of products and potentials on the part of the two countries. In this connection, the Maghreb Arab Trading Company has permitted Moroccan products to be sold in major Algerian stores or Assouak. There are also plans to organize trade shows to "popularize" Algerian and Moroccan products on their respective markets.

Created in August 1990 as part of the Maghreb cooperation program, MARTCO is a semipublic corporation engaged in import-export operations, brokerage, and international business, and it will explore all markets for products, goods, and services. Its location in Tangier's free-trade zone gives it more flexibility. This is strengthened by two branches in Casablanca and Algiers.

MARTCO intends to intensify trade between the two countries. However, some difficulties are presenting real obstacles.

MARTCO's operations have experienced slowdowns linked to the economic situation. According to its director, these are the "results of 15 years of interrupted relations."

Several obstacles can be pinpointed:

- The economic slump resulting from the long break in relations between the two countries;
- The administrative authorizations required for Algerian products;
- Algeria's financial problem linked to the country's economic situation.

To overcome these obstacles, various efforts are being made by the political leaders to promote trade and create conditions conducive to it, including a loosening of administrative procedures, investment codes, and the customs code. Aside from these technical changes, it is important and essential to stimulate renewed confidence on the part of Moroccan and Algerian businessmen, as they do not dare take risks. To this end, MARTCO is setting itself up as an ally of these businessmen, offering them the necessary assistance and support.

MARTCO's ambition is to meet the aspirations of the political leaders of the two countries and to expand the political will through the economic integration of the Maghreb.

#### **Report on Urban Labor Statistics Published**

92AF0083A Rabat *L'OPINION* in French  
23 Oct 91 pp 1, 3

[Article by Mustafa Nassiri: "Unemployment Is Becoming Permanent and Directly Affects University Graduates"]

[Text] The Directorate of Statistics has just published the results of its annual study for 1990 of the active, urban population.

It should be noted that in the introduction to the short reports on the active, urban population the Directorate of Statistics usually points out that these studies provide some of the principal, basic indicators on urban employment during the year prior to the publication of collected information that must be completed in several stages.

The Directorate of Statistics also defines the concepts, which it uses in its studies. The definition of these concepts and the indicators of employment, as well as the methods used and the preparation of sampling, are of fundamental importance.

They make it possible for the reader to take into account the ground covered by the researchers and the nature of the variables used as indicators. In this way they make it possible to anticipate, to some extent, the meaning and range of the different ratios and coefficients used.

Overall, we might ask, on the basis of the concepts and indicators affecting the active population, what are the objectives of such studies. This is because of the close relationship between the unemployment situation and the state of the economy. A mistaken or abbreviated view of unemployment, in quantitative and qualitative terms, would be of little use in the development of an eventual strategy for creating jobs.

In the study by the Directorate of Statistics, the inadequacy and crude quality of the concepts used for the active population (that is, the employed population in the narrow sense of the term and the members of the labor force looking for work) reduces the usefulness of this study, compared to other indicators of family incomes, expenditure, etc.

With reference to the labor market, an understanding of which should be one of the objectives of such studies, this is a matter which is not well appreciated, as we know.

In addition to the fact that these concepts and indicators are open to question and reflect situations out of all proportion to the realities of a modern economy, they provide us with a view of overlapping situations, running from formal to informal and subsistence employment.

The unemployment rate, which is the relationship between the unemployed and the working population (15 years of age and older) as a whole was 15.8 percent in 1990, compared to 16.3 percent in 1989. Unemployment in the cities has grown by 1.6 percent, going from 591,642 in 1989 to 601,161 in 1990. Meanwhile, the active urban population has gone from 3,732,460 in 1989 to 3,895,126 in 1990. We may note the substantial variation in these different indicators.

It turns out from these changes that the decline in the unemployment rate is of secondary importance and may lead to an erroneous interpretation, in view of the increase in the size of the active urban population in 1990.

Finally, it is the change in the number of unemployed that best illustrates that situation during one year, compared to another.

Therefore, unemployment has continued to grow. Moreover, this continues a tendency observed over a period of many years.

Concerning the question of unemployment as covered in this study, several comments might be made, including in particular unemployment among young university graduates.

Leaving aside unemployed, secondary school graduates, among whom the unemployment rate has increased by 57.2 percent (it was 27.7 percent in 1990) and among whom the active proportion amounts to nearly 30 percent of the entire active population, according to the study, the number of unemployed among those who have attended institutions of higher education has quadrupled over a period of six years. At the same time the number of unemployed among graduates of institutions of higher education is 2.5 times higher.

In the course of the past few years unemployment has directly affected young people in secondary school and in institutions of higher education.

The seriousness of the unemployment question is fully reflected in the active population. Elsewhere, the rates of employment are only meaningful among those working in informal and marginalized groups.

Unemployment is gradually getting worse, year by year, as the structure of the active population is changing, including more and more university graduates.

Therefore, the phenomenon of unemployment among young university graduates is becoming a permanent feature and is an obstacle in the job market. Just as the job market is not meeting more and more pressing demands for jobs for university graduates, neither is it meeting job demands for manual laborers.

### **Plight of Unemployed Youth in Sale Noted**

92AF0099D Rabat *L'OPINION* in French  
26 Oct 91 pp 1, 3

[Commentary by Jamal Hajjam: "Discipline, Clearheadedness, and Struggle for Dignity; Sale: Jobless Graduates"]

[Text] Two weeks ago, they were 204. Today, they number 301. Every day, more join them, to such an extent that the question of their being too many is being seriously raised, as the premises are too small to contain the increasing crowd of young unemployed Sale graduates who, like their counterparts in other towns, are deprived of one of the rights guaranteed under the Constitution: the right to work. Bursting with energy and "educated" enough to represent an absolute loss for the

country' development, these well-organized and well-disciplined unemployed youths just started the third week of their entrenchment in the Sale Crafts Center.

An entrenchment dominated by a most challenging theme: "dignity or death," which attempts to express their determination to continue their demonstration, and the fact that nothing will persuade them to give up.

For boys and girls, the motto is to persevere until a solution to their problem has been found.

Yet, they do not delude themselves. They know that their struggle will be long and difficult. But the indispensable element, they say, is not to lose hope and, above all, to hang on and not allow themselves to get worn down.

The specific characteristic of the Sale movement is that it intends to remain free from any political consideration. "What we demand is something clear and simple: the right that will guarantee our dignity and that of our families."

Well-disciplined, well-organized, and clearheaded, the movement is viewed favorably by all. Various national, political, union, humanitarian, professional, and youth organizations (representing all trends) call at the Sale Crafts Center to express their solidarity and their support, not just to the unemployed graduates, but also to their families.

A "local coordination commission to support the unemployed Sale youth" was even created; it includes no fewer than 15 organizations. In a press release, the commission announced "the implementation of a solidarity and support program including several initiatives dealing with health care, media support, financial support (...) in order to ensure that this protest movement can go on until its constitutional and legitimate objective—the right to work—has been achieved." In addition, following the announcement of a forthcoming unlimited hunger strike, the date of which has not been set, the Sale unemployed youth's parents—who for their part started a two-day hunger strike yesterday, to demonstrate their solidarity with their children—met on 23 October 1991 with the "standing dialogue committee" (that of the movement); after the meeting, they published a communique in which they declared their unconditional support to their children as far as their hunger strike is concerned and considered that the protest movement is legitimate and civilized.

The parents also urged the protesters to "continue on the militant path until their simple, just and legitimate demand has been met." In view of all this, everyone is wondering what the authorities and official circles intend to do with respect to this movement, which is obviously determined to go all the way to assert its right.

The silence maintained until now does no one any good, albeit the situation is not an easy one. On the one hand we have unemployed graduates included in the census taken by the CNJA [National Council for Youth and

Future], who ask to be hired and do so in the most civilized manner; on the other hand, a powerless government with limited room to maneuver as it lacks an employment policy reflecting the country's economic and social realities.

A solution must absolutely be found; to do this, the state sector and the private sector must try harder and forget about their petty calculations. This is a national issue where both sides share responsibilities.

### **Organization of Unemployed Graduates Formed**

92AF0099C Rabat *L'OPINION* in French  
27 Oct 91 pp 1, 3

[Article signed N.A.: "Casablanca: National Congress of Unemployed Graduates; The Congress Started Working In Spite of the Ban"]

[Text] Although banned by Casablancon authorities, the Constituent Congress of Unemployed Graduates did take place. Instead of the Maarif cultural center, the CDT [Democratic Labor Confederation] headquarters was opened to the participants at the last minute.

The management of the Maarif center waited until 2100 on Friday to inform the organizers that the Congress, scheduled for the next day at 0900, was banned. A large contingent of security forces was deployed on Saturday morning to prevent access to the center. The only place that remained available to participants was the CDT headquarters.

Due to the delay, the agenda was modified. The program of the opening meeting was canceled, the premises being too small, and replaced by a speech on behalf of the CDT, and a second speech by Abderrahman Lahrichi, on behalf of the Istiqlal party and the UGTM [General Union of Moroccan Workers] (more on this later).

Later on, the participants worked in three commissions: By-laws, Awareness of Employment-Related Problems, and Demands Register. In this respect, the Constituent Congress, which is expected to end with the creation of a National Association of Unemployed Graduates, intends to present a register of its demands, the draft of which we give below:

- 1) Guaranteed employment for all unemployed graduates, according to the provision of the Constitution and International Charters, based on the diploma obtained.
- 2) Recognition of the organization as a union.
- 3) Participation of representatives of the unemployed in the employment operation.
- 4) Generalization of the civil service with salary integration and review.
- 5) Calling on the private sector to participate actively in the employment operation.
- 6) Abolition of the procedure that limits access to teachers' training centers and CPR [expansion not given] to applicants under 30.
- 7) Staggering the dates of competitive examinations.

- 8) Unemployment allowance pending employment.
- 9) Free health care.

The Congress also adopted proposals aimed at limiting the spread of unemployment among graduates, such as (among others):

- 1) Lowering the retirement age to 55, both in the state and private sectors.
- 2) Abolition of the overtime system for teachers.
- 3) Administrative, tax, and financial incentives for graduates who can set up their own businesses.
- 4) Automatic integration of physically handicapped graduates in positions corresponding to their diplomas.

We shall comment on this congress in greater details in our next issues.

## **SUDAN**

### **Arabicization of Southern Schools To Be Gradual**

92AF0125A Khartoum *NEW HORIZON* in English  
9 Oct 91 p 1

[Text] Khartoum October 9, Nhial Bol, Albino Okeny—The Member of the Revolution Command Council [RCC] and Chairman of Services Committee of the RCC, Brigadier Dominic Kassiano in a statement to the *NEW HORIZON* yesterday said that the new educational system will be implemented by stages. He said that he had discussed the issue in the three Southern States and particularly Equatoria State with both the Federal Minister of Education Abdel Basit Subdrat [as published]. Brigadier Kassiano further said that the implementation of the new educational system will start with the training of Southern teachers who will be qualified to teach proper Arabic in the Southern schools.

Asked about the recent changes in the displaced schools in the National capital, Brig. Kassiano denied any changes saying that the government has formed a committee to register children studying in private and displaced schools.

He also denied that the government intends to take over private schools in the country.

Brig. Kassiano appealed to the Southern students to concentrate in learning both English and Arabic as the two are important in future development.

He pointed out that he had already discussed with the Federal Minister of Education to consider a special intake of Southern teachers to the University to enable them [to] qualify to implement the new educational system in the Southern States.

Meanwhile, Arabisation of Southern schools begins this year with primary one level. The Deputy Governor of Equatoria state, Mr. Amin Ismail Julla, who was talking about the recent demonstration by secondary school students in Juba, told *NEW HORIZON* yesterday that the government policy of Arabisation was to be gradually

implemented so as to ensure smooth transition from English to Arabic as a medium of instruction.

Mr. Julla said that the recent demonstration in Juba was a result of a misconception of the government educational policy. He explained that the students thought the policy meant that all levels of education would be Arabised this academic year.

He, however, agreed with the students that the policy increasing the number of subjects to be sat for in the University entrance examinations to seven instead of six reached Equatoria State too late to be implemented.

In this respect, the Deputy Governor said that students in Juba have been allowed to sit for only six subjects.

In the meantime teachers will be taken from Northern Sudan to the South, the Deputy Governor said. He added that financial incentives would be given to those northern teachers who would agree to go to teach in Southern schools.

## WESTERN SAHARA

### Polisario 'Contradictory' Statements Noted

92AF0080A Rabat L'OPINION in French 17 Oct 91  
pp 1, 3

[Commentary by Jamal Hajjam: "Polisario Mercenaries Swear Thousands of Saharans Fled Colonial Repression After Operation 'Ecouvillon' People Were Unable To Reach Liberated North"]

[Text] Polisario [Popular Front for the Liberation of Saguia el Hamar and Rio de Oro] is contradicting itself. There is no question about it. For some time now, that artificial movement has been racked by contradictions, disputes and damaging admissions, while the divided mercenaries are reduced to denying their own allegations and claims.

The most recent disclosure comes from Salek Ould Seghir, the Polisario representative at UN headquarters in Geneva, who acknowledged that Saharans were expelled by the colonialist powers during the Franco-Spanish Operation "Ecouvillon" in 1958.

Ould Seghir's admission utterly discredits the mercenaries' deceitful efforts to convince international opinion that the Moroccan Saharans, who were once driven out to the north and are now returning to their regions of origin, are "colonists," "marchers" or even "immigrants."

In the statements made by its representative in Geneva, Polisario now acknowledges that those people are authentic Moroccan Saharans and implicitly recognizes they have every right to be on the voter lists. Ould Seghir's statement to the Swiss newspaper LE PAYS also

shows that Polisario is in complete disarray, its members unable to patch up their serious differences: a fact which is very revealing.

Salek Ould Seghir thus gave the lie to the words of his so-called "external affairs minister," who playing the devil's advocate told the Spanish press that the Francoist colonial power had never expelled the Saharans to the north [i.e., into Morocco].

The Polisario representative to the United Nations in Geneva also estimated the Saharan population at 300,000 inhabitants. All at once the figures advanced earlier by Polisario—750,000, even as much as 1 million—have gone up in smoke. Ould Seghir also declared "there was never a serious census, because of resistance to the Spanish and the expulsion of Saharans to neighboring countries." In other words, Polisario's contradiction-riddled demand that the United Nations stick to the Spanish census has simply been abandoned.

But what rings false in Ould Seghir's statement is his talk about "expulsion to NEIGHBORING COUNTRIES" during Operation "Ecouvillon."

Anyone familiar with the history of the region knows there were no expulsions "to neighboring countries"—only to liberated Morocco.

The reason is quite simple. Operation "Ecouvillon" was a joint Franco-Spanish operation, and in 1958 the neighboring countries—Mauritania and Algeria—were still under the French colonial yoke. The objective of Operation "Ecouvillon" was to break the armed resistance in the Moroccan Sahara, a resistance led by the Moroccan Army of Liberation in our southern provinces. France and Spain were thus trying to get rid of a population that was hostile to the colonial presence in the Moroccan Saharan provinces. Their only recourse was to expel them to liberated Morocco—colonialism was still in power everywhere else—since the colonialists knew all along that these peoples were authentically Moroccan and that Sahara was a Moroccan territory.

Operation "Ecouvillon", as everyone knows, was an operation to move people from the south to the north [of Morocco], and nowhere else. That is why the greater part of the Saharan population is found in the northern part of the country, and these people have every right to participate in the referendum.

By talking about "neighboring countries," Polisario is plainly trying to introduce population groups which have nothing to do with Sahara: peoples originally from Mali, Mauritania, Chad, and Algeria who—mainly because they were threatened with famine—migrated to Tindouf, where they found means of subsistence; peoples Polisario is trying to use to overcome the unfavorable situation it now faces.

The inhabitants of Sahara are not difficult to identify. They are those who fled colonial persecution and settled north of the Sahara, those who stayed—whose courage

and tenacity enabled them to cling to their land, despite the policies of the colonial power—and, finally, those who were taken away by force by Polisario and who are now sequestered in the camps of Lahmada.

If all the facts are examined, it will be clear that Morocco's lists are very objective.

### **Polisario Opposes Enlarging Voter List**

92P40068A Paris *LE MONDE* in French 20 Nov 91 p 8

[Text] In a statement made on Sunday, 17 November on Algerian radio, the Polisario Front's [for the Liberation of Saguia el Hamra y Rio de Oro] representative in Algeria expressed "certainty" that the United Nations "cannot have established criteria for Sahrawi identification contrary to their peace plan."

Brahim Hakim was responding to news obtained in New York from diplomatic sources, which stated that, besides voters counted by Spain in the 1974 census, every person having a Sahrawi father born in the former Spanish colony could participate in the referendum for self-determination, anticipated for the beginning of 1992.

Thirty to 40,000 Sahrawis living in Morocco thus, could be added to the list of approximately 70,000 of those registered (*LE MONDE* 17-18 November). In his opinion, any effort to modify the terms of the accord between the Polisario Front and Morocco under the aegis of the secretary general of the United Nations, would be "liable to block the peace process and veer toward a false and fraudulent referendum, which would justify the Moroccan occupation."

In a communique broadcast earlier, the Polisario Front indicated that only the new criteria, with which it was familiar, allowed for the participation in the referendum of voters not registered during the Spanish 1974 census, but that the "applicant must demonstrate that he was born in Western Sahara or that he has resided in the territory for six consecutive years before 1974 or for 12 interrupted years before 1974." (AFP)

### **Atmosphere in Laayoune Camps Described**

#### **Mood of People**

92AF0081A Rabat *L'OPINION* in French 20 Oct 91 p 1

[Article by Mohamed Amhaouche: "The Sahara Is Moroccan; We Are Here To Stay"]

[Text] At first sight three major aspects of the situation strike even the least experienced visitor who arrives by plane at La Marocaine Airport in Laayoune. The first observation is the presence of a UN officer, standing alone in a corner, ignored by Moroccan travellers, who look at him as if he were a hair in their soup. The UN officer himself gives the impression of being very annoyed at finding himself there. No doubt he must

think that the referendum is not necessary at all and that his presence, like that of all of his colleagues, is of no use!

The second aspect is the absolute calm that prevails in the city itself, where the residents go about their ordinary business. However, underneath this calm, great impatience is felt by every citizen as he waits for the day when he can say, "Yes," the day of the referendum to confirm that Laayoune belongs to Morocco.

The third aspect relates to the immense "unity camp" inhabited by Moroccan citizens from Western Sahara who were born in this part of the Kingdom of Morocco. Colonial oppression (Operation Ecouvillon [Mop-Up] was the hardest to endure) forced some to flee to Tan Tan and Goulimine, while others went farther North.

These Moroccans from the Sahara, who have been mobilized and who are filled with extraordinary, nationalist feelings, had to settle in the unity camps, accompanied by all of their families, including older people, women, and children. All of them spontaneously left their homes in the pacified areas at the time of the manhunt directed against them during the 1930's and up to the 1970's, to come and set up a unity camp and even to facilitate the task of the United Nations, if it is legality that the UN is looking for. They want the right to participate in the voting, everything that is just and legal, and that no logic could deny them.

They are driven by vigilance and are aware of the motivations of the enemies of our territorial integrity and of those who are leading them. They are ready to defend this part of their fatherland, regained in accordance with international legality, following the consultative decision handed down by the ICJ [International Court of Justice].

As all of that is known to the Moroccan people, this mass of Moroccan Saharans wasted no time in organizing themselves spontaneously as a structured and united community, to form nothing less than a single bloc, moved by the same feelings and the same thoughts expressed in all of the tents of tribal shaykhs.

One of them said: "We will fight against whoever dares to doubt our identity as Moroccans." Another said: "Asking the sons of the Moroccan Sahara if they are Moroccans would amount to asking the same thing of the sons of the Rif, Chaoula, or Moyen Atlas Mountains." Still another said: "The Sahara is ours. Here we are and here we will remain."

The other particular aspect of the unity camp lies in the fact that under their large tents the shaykhs recall the history of Morocco in general and of this region in particular. They remember the ties between the kings of Morocco and the Saharan people, their ulamas and poets, the struggles against the colonialists and several serious events in the memory of the old men. The weight of the years does not seem to have affected them, as shown by their joviality and the humor that they display

with skill, causing the young and the less than young who surround them to break out in laughter.

### Conditions, Facilities

92AF0081B Rabat L'OPINION in French 22 Oct 91  
pp 1, 3

[Article by Mohamed Amhaouch: "Direct From Unity Camp: Laayoune, Land of Unity and Peace, Where Old Friends Meet"]

[Text] The residents of the city of Laayoune carry on their lives as usual. The only indicator, which shows that the referendum is near, is the few vehicles of UN officers, parked before the Al Massira and Parador Hotels. These officers themselves, showing great discretion, are only seen rarely.

As they always have been and particularly since Laayoune was restored to Moroccan control, the streets and public squares of the city are just as clean and well-maintained. The atmosphere here is rather calm during the day and more animated at night. The markets and shops of the city, contrary to what one might think since the arrival of thousands of our Saharan brothers from Tan Tan and Goulmime, are as crowded as usual, and particularly with the people of Laayoune itself. Their way of life has not changed and for a good reason. The very large camp of Al Ouahda is so well-organized, equipped, administered, and provided with all of the resources necessary that its residents have no need to go into the center of the city, which is less than 2 km away, to buy something or to take care of some errand. This giant camp is self-sufficient and exists exactly like any large residential area of any large Moroccan city, and even better still. Regarding food products, it is not so much that it is self sufficient but rather that there is a surplus of food, available on time.

There is plenty of water, thanks to the tens of cisterns, each with numerous faucets. Toilets for men and women are at every corner of the areas assigned to each tribe. Even the sand and dust are under control, thanks to the large tank trucks provided to wash down the streets of the camp, an operation that goes on continuously. The principal streets of the camp have tens of tents for commercial use. You can find there a wide variety of vegetables and fruits, different kinds of meat, and all kinds of other food, clothing, and personal, sanitary products. In short, they have everything that affects the daily life of the residents. Regarding social and economic facilities, the camp has telephone, medical, and paramedical service. Each tribe has its own administration in its area, with its own personnel. Those who do not have a tent are provided with one. Postal service is available, several sports fields have been cleared, and there are pharmacies and cafes with television. Schools have also been set up in the tents of the camp. With all of that available, the operation to vaccinate all of the children continues.

All of these Moroccans came from Moroccan Sahara. Circumstances forced them to take refuge in Tan Tan, Goulmime, and other areas in the northern part of the Sahara, fleeing the oppression and the murderous raids of the colonialists. In addition to the fact that these people are staying in Camp Al Ouahda in Laayoune principally to protect them from any maneuver that could involve an attack on our territorial integrity, their lives here has a social aspect, in addition to its patriotic side. For some people it is an occasion to resume contact with old friends after more than 20 years of exile from their land and their relatives. There are frequent exchanges of visits, and memories of childhood, adolescence, and young adult life fill the discussions under the tents, providing a great deal of human warmth to life in this camp. That is one of the experiences that will remain forever engraved in their memories.

### Tribal Leader Speaks

92AF0081C Rabat L'OPINION in French  
23 Oct 91 pp 1, 3

[Interview with Shaykh Rguibi Sidi Baba Mohamed Salem Ould D'Khil by Mohamed Amhaouch; place and date not given; first five paragraphs are author's introduction]

[Text] He was seated in the central part of his tent in the part farthest from the entrance, facing it and surrounded by about 12 young men and a small group of older men, no doubt the members of his advisory council.

He was very clearly pleased when the person accompanying me introduced me to him as a representative of L'OPINION. (This was interpreted to him as "Hizbou l'Istiqlal.")

As is customary in this area of Morocco, he expressed his pleasure at receiving me, repeating nearly a half dozen times the expression "M'rahba" (welcome). He ordered tea prepared.

With a bright and intelligent look in his eye he answered my first question, which, in fact, I had not yet asked.

He said: "We come from Tan Tan. All of this area is reserved for the R'Guibat, our tribe. All of our clans and subclans are represented there. We have come to answer the call of our land. The fact that we were hunted down by the Spanish occupiers and pushed toward the North (Tan Tan) in no way changed our love for this land, where our ancestors, we ourselves, and our grown-up children were born. Even though we lived a few hundred km from here, in the free part of our country, we always kept alive our hope of seeing the Spanish leave the southern part of Morocco. God heard our prayers. Praise be to him."

[L'OPINION] Why has your tribe returned as a group?

[Shaykh R'Guibi] It seems that despite all of the evidence, documents, statements, oaths of allegiance, and court cases, the United Nations has to ask the question,

"yes" or "no," whether the Saharan people who come from Saquia el Hamra and Oued Eddahab are Moroccans.

Well, we are Moroccans from the Sahara. We are from Saquia and we are here to answer their question with all of our heart and conscience.

[L'OPINION] Are all of the R'Guibat people here?

[Shaykh R'Guibi] Despite the large size of this camp, we are only a part of the tribe. Certainly, we are more numerous than our brothers held in Tindouf, but fewer in number than our brothers living throughout Morocco. Some of them are scattered around, while others live in large communities around Zaouias. They are really whole tribes or villages. Just to give you an idea, and in addition to Chorfa Laaroussiyine, son of Moulay Abdesslam Ben M'cich, in Tetuan there are hundreds of thousands. Their cousins live at Merjat Lajouad, near Belkssiri. The R'Guibat's are in Haouz, Bengrir, Tnine Bachane des Rhamna, and Guentour. There are also the Oulad Moussa from Rabat, the Oulad Moussa from Moulay Yacoub, the Souaad of Sidi Hrazem, the Oulad Sid Cheikh at Lemhaya from Meknes, the Tahlate of Oued Zem, and the Tahlat of Tahia. The R'Guibat are also in Casablanca and in Zair, as well as in Oujda, where almost all of the clans and subclans are represented.

I only mention those groups. By themselves they make up a large percentage of the Moroccan people from Tangier to Lagouira. There are millions of them. They also originated in the Sahara, which they left more or less a long time ago because of the drought, to go to school, because of business, or, for the majority of them, to escape the oppression of the colonialists. All of them also have the right to participate in the UN referendum and to answer their questions.

[L'OPINION] Do you think that those who allege that the Sahara is not Moroccan really believe what they say?

[Shaykh R'Guibi] They say what those who control them tell them to say. However, basically, they know for a fact and better than anyone else that the Sahara is Moroccan and that they themselves are Moroccans. Our brothers who escaped from the claws of the mercenaries have said that clearly. What they reported to international public opinion reflects the thinking and the deep and unexpressed feelings, because of oppression, of all of our brothers who are held in Tindouf.

[L'OPINION] How is your life here in unity camp?

[Shaykh R'Guibi] The authorities have made considerable efforts. The resources made available to us are much more than we need. There is a surplus of water and of food. Public health is well taken care of. Our children, both large and small, have been admitted to school, and all kinds of services have been provided to us. We even have electricity here. In short, our only concern is our brothers held behind barbed wire in Tindouf. We miss them and we suffer on their account.

### Former Tindouf Detainee Describes Situation

92AF0103A Rabat L'OPINION in French  
28 Oct 91 pp 1, 4

[Interview with Barakallah Mohamed Lamine, former Polisario member, by Mohamed Amhaouche]

[Text] Barakallah Mohamed Lamine, who is about 35 and comes from the Ahl Barakallah tribe, only recently returned to his homeland under the very nose of mercenaries in the ranks of the Polisario [Popular Front for the Liberation of Saguia el Hamra and Rio de Oro], in which he once occupied rather prominent posts.

Barakallah Mohamed went to school in Mauritania as far as the university level. Given his young and rebellious nature, it was rather easy for Polisario demagogues to train him for their purposes, as they did several of his comrades. Mohamed Lamine, in no way related to the other Lamine, has a wealth of information on the situation in the Polisario Front: among our brothers being held in confinement and the events that led the puppet movement to its breakup in 1988 and a steady decline ever since.

In order to gain a better understanding of the situation among the secessionists, we talked with Mohamed, who kindly answered our questions.

[Amhaouche] Before turning to our main subject of interest, I would first of all like to welcome you home among your own people. What can you tell us after your harsh experiences that opened your eyes to the true situation?

[Mohamed] The situation there is untenable, as everyone knows. It is truly a crime against humanity because the fact of having relocated Saharan people in such a harsh area as Tindouf is a crime in itself, given the total lack of water and the brutal heat that exceeds 50 degrees, so that your very life is in danger if you go anywhere. When we were there, we had to cover ourselves to protect ourselves from the sun, just as others protect themselves from the cold. And speaking of the cold, at night it is unbearable. Under such conditions, what are people to do and where are they to go, especially old people, women and children? It is an impenetrable prison and its guards are helped by nature itself.

[Amhaouche] You spoke of a water problem?

[Mohamed] There is not a single watering place there. You cannot just go and get water until the Algerian soldiers' cisterns are full. Furthermore, where are they to put the little water that is available? The lack of fuel and spare parts has also affected the wells. There is no solution to this situation.

[Amhaouche] What happened when the news that the referendum was going to be held reached Tindouf?

[Mohamed] There were two distinct reactions, first of all, the reaction of the people, who immediately understand

that the time had come to go back home to their native country, Morocco. Most sold their only goat—not many have two—and most went so far as to sort the few things they have thinking they would be leaving soon. The second reaction was that of the Polisario leaders, who, sensing the danger, opened their stores and began to distribute their stock of goods and different things which the camp residents need, things they had systematically held back before. The situation has deteriorated all the more because Algerian aid has greatly declined. Before, it was decentralized and came from all agencies and organizations, but now only the FLN [National Liberation Front] and the government provide rather timorous, modest material assistance.

[Amhaouche] Were there other signs among the confined people demonstrating that the idea of an imminent return to Morocco had taken hold?

[Mohamed] The best sign was and remains the premeditated absence of people from their meetings. Before, just being late to their "mahrajane" was a punishable crime, but now no one cares. The very few that still go expose themselves to the ridicule of others.

[Amhaouche] In Tindouf, do the people know precisely who the leaders of the Polisario are, their origins and their financial situation?

[Mohamed] Some have known for a long time, but the entire population at the Tindouf camps learned everything at the 1988 congress when it broke up. As for the background of the leaders, most of them were educated in Morocco and their fathers, mothers, brothers, and sisters are still in Morocco. They are known and still live in Tan-Tan, Laayoune, Dakhla, and elsewhere throughout the Sahara. As for their financial situation, it goes without saying that they are very well off. They have dealings that bring in enormous amounts of money in foreign banks, and their brothers who have followed them are safe in Algeria, France, and elsewhere.

Their wives go to France just to have their babies. Their closest relatives go to France for nothing more serious than a fever!

[Amhaouche] So the situation is in their favor?

[Mohamed] Without question, although less than in the past, when they thought they could take the Sahara away from Morocco and already envisioned themselves as the masters of a country where they would be ministers or the like. But now that they believe in it no longer, they have taken the precaution of diverting substantial funds to European banks, looking ahead to dark days on the horizon.

[Amhaouche] Why are the people terrified at the idea of leaving the camp?

[Mohamed] If they were not traumatized by the quadruple police system typical of the Algerians, no one would ever have stayed in the camp. Four police agencies, civilian and military, keep a close watch over our

brothers there. Daily reports are written, not only on the presence, but also on the psychological state of every individual: whether he has spoken of Morocco, his family, listened to Radio Laayoune, and so on.

In other words, there is no question in the camp of speaking freely or even of whispering one's thoughts. This situation further spurs on our brothers still able to do so to withstand the pain of traveling and not hesitate to escape and go back home. The rest have placed all their hopes in the United Nations to save them. They view the referendum as their salvation, their liberation from the yoke of the mercenaries and their return to their homeland.

[Amhaouche] Which are the main centers at Tindouf?

[Mohamed] There are three: two schools and a prison. The first school, called the 12 October School, takes children as soon as they reach the age of five, but gives them only a summary education. However, it does prepare them psychologically to serve their purposes later. This school is also a place where adult men are brainwashed. The 27 February School serves the same purposes for girls and women.

The third center is a penal establishment where hundreds of my brothers have died. I can cite the example of one prisoner who, except for recreation periods and meals, remained tied to his bed for eight years.

[Amhaouche] What would you tell our readers about the famous referendum?

[Mohamed] Our country is, as everyone can see, more than ready for that confirmative referendum, but the United Nations must understand that all natives of the Western Sahara have the right to participate and express themselves, no matter where they are now living. Those confined at Tindouf must be freed and allowed to go back to their own tribes and vote at home. Moreover, this matter is now the province of the United Nations and biased humanitarian organizations "should be kept out of it."

[Amhaouche] How do you find your country in general and Laayoune in particular after this long absence?

[Mohamed] I am overwhelmed by the changes that have occurred in my country. Its image does us all honor and we can be rightfully proud of our Moroccan identity. As for what has been done in Laayoune and other cities of the Sahara, it is simply enormous. When I think that in over a century of occupation, the Spaniards built nothing but their own sheet metal huts and that the top-ranking Saharan official was a "serjentu," a sergeant, I get sick.

[Amhaouche] Once again, thank you for this interview and welcome home.



## REPUBLIC OF YEMEN

### Cairo Editorial Criticizes Government Infighting

92AE0042A Cairo AL-AMAL in Arabic October 91  
pp 14, 15

[Editorial: "Ruling Authorities Fight People, Each Other!"]

[Text] Whenever you listen to a little about what is going on in the motherland, you feel deeply, and are seized by the conviction that those at the helm of the country and its people are nothing but a gang of mercenaries with no inhibitions about spilling the people's blood and bent on dominion at any cost.

To make things worse, this gang of oppressors ruling over the people and their fate lack the coordination and harmony that are common bonds in organized crime. Not only do they pillage the rights of the people and all that is sacred, but their infighting with such viciousness is unprecedented in the history of thievery and crime. This reflects on the people and the masses, subjecting them to constant humiliation by elements of the gang that has its feet firmly on the necks of the people.

Murder, political assassination, counter-assassination, larceny, rape, kidnapping, arrest, and armed robbery are but brief headlines in a nation that is being incessantly slain by a minority of its sons who came to rule in a fleeting moment. Infighting among them is like thieves quarrelling over their share of the loot. The loot in this case is an entire people whose dignity they trampled, whose destiny they dominate, and whose freedom and will they violate.

The head of state is at war with his minister of defense for refusing to appoint a protege of the former as deputy defense minister.

A governor is upset over the crime wave in the country and discusses the matter with officials in his governorate, only to fall victim to an assassination attempt—proof that the leaders of this crime wave are highly placed and not of the common people!

There are many car accidents whose victims "happen to be" officials. There are many accidents, and they are increasing. Examples abound. There is the car accident that took the life of Nasr Nasir, former politburo member of the Yemen Socialist Party and member of the permanent committee of the ruling General People's Congress. Before that was another car accident involving Sa'id Salih, the governor of Aden.

Then there are assassinations and assassination attempts. The latest such attempt, by a Hafizallah al-Jabubi, an employee of the Secretariat of the Permanent Committee of the General People's Congress, targeted the Committee's secretary general, Dr. Ahmad al-Asbahi. The reason for the assassination attempt is said to be that Dr. al-Asbahi has "moved the rifle of his

struggle from one shoulder to the other." In other words, he served his own interests by turning to the Ba'th Party of Iraq in favor of the Ba'th Party of Syria, and to hell with allegiance to his own country!

They talk of a unified Yemen with equal rights and obligations for all but their actions tell a different story. Employee salaries in the north are disbursed promptly or with a slight delay, but we find that the salaries in the south are delayed three or four months and then disbursed only after a strike or the threat of a strike. And yet the ruling gang talks of equality!

What else is happening in the motherland? A lot, and most of it is unfortunately, the same as happened in the past.

There is a fresh report from the motherland that the minister of defense was the victim of an assassination attempt in the capital, Sanaa, and that another attempt targeted Muhsin al-Sharji, current minister of state-[name and title as published].

Didn't we say that infighting among the ruling class is escalating and getting worse? It is immaterial if this ruling mafia infighting fells this person or that. The greatest victims are the motherland and its citizens.

Who would believe that three ministries would be burglarized in the same week?

Who would believe that a decree has been promulgated to provide immunity, protection, and high government salaries to leaders of this Mafia? The beneficiaries, in one calculation, would be all Executive Committee members of the two ruling parties, if of minister rank; or, in another calculation, all politburo members of the two parties (the Socialist and the People's Congress) if of deputy minister rank.

Those are fast and fresh examples of the security tumult, but how about economic deterioration? And how about the hardships borne—but only for a time—by our oppressed, patient, silent people?

The dollar's rate is rising again to about 30 Yemeni riyals, and all indications show that it will be climbing even higher in the next few days.

Basic foods are available in the marketplace but the citizens are unable to buy them because of their exorbitant prices. Meanwhile, the rulers travel only in the latest cars costing as much as a million riyals each!

And yet they speak of a free and happy Yemen and of revolutions and struggles by parties established to lift the citizenry to the cutting edge!

We wonder if the citizens, in north or south, are better off now that they were under occupation or under the Imam not that we wish to turn back the hands of time.

We have great trust in our people. We firmly believe that it is about to rise because, as the saying goes, a storm always precedes the rainbow!

## AFGHANISTAN

**Kabul Regime Planning Major Overhaul**

92AS0180A Tehran KAYHAN INTERNATIONAL  
in English 21 Oct 91 p 8

[Text] Kabul, 20 Oct. (AFP)—Afghan President Najibullah's Watan (Homeland) party is planning an overhaul of the existing power structure in Kabul, as it pursues a halting process of reform.

Party officials acknowledge the presence of hardline opposition within Watan to the proposed reforms, which are to be unveiled at a central committee plenum expected to be convened shortly.

Watan's deputy chairman, Fareed Ahmad Mazdak, said the regime has already started dismantling party cells in government departments and ministries in a process of depoliticisation which it plans to extend to the armed forces.

But sources said a lack of funds is at least partly responsible for the winding up of the all-powerful party cells.

The flow of cash from the Soviet Communist Party which used to sustain the cells has dried up, and recently Watan was even forced to change its party newspaper, PAYAM, from a daily to a weekly.

Moves being contemplated include the shifting of 20,000 combat troops under the Ministry of State Security and about 100,000 paramilitary troops attached to the interior ministry to the Defense Ministry, the sources said.

If the moves are implemented, the Ministry of State Security will be transformed into a less powerful intelligence service. A collegium could be appointed to head what one analyst described as "super defense ministry."

The 25,000 strong National Guard would, however, continue to function under the president and retain its elite identity.

Other proposals include a general amnesty and a "full realization" of political and press freedom, party sources said.

The reforms are being considered at a time when peace moves have intensified in the direction of a transitional government proposed by the United Nations in May, followed by September's U.S.-Soviet agreement to cut arms supplies to the warring Afghan factions from 1 January.

"The effort is to superimpose a credible Afghan structure on the existing party dominated setup in the hope it will be acceptable to those opposition factions which would be willing to join a transitional government," an Asian diplomat said.

"An acceptable power structure has to be in place to preserve a semblance of order when the time for transition comes," he said. They are trying to build some sort of halfway-house where the party will not be conspicuously dominant."

**Commentary Views Watan Party Democrats, Hardliners**

92AS0128A Lahore THE NATION in English  
29 Sep 91 pp 1, 4

[Article by Ahmed Rashid: "Hardliners Vs Democrats in Watan Party"]

[Text] Kabul—Hardline Pashtuns are still resisting democratic changes that President Najibullah is attempting to bring about in the Watan Party. However the Watan Party is seriously restricted by how far democratisation can go because of the war. Two new democratic groups have emerged that are opposed to the government.

Farid Mazdac, Deputy Chairman of the Watan Party and member of the Executive Board of the Central Council, formerly the Central Committee is the new style icon of the democratic wing of the Watan Party. Thirty-four-year-old, a confident style and a lively sense of humour, he twirls around a string of prayer beads and illustrates his conversation using Islamic symbols.

"In reality the PDPA [People's Democratic Party of Afghanistan] was an undemocratic party and some people still think it is impossible to introduce reforms in the Party. An undemocratic psychology still exists," he told *The Nation*. The bearer of Afghan style glasnost, Mazdac is now pushing for all cadres to freely elect low and medium level leaders in the Watan Party.

He said the failure of the coup in Moscow helped the democratic wing in the Party and despite the Soviet arms cut off morale is still high. In reality Mazdac and others like him are preparing for the future when there is a settlement and the Watan Party is allowed to exist in either a Loya Jirga or taking part in general elections. Through the democratic wing, Najibullah is preparing the Party to take on the Mujahideen in a free election if it ever happens.

He is candid about the future role for President Najib. Twirling his prayer beads, he says the role for Najibullah can be a few beads or a lot of beads. "His powers will depend on the intra-Afghan dialogue when it happens and the Mujahideen and Pakistan will have to come round to a dialogue," he said. "A transitional mechanism can be worked out but we cannot do it alone. You need two hands to clap," he added.

However, the real tussle in Watan Party is not between democrats and hardliners or between Parcham and Khalq. Instead it is still what it has always been. The struggle between reformers and a hard-core group of Pashtun nationalists who still dream of Pakhtunistan and would like to see no compromise with Pakistan. In

interviews with numerous Afghan officials, ordinary people and diplomats, it is apparent that this group is led by the Defence Minister, General Mohammed Aslam Watanjar, Foreign Minister Abdul Wakil and Suleman Laiq, who holds no Cabinet portfolio but is still influential in hardline party circles. This is the same group who during the last round of Geneva negotiations in 1988 raised the issue of Pakhtunistan at Geneva with the Pakistani delegation which nearly led to the collapse of the Geneva accords signing.

Afghan sources said that President Najibullah is playing a difficult balancing act between the democratic wing and these Pashtun nationalists who believe that the Watan Party and the army have stood up well since the Soviet withdrawal and continue fighting indefinitely. They have spent their lives surviving the 13 years of war in one ministerial capacity or another because of the loyalty they receive from younger Pashtun army officers and Party workers.

"If Pakistan and the Mujahideen do not enter into negotiations than the hand of the hardliners will be strengthened and this war will continue for ever", said one Afghan source.

As with the Mujahideen internal political dynamic in Afghanistan rests on respective attitudes to a settlement. All sides see Pakistan's attitude as crucial to strengthening their own position at home.

The democrats in the Party have been strengthened by the appearance of two new Opposition groups who strongly support the United Nations peace process and would like to see former King Zahir Shah replace President Najibullah. The first is the National Salvation Front led by a group of retired officials and teachers who were prominent during the Zahir Shah days. It's Chairman Professor Mohammed Asghar was a former Minister of Justice and Rector of Kabul University.

Professor Asghar admits frankly that they came together because in 1988 the government called together a group of non-party people to help mediate in the peace process. "We refused to mediate for the government and then got together with others to form a front, rather than a political party," he said.

The Front refuses to allow Watan Party people to join the front or even retired Watan Party people to join. They support the UN peace process, Zahir Shah and openly criticise the government. "Watan Party is more fundamentalist than either Hikmatyar or Rabbani," said one of their members. They believe that a committee of 20 to 30 prominent Afghans should come together with UN help and slowly organise a new interim government which can hold elections.

Another member of the Front, General Abdul Hakim Katawazi told *The Nation* that if the power of WAD, the Afghan intelligence agency was reduced, the Afghan Army and the Mujahideen could begin a merging process.

Two weeks ago another group of 14 intellectuals, some of them former party members or associates of Watan Party formed the movement for unity, democracy and freedom. In interviews with the founders, they said that WAD must be completely abolished and that Najibullah cannot play any role in the future of the country. "Even Watan Party is not trusted and it cannot play a role," said one leader, Rahnaward Zaryab.

This group appeared still to be closely tied to the past with a far more bureaucratic manner than the "Salvation Front" but their demands which are being openly expressed shows how much Afghan society has opened up in the past one year and how the grip of WAD and the fear WAD generated is now slowly on the decrease.

Both groups criticised the lack of response from Pakistan and the Pakistani media to their political positions. Professor Asghar said that he had twice requested Pakistan Embassies in Kabul and New Delhi to issue him and his members a visa so that they could travel to Peshawar but Islamabad has always refused.

These groups are small, made up of intellectuals and are still frightened to take their case to the masses around Kabul. However, their very appearance has given the politics of Kabul a new dimension. Although rumours abound that they are fronts set up by Najibullah to dilute his own Watan Party and create the pretence of a multi-party political system, to the outsider their hard-line rejection of the Najibullah regime has to be taken seriously.

However, the development of greater democracy in the Watan Party or other groups rests on a settlement to the war. Everyone in Kabul is convinced that a settlement may be near and they are all preparing themselves for the future when hopefully the political battle will not be fought with guns but with the ballot.

### **Afghan Women Revolutionizing Educational System**

92AS0128B Lahore *THE NATION* in English  
1 Oct 91 pp 1, 3

[Article by Ahmed Rasid: "Afghan Women Revolutionizing Education System"]

[Text] Kabul—Afghan women are leading the way in making dramatic changes within the entire educational system in the country. In just 12 months, the entire syllabus of subjects like history, literature and social sciences has been changed to eliminate all references to the Communist coup in 1978. In what is the continuing merger between Mujahideen Field Commanders and the government, Kabul is now providing professional teachers to Mujahideen groups in the provinces.

At the Malalai School for girls, in the centre of Kabul there is a resounding cheer from every classroom when the students are asked what second language they are learning. "We are learning French, we are learning

French, Thank God we do not have to learn Russian anymore and we are very excited about that," said Farzana, a 16-year-old student who echoed the views of all the 2600 girls who study here.

The Russian language, which was compulsory for all Afghan students has been dropped in favour of either English or French as a second language. Hamoura Saleem Baber, the Principal of the Malalai School, said that text books from the Zahir Shah era have been pulled out of storage and those from the last ten years put away. "Many schools do not have the textbooks from the past so they cross out all references to Party history, Communism and anything to do with the past years," she said. "The history of Afghanistan comes to an end in 1978 for us now because we do not teach anything of the recent past," said a history teacher at the school. Time given to Islamic studies has been increased from one hour to two hours every week, and a new subject called religious sciences has started this year.

"The teaching syllabus is much better now than during the war. We learn about the world instead of just the Soviet Union" said Larwana a tenth grade student. In numerous interviews with students and teachers, every person had either lost a family member or friend in the war. Everyone talks of little except peace and the hopes that the United Nations will be able to achieve it. "We do not care who rules Kabul, Najib or Gulbaddin as long as there is peace," said one forthright student. However, others said they were sacred [as published] of the fundamentalists because they would not allow women any freedom. Four out of the five girls interviewed wanted to be doctors.

The Malalai School, which used to be one of the most prestigious French style lycees in Kabul was founded in 1938 and is now totally run down. There are no proper desks, the walls are bare, there are no teaching aids and no science laboratories but despite this education is treated with a reverence by both students and teachers. In the villages where some 2000 schools have been destroyed and some 15000 teachers have fled the country, education is almost at a standstill but the Afghan literacy rate is now estimated to be around 30 percent because everyone in the cities is studying.

Women educationalist under Ministry of Educational [as published] Masouma Ismati Wardak are taking the lead in trying to extract as much out of their Afghani 3600 million budget for education. "We are short of everything but we are managing," Mrs Wardak told *The Nation*. The 61-year-old Minister, who has been a teacher for 27 years has never belonged to the Watan Party and she has been in the forefront in eradicating the Party educational courses in the past. An ardent feminist, who grew up in a small village near Kandahar, she counts as her Pakistani friends, Abid Hussain, Kaneez Fatima and Kishwar Naheed. Ironically, as a former teacher in Kabul she taught the wife of Pir Ahmad Gailani, the Mujahideen Leader and his daughter

Fatima Gailani, who now heads the Mujahideen delegation in London. "My mother taught Fatima's grandmother and many in the government Ministry have close ties with the women of the Mujahideen leaders."

Discussing a steady merging of Mujahideen Field Commanders with the government, Mrs Wardak said that dozens of teachers whose salaries are paid by the government are now teaching in Mujahideen areas and inside Mujahideen camps. "The Mujahideen leaders who come to Kabul and even those who do not ask us for teachers, textbooks, teaching aids we send them male teachers and the Mujahideen have participated in conferences in Kabul held by UNICEF and UNESCO.

Mrs Wardak speaks on behalf of most Afghan women when she says that All Afghans must sit down together and not depend on foreign countries for a settlement. If there is a problem in a family only the members of the family can solve it, not the neighbours. It is the same for Afghanistan".

There is a huge gulf in the educational systems working in Kabul and Peshawar. Thousands of women are working in government ministries, schools and hospitals in Kabul and they bear the brunt of the food and fuel shortages, the lack of books and light for their children to study and the acute shortage of warm clothing as the winter starts. "Pakistan is our neighbour but it has not shown us any good neighbourliness. The Soviet Union is much to blame for this catastrophe that we have suffered. Let everyone leave the Afghans alone please," said Farzana. "We are so tired, so tired that we are falling off our feet. We are weary and want to rest from war," said Mezhgan another student. For the students of Kabul, who have had not electricity for the past four days because of fuel shortages at the generating stations, the education remains incomplete without peace.

## INDIA

### Rao Meets Press on Return From Harare

92AS0196A Madras *THE HINDU* in English 20 Oct 91 p 1

[Text] New Delhi, 19 October—India and Pakistan have rejected third party mediation and agreed to resolve their outstanding problems bilaterally, the Prime Minister, Mr. P.V. Narasimha Rao said today.

"Some friendly countries had offered to mediate between the two countries but we politely told them that we do not need mediation and we will sit together to sort out differences," Mr. Rao said while replying to a volley of questions on his talks with his Pakistani counterpart, Mr. Nawas Sharif in Harare.

Addressing an airport press conference on his return from Zimbabwe after attending the Commonwealth Head of Government Meeting (CHOGM), Mr. Rao said

all matters including the spate of kidnappings and what was happening across the border came up for discussion with Mr. Sharif.

Describing his talks with Mr. Sharif as preliminary, Mr. Rao said that "we decided to remain in touch and continue the dialogue. I found there was a determination on both sides to resolve these outstanding problems in due course peacefully."

#### NIC Reconstitution

The prime minister, who answered questions ranging from lifting of sanctions against South Africa to domestic issues including reconstitution of the National Integration Council (NIC) said the new NIC would be finalised today and announced on Monday. Its meeting would be held soon after, he added.

Mr. Rao said no conclusions were arrived at and only issues were discussed in his meeting with Mr. Sharif. He said Mr. Sharif and he were "new and both are trying to understand each other. There was mutual invitation to visit each other's countries but I do not know who will visit first."

Mr. Rao parried a question on the acquisition of land by the Uttar Pradesh [U.P.] Government in Ayodhya saying that he had just returned as was yet to get information.

When his attention was drawn to the statement by the Home Minister, Mr. S.B. Chavan that the Pakistani hand was there in the bomb explosions in Rudrapur in U.P., the prime minister said he had not yet seen the report.

We asked if activities of militants in foreign countries came up during his talks with the British Prime Minister, Mr. John Major, Mr. Rao said there was "good cooperation" between the two countries and India was getting useful information concerning terrorist operations.

Mr. Rao reiterated that India would not agree to any conditions that it would sign the nuclear non-proliferation treaty [NPT] if Pakistan went ahead to put its stamp on it. "The signing of the NPT does not depend on any other country's decision to sign it," he said.

He said, a Pakistan journalist in Harare had wanted to know India's stand on NPT. He told the journalist that both India and Pakistan had not signed it. To a further query by the Pakistani reporter whether India would follow suit if Pakistan signed the NPT, Mr. Rao said that he told him that "I have no such conditions."

Asked if the Commonwealth heads of government had decided to lift sanctions against South Africa, he said the economic sanctions which had a telling effect on that country would be lifted in phases.

Although there was no law in South Africa now discriminating against blacks, Mr. Rao the government there was still resisting the one-man-one-vote formula. The

economic sanctions would continue till the voting rights were given to the Blacks, he added.

"The lifting of sanctions against South Africa would neither be abrupt nor complete. This would be done in stages," he said.

Asked if India was considering establishing full-fledged diplomatic relations with Israel as Soviet Union had already set up diplomatic ties with that country, Mr. Rao said India wanted the Palestinian problem to be resolved through a West Asia conference.

India was awaiting the agenda of the conference which was yet to be finalised. "We will have to see what kind of exercise the conference undertakes," he said.

Asked as to why he cut short his stay in Harare, Mr. Rao said the consensus on the CHOGM declaration came "much easier and much sooner" than expected. And instead of going to the retreat at Victoria Falls, he thought of returning to India.

India's intervention in CHOGM that there should be a necessary balance between development and democratic values in member countries was referred to by most heads of government, the prime minister said.

He said the draft had by and large been finalised and he was confident that the decisions arrived at would be "good, successful and beneficial."

Earlier on his arrival, the prime minister was received by his Cabinet colleagues, chiefs of staff and a large number of MPs [members of Parliament].

#### 'No Smoking' Flight

Perhaps for the first time, the special flight carrying the prime minister and his entourage to Harare and back was declared a "no-smoking" one.

The Air-India put up "no smoking" signs following a desire to that effect being expressed by Mr. Narasimha Rao, it is learnt.

However, the last row in the aircraft was made a smoking zone on requests from media men and others. While the media and some of the staff availed it, hardly any official came there to have a smoke.

According to the Air India crew, this was for the first time that a special flight for the prime minister was declared a no smoking one.

#### Successes at Harare Conference Reported

92AS0193A Bombay THE TIMES OF INDIA  
in English 22 Oct 91 p 11

[Article by K.T.R. Menon: "India Scores Points at Harare Summit"]

[Text] New Delhi, 21 October—The Harare Declaration finalised by the Commonwealth Heads of Government

Meeting (CHOGM) reflects some of the views put across forcefully by India on economic and other issues.

This is particularly true of the question of linking foreign aid to the human rights record of the recipient country. The suggestion made in this regard by the British Prime Minister, Mr. John Major, and supported by the Canadian leader, Mr. Brian Mulroney, faced stiff opposition from India, Malaysia and Zimbabwe.

The Prime Minister, Mr. Narasimha Rao, argued that it was imperative to strike a balance between the quest for democratic norms, which had all along been advocated by the Commonwealth, and the need to help the poor nations fulfil the basic requirements of the people like food, shelter and clothing. His position that it was illogical to link aid with human rights was best illustrated by his counter-question to a Canadian journalist at a well-attended media meet: "Do you think that if I don't take aid from you, I can do anything with the human rights of my people?"

The stand evoked an enthusiastic response from the developing countries in the 50-member organisation and the proposal was dropped eventually.

Mr. Rao had also expressed serious reservations about another condition sought to be imposed on countries receiving foreign aid, namely, "good governance." He pointed out that the term was open to varying, even conflicting, interpretations, leading to avoidable complications. The declaration, as finalised, takes into account India's plea for defining clearly this phrase and calls for the promotion of democracy, rule of law and sound and accountable administration.

The plea by India and other developing countries, voiced in various world forums, that the advanced nations should not ignore their fundamental needs in their preoccupation with the post-cold war situation and other global changes also seems to have made an impact on the Commonwealth leaders. While referring to the developments in eastern Europe and the Soviet Union, the declaration expresses the hope that the developed countries would not divert funds to them at the cost of the developing world.

Britain's decision to write off its share of debts totalling U.S.\$17 billion outstanding against the poorest countries and Canada's offer to follow suit will indeed be welcomed in this context.

The Harare summit, the first international summit to be attended by Mr. Rao since he assumed office nearly four months ago, gave him a splendid opportunity not only to project New Delhi's views on problems of the developing world and other issues but also to establish personal rapport with many leaders.

Participants in the meet could not have but noted his lack of charisma compared with Mrs. Indira Gandhi and Mr. Rajiv Gandhi who used to attract much attention at such gatherings. But as the deliberations progressed, he

seemed to have made up for the deficiency by his quiet diplomacy, clear thinking and lucid articulation of ideas.

The most significant of his bilateral meetings was, of course, the one with Pakistan's Prime Minister, Mr. Nawaz Sharif. While they confined themselves to exchange of pleasantries and their first meeting at a reception held by the Commonwealth secretary-general, Chief Emeka Anyaoku, they covered the entire range of bilateral issues, including Pakistani support to terrorists, at the second meeting.

The meeting would not have taken place at a more opportune time, with the relations between the two countries showing little sign of improvement despite Islamabad's repeated assurances about concrete steps to reduce tension. It enabled them to gain a better understanding of each other's concerns. But given the complexity of the problems involved, whether it will lead to a really meaningful dialogue remains to be seen.

Highlighting the importance attached by the government to environment, he pointed out that India had a ministry exclusively devoted to it. "At the moment, it appears to be very unpopular—others consider it obstructionist...but I support this obstructionist ministry as I am a firm believer in ecological balance."

The external affairs minister, Mr. Madhavsingh Solanki said that India succeeded in producing a "Consensus Harare Declaration" at the summit by ensuring that the focus on development was not blurred while emphasising the 50-nation club's role in promoting democracy and human rights.

Mr. Solanki, who is leading the Indian delegation at the summit, told Indian journalists that the crucial point was how a democracy could deliver the goods to meet the basic human needs of food, clothing, shelter, education and health.

Commonwealth heads of government today reiterated that the arms embargo, financial sanctions and investment measures against South Africa should remain in force until they note irreversible movement toward the abolition of apartheid.

Commonwealth heads of government today finished their work one day ahead of schedule after pledging more contributions to the Commonwealth fund for technical assistance and other multilateral programmes and agreed to create a mechanism to monitor human rights violations and a facility to supervise elections in member-countries on request.

A Harare Commonwealth Declaration issued yesterday, listed human rights, democratic reforms, rule of law and free market economy as the goals of the Commonwealth in 1990s and beyond but did not link these issues to the grant of foreign aid.

### Minister Reports on Water Talks With Pakistan

92AS0206A Bombay THE TIMES OF INDIA  
in English 17 Oct 91 p 21

[Text] New Delhi, 16 October (PTI)—India and Pakistan have reached an understanding on the Tulbul navigation project and a formal agreement between the two countries is expected shortly, the water resources minister, Mr. Vidya Charan Shukla, has said.

He told reporters that during the seventh round of secretary-level talks between the two countries held early this week, the Pakistani side appreciated India's viewpoint.

With mutual understanding and goodwill, a solution to the problem would shortly emerge, the minister said, adding that the next round of talks would be held in New Delhi soon.

The work on the project undertaken by India below Wular lake on Jhelum river was suspended by New Delhi in October 1987 following objections from Islamabad that it violated the Indus waters treaty.

Islamabad had earlier put up a pre-condition for the stoppage of work for having government-to-government discussions on the issue.

India's position had been that the project is meant for controlling depletion of the natural storage already available in the Wular lake and would in no way diminish the volume of water to Pakistan. The project, New Delhi felt, would also make good the capacity of Mangla dam in Pakistan, which has been lost due to siltation.

Pakistan had objected on the premise that the project was a storage work, which was not permitted on the main stem of Jhelum river under the treaty.

Mr. Shukla said seven rounds of secretary-level talks had taken place between the two countries, at the March '89 sixth round, Pakistan gave a draft of an agreement. This was studied by India and India's draft was sent to Pakistan in August 1989.

During the recent talks, further discussions on India's draft took place. The Indian side explained its position on the permissibility of the project under the treaty. Pakistan appreciated India's viewpoint, the minister said.

India's position on the project was that it would neither contribute to artificially raising the water level in the lake nor involve any consumptive use of the waters naturally stored in the lake even at present.

Besides, its stand was that the controlled releases from the Wular lake during the lean months would have the benefit of higher flow and higher generation at Mangla dam in Pakistan.

### Muslim Leaders Protest Ayodhya Temple Plans

92AS0197A Bombay THE SUNDAY TIMES OF INDIA  
in English 20 Oct 91 pp 1, 8

[Text] Lucknow, 19 October—In a symbolic demonstration, 101 persons, including several leaders of the Muslim community, courted arrest here today to protest against the U.P. [Uttar Pradesh] government's "illegal and unconstitutional" activities aimed at constructing a temple at the disputed site in Ayodhya.

Shouting slogans, the protesters marched in a procession from Darul Shafa towards Vidhan Bhavan. They carried placards with anti-BJP [Bharatiya Janata Party] slogans.

As the police and the district authorities prevented them from reaching Vidhan Bhavan, they courted arrest. Prominent among them were Mr. Ibrahim Sulaiman Sait, Sultan Salahuddin Owaisi, Mr. Syed Shahabuddin, Syed Ahmed Bukhari (the Naeb Imam of Delhi's Jama Masjid), Mr. Saifuddin Soz, Maulana Syed Ahmed Hashmi, Maulana Muzaffar Hussain Kachuauchavi, Mr. Mohammad, Azamkhan, Mr. Zafaryab Jilani, Mr. Shafiq-ur-Rehman Barqand and Mr. Hira Lal Yadav, president of the Lucknow unit of the Samajwadi Janata Party.

The protesters were led by Akshya Brahmachari, who came into prominence by protesting against the installation of the idols at the disputed shrine in 1950.

They were all released later.

Talking to newsmen, Syed Shahabuddin, the convener of the Babri Masjid Movement Coordination Committee [BMMCC], had been acting jointly to fight for restoration of Babri Masjid to Muslims on legal and political grounds. He said that other Muslim organisation had also been cooperating with the BMMCC and BMAC [Babri Masjid Action Committee].

UNI adds that the movement leaders said in a joint statement that the "court arrest programme" was to focus the attention of all secular and democratic forces of the country on the "grave situation" being created by the BJP and its allies.

The statement said that the land acquired in Ayodhya by the BJP government was part of the mosque and graveyard and "the property is in dispute in the regular suit No. 12 of 1961 (O.O.S. No. 4 of 1989) pending before the special bench of Allahabad high court sitting at Lucknow."

The Muslim leaders called upon the secular parties and individuals "to assert themselves in public and start a satyagraha at Ayodhya to resist and stop the illegal activities of the VHP regarding the proposed construction of temple at the disputed site."

"In case, no befitting and satisfactory programme of action is announced and carried out by the secular parties in this respect, the Muslims will be compelled to announce their own programme of action," they warned.

Syed Shahabuddin told reporters that "three successive former prime ministers—Rajiv Gandhi, Mr. Viswanath Pratap Singh and Mr. Chandra Shekhar—had obstructed construction of a Ram temple at Ayodhya but called the act illegal. How can Prime Minister Narasimha Rao allow construction now?"

Mr. Shahabuddin said the Centre had assured the Muslim leaders of a "contingency plan" if the Uttar Pradesh government allowed construction of temple in violation of the court order.

The Vishwa Hindu Parishad (VHP) today clarified that some temples, near the disputed shrine, demolished by its volunteers yesterday, had been "handed over" to it by their owners.

A VHP spokesman here said a transfer of these buildings were done in accordance with law and many of them had been vacated by local religious leaders.

Meanwhile, the Congress today urged the Centre to expedite the process of reconstituting the national integration council so that a meeting could be convened soon to discuss the Ayodhya issue.

The party spokesman, Mr. C.P. Thakur, told newsmen here that the mounting tension caused by the recent acquisition of land by the Uttar Pradesh government and the VHP's activities were "indeed disturbing."

The National Front-left alliance [NF-LF] today accused the Centre of being a "passive spectator" to the Uttar Pradesh government's move to acquire land in Ayodhya and demanded an emergency meeting of the national integration council.

The coordination committee of the NF-LF parties issued a statement here reminding the Centre of its "primary responsibility in upholding the constitution and rule of law."

Calling upon the U.P. government to give up its acquisition efforts, the statement said, "The secular framework of our constitution cannot be trampled upon by any force, including a state government."

The statement also appealed to Babri Masjid Action Committee and allied organisations to give up their direct action plan. It announced that the NF-LF parties would observe a communal harmony week from 2 November to 7 November.

### **Ceremony Held To Begin Ayodhya Temple Building**

92AS0195A Bombay THE TIMES OF INDIA  
in English 22 Oct 91 pp 1, 11

[Text] Faizabad, 21 October—The Vishwa Hindu Parishad (VHP) today performed the "bhoomi poojan" for the second pillar of the main entrance to the temple at the disputed site in Ayodhya.

The ceremony was followed by symbolic digging at the two-metre square pit by the VHP general secretary, Mr. Ashok Singhal, and other leaders.

The spot is 40 feet north of the shilanyas pit where the foundation stone was laid in November 1989.

Strategically, the VHP chose a spot which is "undisputed" according to the high court injunction made while allowing the shilanyas on 9 and 10 November 1989.

The ceremony began at 9:50 a.m. and lasted 45 minutes.

Among those present at the ceremony were the Shankaracharya Vasudevananda, Mahant Avaidyanath, Swami Vam Dev, Mahant Mritya Gopal Das, Acharya Giri Raj Kishore, Param Hans Ram Chandra Das and Onkar Bhawe.

Later, Mr. Singhal told reporters that owners of small temples in the Janambhoomi area have agreed to shift the images to facilitate the construction of the grand Ram temple, Mr. Singhal said the disputed shrine had been left out of the land acquisition notification with a view to let the mosque be shifted.

Mr. Singhal and Acharya Giri Raj Kishore warned Mr. V.P. Singh and others that they would face the people's ire if they tried to launch a satyagraha, Mr. V.P. Singh must learn from the past, they said.

Mr. Singhal warned the Prime Minister that if the Centre tried to hinder the temple construction, a large-scale agitation would follow.

TOINS from New Delhi reports that a VHP spokesman said that the next programme for the construction would be chalked out at a meeting of the top leaders of the VHP in Ayodhya on 28 October.

He said that it was decided to keep a 6,000-strong Bajrang Dal and Durga Vahini force at Ayodhya at any given time, and necessary arrangements for this had been made.

Plans for further construction work on the temple would be decided by the chief architect, Mr. Chandrakant Sompura.

A large number of people from Ayodhya and Faizabad started pouring in at the disputed site on hearing the news about the bhoomi poojan.

Meanwhile, The Janata Dal will move the Lucknow bench of the Allahabad high court tomorrow for a stay on the demolition of temples around the disputed Ayodhya site by the VHP and the Bajrang Dal, PTI reports from New Delhi.

Announcing this at a news conference here, Mr. V.P. Singh accused the Centre of remaining silent on the plans of the BJP [Bharatiya Janata Party] government and letting the VHP go ahead with the temple construction.



Mr. Singh said the Dal would give the Centre three days to come out with a clear stand on the issue and what action it proposes to take to defuse the tense situation in Ayodhya. Or else the party workers would undertake a day's token fast, he said.

Mr. Singh said the Congress had already stated its views on the Ayodhya dispute in its election manifesto and the Dal could not understand why it preferred to keep quiet, when on the one hand the constitution was in danger of being eroded and tension was mounting on the other.

Explaining the reasons for the Dal moving the high court, Mr. Singh said protecting the Masjid structure was one thing, "but before that we may have to protect the temples around the disputed area as they were being purchased and demolished by the VHP."

The VHP general secretary warned the Union government that the proposal to hand over the Babri masjid to the archives department as a memorial should be dropped, otherwise about 730 million Hindus would oppose it in a suitable manner, PTI adds from Faizabad.

He said the construction undertaken today had the blessings of saints and carried the sentiments of Hindus.

Mr. Singhal urged Muslims to hand over the three religious places—the Krishna Janambhoomi at Mathura, the Vishwanath temple at Varanasi and the Ram Janambhoomi at Ayodhya.

The Uttar Pradesh chief minister, Mr. Kalyan Singh, was in touch with leaders of the various Muslim organisations in this regard.

Mr. Singhal urged Muslims to extend their cooperation to Hindus in resolving the tangle peacefully.

Mr. Singhal made, what he called, a "last appeal" to the Muslim community to hand over voluntarily the "garbha griha" of the temple, UNI adds from Ayodhya.

Addressing a gathering on the occasion here, he said Muslims should themselves initiate the shifting of the disputed structure.

"the Hindu community had conceded the partition of the country to satisfy Muslims and it was now time Muslims took a decision to satisfy Hindus," he said.

Mr. Singhal opined that this was the most opportune time for bridging the "gap" between Hindus and Muslims.

"The 20th century saw disputes and confrontation between the two communities, but we want to lay the foundation of amity and harmony in the next century, he observed.

The former prime minister, Mr. Chandra Shekhar, has also accused the Centre of not taking "positive and firm" measures to resolve the Ayodhya issue.

Meanwhile, the Congress accused the BJP-led Uttar Pradesh government to "politicising" the Ayodhya temple issue to gain political mileage in view of next month's Lok Sabha and assembly by-elections says another report.

TOINS adds from Lucknow: Mr. V.P. Singh said here today that his party would launch a satyagraha in the first week of November in Ayodhya to protect against the demolition of the temples to pave the way for the construction of the Ram temple at Ayodhya.

Ridiculing the Bharatiya Janata Party's pursuance of Hindutva, Mr. Singh said that the sale and purchase of temples had shown the BJP's scant regard for religious sentiments.

"In Hindu religion, nobody can sell or buy a temple, like commodities," said the former prime minister, adding that it seemed that the self-proclaimed Hindutva torchbearers were indulging in profiteering.

Mr. Singh said that the final plan for the agitation against the BJP's temple construction plan on the disputed site would be chalked out later.

He said that prior to the satyagraha plan, his party workers would stage a dharna on 28 October to demand the restoration of the demolished temples in Ayodhya.

Referring to the Centre's silence on the issue, Mr. Singh again asked the Centre to clarify its stand and demanded the dismissal of the state government.

## Reserve Bank Announces New Credit Policy

### More for Exports

92AS0219A Madras THE HINDU in English 9 Oct 91 p 11

[Text] Bombay, 8 October: The Governor of Reserve Bank of India Mr. S. Venkitaramanan, announcing the credit policy for the second half of 1991-92 today, said that the monetary policy responses in the current financial year had been framed almost exclusively against the background of a high inflationary rate and a difficult balance of payments situation.

Mr. Venkitaraman told presspersons after a meeting with the chief executives of major scheduled/commercial banks that the monetary policy must support the cohesive package of measures of macro-economic stabilisation and structural reform initiated by the Government in the recent period. He said the monetary policy had to work towards attaining monetary stability and, therefore, a tightening of the policy was inevitable. However, while tightening the policy care had been taken to ensure that productive activity was not affected by inadequacy of credit. In particular, as there was an urgent need to step up exports, the credit policy was specially oriented towards ensuring larger flow of credit to the export sector.

The changes in the measures include a rise in the bank rate, increase in lending and short-term deposit rates, increase in the export credit interest rates, withdrawal of a number of refinance facilities, while at the same time liberalising export refinance, reduction in the cash margins on OGL [Open General Letter] imports, reduction in the interest on banks' cash balances with Reserve Bank of India and tightening of selective credit controls, credit facilities to finance companies and low priority lending.

Mr. Venkitaramanan said the credit policy provides for a special package to promote exports and the measures in this area were mutually supportive. The increase in the interest rates on export credit would ensure that the banks increase the flow of credit to the export sector; while increasing export credit interest rates, post-shipment credit interest rates would be on a slab basis and not from the date of advances. To ensure that resources were not a constraint, the export refinance formula had been liberalised and this would facilitate the flow of credit to the export sector. Recognising that there was an organic link between imports and exports the cash margin on the OGL imports was being reduced and the monetary ceiling on manufacturer-exporters importing without cash margins was being enhanced. All these measures provide a creditable package to support the export effort, he said.

In view of the current inflationary pressures, the stance of monetary policy has to be restrictive. It was, therefore, appropriate to raise the bank rate. With effect from the close of business on 8 October 1991, the bank rate would be raised by 1 percentage point i.e., from 11 percent per annum to 12 percent per annum. All other rates on credit from Reserve Bank which are specifically linked to the bank rate would be correspondingly raised by one percentage point unless otherwise specified.

In the context of the current high inflation rate, a number of lending rates have become negative in real terms. It has been, therefore, decided to raise, effective from tomorrow the lending rates of scheduled commercial banks across-the-board by 1.5 percentage points. Thus, these rates would range from 11.5 percent to 20 percent (minimum) as against 10 percent to 18.5 percent (minimum) hitherto.

In the case of term loans to agriculture, industries and transport operators owning up to two vehicles, however, the lending rate for loans between Rs.[rupees]25,000 and up to Rs. 2 lakhs would be raised by only one percentage point; for loans to these sectors of over Rs. 2 lakhs, the rate would be 15 percent (minimum) as in the case of term lending institutions. The effective interest rates of discounting of bills of exchange for borrowers subject to the lending rate of 20 percent (minimum) would be one percentage point below the lending rate charged to borrowers in this category and, as such, the effective interest rate on discounting of bills of exchange for such category of borrowers would be 19 percent (minimum).

In view of the imperative need to contain reserve money expansion in the context of severe inflationary pressure in the economy, the following refinance facilities will stand withdrawn effective 9 October 1991 (i) food credit refinance, (ii) standby refinance, (iii) 182 days treasury bill refinance and (iv) discretionary refinance.

To ensure strict compliance with the incremental net non-food credit (excluding export credit) deposit ratio which is not to exceed 45 percent in 1991-92, it has been decided that the banks which exceed this ratio for two successive fortnights would be faced with an automatic reduction in refinance limits for the next four fortnights and any excess credit in each subsequent fortnight would result in a reduction in refinance limits for the subsequent fortnights. Banks which persistently violate this stipulated ratio could face a total withdrawal of refinance facilities.

To curtail the increase in reserve money, it is necessary to moderate the total interest payments made by Reserve Bank to banks on their eligible cash balances under the two-tier formula. Accordingly, with effect from the fortnight beginning 19 October, 1991 (i) on the eligible cash balances based on the net DTL as of 23 March 1990 interest would continue to be paid at a rate of 10.5 percent per annum, (ii) on the increase in eligible cash balances based on the net DTL maintained after 23 March 1990 under the average 15.0 percent CRR [Cash Reserve Ratio] as well as eligible cash balances under the 10.0 percent incremental CRR, interest would be paid at a reduced rate of 5.0 percent per annum (as against 8.0 percent per annum hitherto).

Bank advances against cotton and kapas which were exempt from the provisions of selective credit controls are being brought back under the control. The minimum margins on advances against stocks of cotton and kapas will be 45 percent for "others" (other than mills/processing units) and 30 percent against warehouse receipts. The level of credit ceiling will be 85 percent of the peak level of credit maintained by a party in any of the three-year period ending 1989-90 (November-October).

Banks' lending to hire purchase and equipment leasing companies is subject to a ceiling of three times the net owned funds. While operating, these norms, credit provided by way of bill discounting/rediscouting for hire purchase/equipment leasing companies should be taken into account while providing facilities to such companies. In the case of finance companies other than hire purchase equipment leasing companies banks should ensure that the total credit accommodation provided by banks, inclusive of bill discounting/rediscouting facilities, does not exceed three times the net owned funds. In cases where bank lending is above this stipulated norms, banks should, in the first stage, not allow further drawals and the outstandings must be brought down in a phased manner.

**Excerpt From Letter**

92AS0219B Madras THE HINDU in English  
(Supplement) 17 Oct 91

[Italicized words as published]

[Text] *Following are excerpts from the letter addressed by the Reserve Bank Governor to commercial banks outlining the busy season credit policy. The excerpts give a picture of the Indian economy as seen by the RBI [Reserve Bank of India].*

With a fairly good monsoon, the prospects are for a satisfactory Kharif crop. Agricultural production is expected to show a marginal increase of about 1 percent in 1991-92 on top of three years of sustained agricultural output. The macro-economic adjustment being undertaken to correct the large current account deficit in the balance of payments involves, as important elements, a sharp import compression, credit restraint and the reduction in public expenditure and investment programmes. Industrial growth in 1991-92 is expected to be about 6 percent as against 8.4 percent during 1990-91. Overall real GDP is likely to show a lower increase of about 3 percent in 1991-92 as against 5 percent in 1990-91.

**Inflationary pressures**

Inflationary pressures have accelerated during the current financial year. The wholesale price index on a point-to-point basis rose by 8.9 percent during the current financial year up to 21 September, as compared with an increase of 5.7 percent during the corresponding period in the previous year. On a year-on-year basis, the rate of inflation, as measured by the wholesale price index, as on 21 September, was significantly higher at 15.5 percent as against 7.7 percent during the previous year. The consumer price index on a point-to-point basis in the current financial year up to August rose by 8 percent as against 7.3 percent in the corresponding period of last year. On a year-on-year basis up to August the consumer price index rose by 14.2 percent as compared with 9.2 percent a year ago. The accentuation of inflationary pressures is a matter of serious concern.

The developments in the monetary sector show that during the first half of 1991-92, the expansion in M3 was Rs.[rupees] 18,164 crore (6.9 percent) which was higher than the expansion of Rs. 14,354 crore (6.2 percent) during the corresponding period of the previous year. M1 increased by Rs. 4,334 crore (4.7 percent) in the same period as against an increase of Rs. 2,413 crore (3 percent) in the comparable period of 1990-91. The increase in net Reserve Bank credit to the Central Government in the current financial year up to 20 September, was Rs. 8,891 crore (10.2 percent) as against Rs. 7,270 crore (10.1 percent) last year. The reserve money growth in the current year has also been strong at Rs. 2,002 crores (2.3 percent) as against a contraction of Rs. 703 crores (minus 0.9 percent) in the corresponding period of last year, although a part of this difference is

due to the higher loss of net foreign exchange reserves in 1990-91 during the corresponding period. The net foreign exchange assets of RBI declined in the current financial year up to 20 September, by Rs. 113 crores as compared with a decline of Rs. 1,835 crores in the corresponding period of last year. The expansion in net domestic assets (reserve money minus net foreign exchange assets of RBI) during the current financial year so far up to 20 September, was Rs. 2,115 crore (2.7 percent) as compared with Rs. 1,132 crore (1.6 percent) in the corresponding period of the previous year. Given the strong inflationary pressures in the economy and the anticipated slowdown in the real GDP [gross domestic product] growth rate, there is an imperative need to bring about a significant slowdown in monetary expansion in the remaining period of 1991-92.

**Deposit growth**

At the beginning of the financial year 1991-92, it was expected that real GDP may grow by about 4 percent during the year. On the basis of this and the need to moderate the price rise, the desirable rate of expansion in M3 was projected as 14 percent for 1991-92. Consistent with the postulated growth in M3, a working estimate of the increase in aggregate deposits of scheduled commercial banks of Rs. 29,500 crores (15.3 percent) had been indicated for 1991-92. However, keeping in view of the actual inflationary trends and since the underlying objective of policy is to bring about a sharp reduction in the inflation rate, it is desirable to work towards a lower M3 expansion, of about 13 percent in 1991-92. Consistent with this lower monetary expansion aggregate deposits of scheduled commercial banks are now projected to increase by Rs. 28,500 crore (14.8 percent) in 1991-92; as such banks should plan their lending operations on the basis of this lower projected growth of deposits.

Aggregate deposits of scheduled commercial banks in the first half of the current financial year recorded a rise of Rs. 15,775 crore (8.2 percent) as compared with Rs. 11,983 crore (7.2 percent) in the corresponding period of 1990-91. Although, deposit growth has been buoyant in the first half of the current financial year, with the reduction in the net RBI credit to Central Government in the second half of 1991-92 and the restrictive stance of monetary policy, the normal pattern of deposit growth—somewhat higher in the second half than in the first half—is likely to be reversed in 1991-92.

It was estimated, in April, that scheduled commercial banks' credit for food procurement operations would increase by Rs. 1,900 crores during April-June, the actual increase was Rs. 810 crores. The lower than estimated increase in food credit was mainly attributable to low procurement of wheat during April-June. The decline in food credit in the second quarter (July-September) was Rs. 1,303 crores as against an estimated decline of Rs. 800 crores because of larger off-take. During the first half of the current financial year, food

credit showed a contraction of Rs. 493 crores as compared with a sharp increase of Rs. 1,208 crores in the corresponding period of 1990-91. On the basis of estimates that the Kharif rice procurement during October 1991 to March 1992 would be slightly lower than in the corresponding period of the previous Kharif rice procurement season, the estimates for the second half of 1991-92 indicate that food credit would expand by Rs. 800 crores in the third quarter (October-December) and decline by Rs. 300 crores during the last quarter (January-March 1992).

The non-food credit expansion in the first half of 1991-92 was a nominal Rs. 97 crores as against Rs. 405 crores in the comparable period of 1990-91 which itself was low. The low increase in non-food credit is attributable to the various monetary policy measures taken in the first half of 1991-92 to control aggregate demand in the economy as also to the fact that industry had access to non-bank sources of financing including higher amounts raised in the capital market. Although the estimates of resources indicate that the availability of lendable resources in the second half would be somewhat lower than in the previous year, this is unlikely to pose a constraint due to the lower rate of expected overall growth of the economy. Moreover, credit from non-bank sources has been rising progressively and the capital market is buoyant. As such, the credit requirements for productive purposes will be adequately met.

Money market rates have been volatile in the first half of the current financial year. While the Reserve Bank provided substantial liquidity to the market through the Discount and Finance House of India Ltd. (DFHI) and the discretionary refinance facility, such accommodation can be provided for only short periods and the amount of such assistance has to be limited in view of the present inflationary pressures. Banks must avoid chronic reliance on the money market and moreover, reserve requirements, particularly the cash reserve requirement must be met out of the banks' own resources.

In the current financial year, monetary policy responses have been framed almost exclusively against the background of a high inflation rate and a difficult balance of payments situation. The monetary policy must support the cohesive package of measures of macro economic stabilisation and structural reforms initiated by the Government in the recent period. In this context the monetary policy has to work towards attaining monetary stability and therefore a tightening is inevitable. While tightening monetary policy, care has been taken to ensure that productive activity is not affected by inadequacy of credit. In the context of the urgent need to step up exports, the credit policy has been specially oriented towards ensuring a larger flow of credit to the export sector.

### Government Trade Controls To End 31 Mar 92

92AS0218A Madras *THE HINDU* in English 14 Oct 91 p 4

[Quotation marks as published]

[Text] Pune, 13 October: The Union Minister of State for Commerce, Mr. P. Chidambaram, on Saturday said all Government controls on trade would be done away with by 31 March next, reiterating that trade could take place only in a 'regime of freedom.'

Speaking at the 'Open House Discussion' meeting with the members of the Maharashtra Chambers of Commerce and Industries (MCCI) here, Mr. Chidambaram said India must gear up to integrate with the world economy and enter the world market as reliable and regular exporters of goods having excellent quality and competitive prices.'

The Minister appealed to the State Governments to involve private companies to set up 'export promotion houses' as a joint venture or in the joint sector to enable the States to 'share the export benefits through exim scrips' for the benefit of the State's development.

Mr. Chidambaram said unless the State was given a share of export benefits it would be difficult to enhance exports from the country.

### Effect of Soviet Developments on Gun Supplies Noted

#### M-46 Guns Received

92AS0194A Bombay *THE TIMES OF INDIA* in English 22 Oct 91 p 17

[Article by Pravin Sawhney: "Indian Receives 200 Soviet Guns"]

[Text] India has received over 200 130mm M-46 guns from the Soviet Union to solve the spares problem for the 480 130mm M-46 guns with the artillery.

Moreover, the 60 anti-aircraft 23mm ZSU-23 (Shilka) guns are likely to be replaced by the Soviet Tungushka, which is really an upgraded version of the Shilka.

The spares problem, which has hit the whole range of the artillery weapons and the land-based air-defence systems of Soviet origin because of the cataclysmic changes in the Soviet Union and eastern Europe, is being tackled on a priority basis. These include the anti-aircraft 23MM ZSU-23 (Shilkas) guns, and the low to medium altitude surface-to-air missiles (SAM) or Kvadrats. The spares problem has also affected the 122mm BM-21 multiple rocket systems.

As the Shilka and Kvadrats are used together, it is necessary that either their spares shortage be resolved or both systems be replaced. While the Kvadrats force the

aircraft to fly very low, the anti-aircraft Shilka guns take on the aircraft. Both systems were inducted into service in the early seventies.

Sources say that Tungushka has already been offered by the Soviets as a replacement to Shilkas at a unit price of Rs[rupees]80 million for 50 units.

It is the suitable replacement for the Kvadrats which is holding up the new deal for the land-based air-defence system. The likely choice for replacing the Kvadrats is the Soviet SA-X-17 low to medium altitude SAM, which is itself in the troops trial stage in the Soviet Union and is expected to enter service later this year.

The other choice, which is increasingly finding favour with defence planners, is that the SAM-11 (Gadfly) which is already with India be used instead of the Kvadrats, till indigenous SAM Akash with medium range of 27 km eventually replaces the Soviet missiles. Akash is being built under the integrated guided missile project and is expected to enter active service by 1994. The surveillance and fire control radar which is incorporated into Akash has not yet been fully tested.

The spares problem for the Shilkas and Kvadrats (Shilkas are already phased out of Soviet first and second echelons and Kvadrats have been downgraded) have really come as a boon for artillery, providing a strong case for its replacement, according to top sources. The radars of both systems, having been extensively employed in the 1973 west Asia wars, have been compromised. Tungushka is a vast improvement over the present Shilkas as its radar can operate independent of the gun system. As far as the Shilkas are concerned, experts are of the opinion that it can be employed as an anti-aircraft weapon without its radar, using the line of sight procedure.

Further, sources point out that the inauguration of the 510 base workshop at Meerut for the maintenance of the Shilkas and Kvadrats is a job done too late. While the weapon systems entered service in 1975, the maintenance facilities have only now been activated. Except for the missiles of the Kvadrats, no other system has even been sent to the Soviet Union for overhauls. Rather, the ordnance directorate had arbitrarily increased the Kvadrat missiles' life by six years. This when the first line weapons storage facilities in India are vastly inferior to that in the Soviet union.

Sources point out that the 130mm gun, which was inducted into service in 1966, has never had a through strip inspection. Strip inspection means the gun system is fully opened and then checked item by item and assembly by assembly. Moreover, this gun which was to be made the field gun from its present status of medium gun, is likely to retain its present status as the 155mm medium calibre (Bofors) gun is having frequent problems, according to top sources. This explains the recent purchase of 130mm guns to keep the gun fleet operationally ready.

### Spares Indigenized

92AS0194B Bombay THE TIMES OF INDIA  
in English 14 Oct 91 p 1

[Article by Seema Guha: "Vital Soviet Spares Indigenised"]

[Text] Meerut, 13 October—India is now in a position to fully overhaul the sophisticated Soviet-made "Kvadrat" air defence system, and the "Schilka" anti-aircraft guns, which earlier had to be sent to the Soviet Union for repairs.

This is a major breakthrough, of which the corp of electrical and mechanical engineers [EME], based in Meerut, are justly proud. More so because the Schilka have already been phased out of the Soviet army, and obtaining critical components for the Kvadrat missile system is becoming difficult due to the political instability in the Soviet Union.

It is no secret now that developments in the Soviet Union have disrupted production in many of its factories and armament manufacturing establishments. With nearly 70 percent of India's defence requirements coming from the Soviets, Indian defence planners are faced with an uncertain future.

Despite assurance from the Soviet leadership that past commitments will be honoured, there is no certainty that the earlier arrangements with Moscow will continue indefinitely. Even if they are willing to supply some portion of India's demands, the costs cannot expect to remain "friendly" for long. The Soviet Union itself is facing a financial crunch. In such circumstances it will be foolish for New Delhi to imagine that special considerations for India will continue indefinitely.

The defence ministry is well aware of this and the message to the armed forces today is to be self-reliant. In this context, the little-known engineering corps of the army becomes important and will be expected to play a much larger role in the overhauling and maintenance of military hardware.

By international standards, neither the Schilka nor the more sophisticated Kvadrat weapon system are top-of-the-shelf equipment. They serve the limited purpose of providing protection to armoured columns and can take on moving targets.

Yet, the very fact that the 510 army base workshop has been able to take on the job at 25 percent less than the price of the original equipment, is a step forward. It has given confidence to the army engineers.

Lt. General K.K. Mehra, the director general of the EME, readily admitted that obtaining spares for Soviet-made equipment would become difficult. As a first step to cope with this problem, the EME is making out a list of components that are not available, or may be difficult in future to obtain. The EME's next task will be to see whether it is possible to make these parts in India or to

modify the original plans so that indigenous replacement is possible. So far, the base workshop in Meerut has been able to make nearly 10,000 spare parts for foreign equipment.

General Mehra said that the EME would not concentrate on product improvement, to modify and improve on foreign components whenever possible. The EME makes up a priority list of all items that will be required and try to work out a schedule to complete the task in five years.

The Schilka, which is no longer produced in the Soviet Union, will have to be fitted with certain critical indigenous components. The army engineers are confident of being able to provide three-fourths of the system.

### CPI Leadership Reassesses Soviet Socialism

92AS0217A Madras *THE HINDU* in English 2 Oct 91 p 9

[Boldface and italicized words as published]

[Text] New Delhi, 1 October: In a wide-ranging reassessment of its understanding of the Soviet system, the Communist Party of India has virtually rejected the past 60 years of socialist development in the Soviet Union and concluded that *perestroyka* had become a historic necessity at least a decade before Mr. Gorbachev came on the scene.

A 12-page document, unanimously adopted by the central executive on Monday, sharply criticises Stalin's policy of "forcible collectivisation" and says that it should have been avoided. Its assessment is that the policy alienated the peasantry, and touched off a process which later spread to other sections of the people. The Thirties are viewed as the beginning of the end of socialism in the Soviet Union.

The document, to be released for wider discussion in a few days, holds the "fusion of party and state" responsible for the crisis which led to the collapse of the system. What was intended to be a dictatorship of the proletariat turned into state dictatorship pushing millions of non-communist citizens beyond the pale of the "socialist mainstream." A "state monopoly" developed in which only about 20 million card holders became the arbiters of the destiny of the vast nation resulting in widespread alienation.

**Major mistake:** The document points out that a major mistake was in assessing the depth of the crisis in ethnic relations. The party as well as the State leadership simply failed to comprehend the extent to which ethnic tensions had grown and even as the crisis was building up the leaders smugly claimed that the Soviet Union had solved the problem of nationalities.

A point made during the discussions in the executive was that even Mr. Gorbachev when he spoke of stepping into a pre-crisis situation did not understand the extent to which ethnic relations had soured. To a large extent, the

food shortages which the country saw last year and is witnessing now despite a bumper harvest was a result of ethnic intransigence with the republics simply refusing to allow it to be moved out.

**Disproportionate:** The vast military expenditure, estimated to be totally disproportionate to the share of other sectors, sucked the economy dry. Nearly six-sevenths of the total industrial investment was in the arms sector, and barely one-sixth in the consumer industry. It is pointed out that while the USA was spending barely 4 to 5 percent of its GNP [gross national product] on arms, the Soviet Union was spending as much as 24 percent. There was very little "investment in people," says a party leader associated with the drafting of the document.

The document, while pointing out that the process of *perestroyka* went awry, does not hold any individual responsible for the "mistakes." More than the personalities, it is the policies and their direction to which the document addresses itself.

It does not attempt to foresee the future, or even speculate. The situation is in far too much of a flux to permit such speculation. The party's assessment is that anything can happen; although there is little possibility of the "hardliners" succeeding in pushing the clock back, forces favouring a go-slow approach could emerge.

The party, however, emphasises the validity and the continuing relevance of the Russian Revolution. It says that what has failed in a particular model of socialism, and not socialism as a system of ideas. It also stresses that despite the failure of the model and the enormous human cost, the experience was worth it. It did improve the human condition, and if Stalinist distortions had not intervened it would have been a much better story.

## IRAN

### IRGC To Aid Palestinians

92AS0178B Tehran *ABRAR* in English (*International Supplement*) 20 Oct 91 p 12

[Text] Tehran—Iran's Islamic Revolutionary Guards Corps (IRGC) intends to establish a force entitled the "Quds Force" in the occupied territories, Hojjatolislam Mohammadi Eraqi, representative of the Leader to the IRGC said Saturday.

Eraqi said this in a ceremony to start building an IRGC and Basij (Mobilization) center in Khomein. This center will provide cultural and entertainment facilities for IRGC and Basij members to confront corrupt Western culture.

In the ceremony in which the Friday prayers leader of Khomein, its Majlis deputy, and political deputy of the governor of Central Province were present, Eraqi referred to the recent statements of the Leader, Ayatollah Khamenei, about Palestine and said today the Islamic

Republic of Iran is the only country which is supporting the righteous aspirations of the oppressed Palestinian nation.

**Pakistani Shi'ite Leader on Madrid Talks, Palestine**

NC0211173591 Tehran TEHRAN TIMES in English  
23 Oct 91 p 5

[Article by Mir Hoseyni]

[Text] Tehran—The Madrid conference is a great treason against Islam and Palestine, said 'Allameh Seyyed Satid-'Ali Naqvi, leader of the Pakistani Shi'ite Muslims.

In an exclusive interview with TEHRAN TIMES correspondent, 'Allameh Naqvi expressed his views on the Middle East peace conference and other regional issues;

The Palestine issue is going through a very critical stage. A large-scale conspiracy is taking place against the people of Palestine, with the ultimate purpose of strengthening Israel and stabilizing its position in the region. The people of Pakistan cannot be indifferent to this conspiracy and are prepared for any kind of sacrifice.

The Middle East peace conference is a betrayal of the ideals of Islam and a treason against the cause of the liberation of Palestine.

As the late Imam Khomeyni rightly declared, Israel is a cancerous growth, and in compliance with the imam's injunctions we must condemn the Middle East peace conference which only serves to legitimize the existence of Israel.

Reading the actual means with which Israel should be fought, 'Allameh Naqvi said that in the first stage a unified front of all the Muslim nations should be formed. We must begin the struggle by constituting nuclei of resistance against the supporters of Israel.

The Palestine Liberation Organization has betrayed the Palestinian people, and we advise the organization's leaders to correct their position and boycott the Madrid conference.

'Allameh Naqvi conceded that the world media, which are mostly owned by the imperialist overlords, may react to the Tehran conference by a conspiracy of silence. That is the usual fate of any international development which works to the benefit of the Muslim nations. And no doubt they will once again attempt to overshadow the conference in Iran by assaulting the world public opinion by news coverage of the Madrid conference. Thus it is up to all Muslim nations of the world to follow up the movement which has begun here in Tehran.

**Commentary Views Israeli Attacks in South Lebanon**

LD0411051891 Tehran Voice of the Islamic Republic of Iran in English 1930 GMT 3 Nov 91

[Unattributed Commentary]

[Excerpts] In the wake of successive brutal attacks by the Zionist regime against South Lebanon, a wave of concern has swept political circles and the people of Lebanon. In the past week, especially in the last five days, the Zionist regime has been carrying out wide-ranging ground and air operations against south Lebanon.

As a result of these attacks, involving artillery fire, air raids, and missile assaults, thousands of Muslims in that region have been forced to leave their homes. With the intensification of these attacks by the Zionist regime, the Lebanese prime minister announced yesterday his support for the resistant south and for bolstering the Lebanese army's strength in the south of the country. In the same connection, the Lebanese Army command in south Lebanon, in a contact with the leadership of Hizbollah, called for coordination and solidarity between these two forces to counter the invasive acts of the Zionist troops. [passage omitted]

Successive attacks by the Zionist regime in the past five days have come under conditions when, as a result of (?hurried) U.S. diplomatic efforts for the so-called peace, the Madrid conference is now entering its second stage. These attacks against southern Lebanon have special significance in view of the Zionist regime's (?contention about pacifism). [Word indistinct] regime has repeatedly said that it is unwilling to leave south Lebanon, calling for bilateral talks and the conclusion of a peace treaty with Lebanon as the only way leading to the settlement of the dispute with that country.

In the opinion of political observers, Israel, by adopting such a policy, wants to link the occupation of south Lebanon with the Arab/Israeli dispute in the course of the Madrid talks, intending to (?moot) UN Security Council Resolution 425 at these (?parleys).

In view of the latest aggressions by the Zionist regime, it appears that Tel Aviv is seeking to create a new security zone and use it as a (?pressure) leverage against the Lebanese and Syrian statesmen during the Madrid talks. Some other observers say that, as already specified by Zionist officials, continued occupation of South Lebanon is considered vital for Israel, and it will probably negotiate with Lebanon over withdrawal from the newly occupied region.

At the same time, U.S. backing for the Zionist regime, too, confirms the point that Washington is in favor of the south Lebanon issue being resolved through bilateral talks. The reason is that Washington, in its assurance letter to Lebanon, has made the Israeli withdrawal from south Lebanon subject to negotiations. At any rate, occupation of [word indistinct] country on any grounds

is unacceptable under international law and (?common practice). And the UN Security Council is expected to show further decisiveness to enforce its resolution in the case of Israel.

(?As common said) by a resistance leader, putting hope in international resolutions for the liberation of occupied Lebanon has proved unproductive so far, and the only option is to liberate the Lebanese soil through resistance and combat with the Zionist enemy.

#### **IRNA on Bilateral Finance Talks With France**

*LD2510135991 Tehran IRNA in English 1305 GMT 25 Oct 91*

[Text] Tehran, Oct. 25, IRNA—Deputy Foreign Minister for Euro-American Affairs Mahmud Va'ezzi who arrived in Paris last Wednesday discussed the trend of Tehran-Paris relations with French Minister for Foreign Affairs Roland Dumas Thursday night.

Both sides felt satisfied with the progress in negotiations to solve the Tehran-Paris financial dispute, and said it can effectively pave the way for promotion of bilateral relations.

Stressing expansion of bilateral relations, Dumas cautioned that attempts by those who are against consolidation of Iran-France ties should not be ignored.

Va'ezzi agreed with Dumas, and felt confident that once the document for the final settlement of the financial dispute is signed by the respective foreign ministers, the two countries would have greater cooperation.

Among other topics discussed in the meeting were Tehran-Paris cooperation in international forums as well as important regional and international issues.

#### **Turkey Requests Postponement of ECO Nov Meeting**

*LD2610212191 Tehran IRNA in English 1822 GMT 26 Oct 91*

[Text] Islamabad, Oct. 26, IRNA—The summit meeting of the Economic Cooperation Organization (ECO) which was to be held in Tehran in November has been postponed upon a request by Turkey which says that the summit would collide with general elections in that country.

ECO Under Secretary-General 'Ali Akbar Farazi told IRNA today that the summit meeting of the organization which groups Iran, Turkey and Pakistan might be held in the late December if agreed by Islamabad and Ankara.

He said a ECO ministerial session would be held before the three heads of states met, during which the work of the organization's seven committees on energy, transportation-communications, industry, agriculture, infrastructure, economy-commerce and education-culture would be summarized for presentation at the summit meet.

Terming cooperation between Iran, Turkey and Pakistan within the framework of ECO as of "great importance", Farazi said the Soviet Republic of Azerbaijan has also requested membership in the organization.

An Iranian delegation headed by Deputy Minister of Roads and Transportation 'Ata'ollah Sadr is participating in a session of ECO's Committee on Transportation which opened in the Pakistani capital this morning.

#### **New Ambassador to Switzerland Named**

*92AS0178C Tehran KAYHAN INTERNATIONAL in English 22 Oct 91 p 8*

[Text] Tehran, 21 Oct (IRNA)—Muhammad Reza Alborzi was appointed Iran's ambassador to Switzerland Monday.

He replaces Hoseyn Malaek.

#### **Foreign, Judiciary Ministries' Conflict Criticized**

*NC2710194491 Tehran KEYHAN in Persian 19 Oct 91 p 18*

[By unidentified political correspondent]

[Text] We received our first report on the release of "Rosales," the Spanish sea captain, when his wife's thank-you note to Iranian officials was reported the day before his release. Once again we received and published a domestic news report from foreign sources. Two days earlier, Spanish media mentioned that their foreign minister was coming to Iran to secure the Spanish sea captain's release. Iranian officials said they hoped the captain would be released before 17 October. The Foreign Ministry yesterday issued a statement, received with immense amazement and incredulity, that Rosales had paid reparations and has returned to Spain. Following this statement, the Judiciary, in keeping with its usual practice, belatedly announced that "Rosales" was released temporarily on an arrangement with the penal court. In "Rosales'" release, as in "Roger Cooper's", and "John Pattis'" release, certain points are ambiguous and merit attention: In a world in which minutes and seconds play a vital role in conveying information, why is it that the report of something that happened in Tehran in which Judiciary and Legislative officials were involved should be received from foreign news agencies first, even after their analyses and commentaries have been completed?

Should foreigners be allowed in the domestic media so we can have access to reliable and correct information? The double standard perceived in the Foreign Ministry and Judiciary statements on "Rosales'" release is important. The Foreign Ministry announced that "Rosales" was released after paying reparations. The Judiciary mentioned a temporary release. Who has the last word, the Judiciary or the Foreign Ministry?

Should the people not know how "Rosales"—who was charged with gross negligence resulting in the death of 16



Iranian fishermen and who, in the words of the Spanish foreign minister, may remain in prison for many years—despite the complicated and sensitive nature of the efforts to release him, was released so easily?

### **Militant Clergy Association Statement on Madrid Conference**

*NC0511120291 Tehran KEYHAN in Persian 21 Oct 91  
p 14*

[“Text” of a statement issued by the Tehran Militant Clergy Association—place and date not given]

[Text] When world-devouring America is as a slave-driver with its usurping presence in the Persian Gulf, hegemonistic and arrogant as the star sets in the east and the Red Empire falls, the so-called Middle East peace conference is a new phase in the Camp David agreement and a fresh plot aimed at intensifying America's satanic influence in the region, strengthening the despicable Israeli regime by recognizing Arab governments, preventing the spread of Islam, and weakening the Islamic ummah by spreading the cancerous tumor of Israel in the heart of the Islamic lands.

As His Eminence Ayatollah Khamene'i said, this incident cannot be compared with any of the plots engineered by arrogance because the issue here is one of usurping a country, leaving a nation homeless, and separating, ultimately tearing apart a piece of the Islamic world and the first Muslim kiblah. Yes, by convening this conference, America and its supporters are trampling on the holy blood shed by martyrs and committed combatants of the oppressed Palestinians, and trying to cast into oblivion 45 years of crimes perpetrated by the regime occupying Jerusalem. By separating dear Palestine from the bosom of Islamic countries, handing it over to the Zionist mercenaries, they want to fulfil Israel's longlasting desire, from the Nile to the Euphrates. They ignore that the brave Palestinian Muslims—by choosing to follow the path of jihad and martyrdom, turning their backs on some compromising hypocrites who claim Palestinian leadership—thwart all the enemy's sinister plots and will not rest until, with god's help, they release holy Jerusalem; return the occupied territories to their true owners; and form an Islamic rule in Palestine. The world's alert and free-thinking Muslims will not spare the intifadah the necessary Islamic assistance.

The Tehran Militant Clergy Association, while condemning this treacherous conference, supports the Revolution's esteemed leader's life-instilling message and hopes Muslim governments and nations will follow the directives, complete the tasks set out by the guardian of the Muslim cause, and carry out their important Islamic mission as well as they can. The world's Muslims, in general, the 'ulema and scholars of Islam, in particular, are expected to meet and disseminate propaganda uncovering the wretched and sinister intentions of the great satan and its supporters. They are expected to voice their opposition to this contrived conference and prove

to the leaders of world arrogance that their success in staging the conference will enrage the world's 1 billion-plus Muslims. They are also expected to force Islamic governments to react to this immense treachery and realize that at this crucial moment their silence will not be justified. We are grateful to the dear participants and organizers of the International Conference in Support for the Palestinians' Islamic Revolution held in Tehran. We hope that this great gathering, a turning point in Islam's history and a source of hope for the world's Muslims, will help find effective support for the Muslim Palestinians' uprising until the positive objectives envisaged are fulfilled. With hopes for the victory of Islam over world blasphemy.

Peace be upon all the righteous believers.

[Signed] The Tehran Militant Clergy Association.

### **Commentary Views Political Solution to Afghan 'Crisis'**

*LD0911140891 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1049 GMT  
9 Nov 91*

[Station commentary]

[Text] In the name of God, the Compassionate, the Merciful. Greetings to our dear listeners.

Afghanistan is passing through fateful times as political efforts continue by the leaders of Afghanistan's Jihad aimed at putting an end to that country's 13-year crisis. These efforts come on the threshold of a visit by them, headed by Burhaneddin Rabbani, to Moscow to meet and talk with Kremlin officials.

According to available reports, the head of the Mojahedin team, Rabbani, told reporters before departure that his team would also pay a two-day visit to Saudi Arabia prior to going to Moscow. So, the team that left Peshawar yesterday is now in Arabia.

Political observers believe that these efforts point to an amelioration in international atmosphere for finding a political solution to the problem of Afghanistan; specifically because Moscow recently has declared its preparedness to put an end to that country's crisis. Therefore, the visit to Moscow by the Mojahedin team merits an assessment.

Meanwhile, Sebghatollah Mojaddadi, head of the provisional government of the Afghan Mojahedin, and also Khaleqyar, that country's prime minister, have said on their return from New York that in the future a joint meeting would be held under the chairmanship of the UN secretary general with the participation of all parties involved. These remarks also point to the swing toward a political solution to the Afghanistan crisis.

Yet, it seems some basic obstacles in the way of arriving at an all-embracing agreement continue to persist. Currently, several Mojahedin leaders stationed in Peshawar,

continue to oppose the existing trend of political efforts. Also the proposal on negotiation with the Kabul government and the wing attached to Zaher Shah, which has been recently raised, have made the internal affairs of Afghanistan complicated.

What makes the situation even more complicated is the agreement by America and the Soviet Union on principled problems of Afghanistan coupled with a failure by Afghan Jihad groups in uniting and adopting more consolidated political measures.

Although there are no precise details available on agreement between America and the Soviet Union, the debate is on a political solution based on division of power among three internal wings in Afghanistan—the wings headed by Mojaddadi, Khaleqyar, and Zaher Shah. It is said that the UN secretary general's task is to invite them to talk about existing points of views on ways and means of participation in the future government.

Undoubtedly, a gradual transfer of power from the existing rulership to a transitional government is the main view now being raised by the political circles of the parties involved.

Political observers believe that it is possible to expect a basic development to take place in the Afghan crisis if these plans are implemented; that is, if the UN secretary general succeeds in obtaining the approval of the parties involved to form an all-embracing national government and to establish a transitional period in which, with the participation of qualified political leaders, a valid mechanism is created to transfer the power to a government duly elected by the people.

In any case, with due regard to prevailing international conditions, Afghanistan is now on the path to a political solution. Obviously, a political solution cannot embrace all the demands of all belligerent parties.

Therefore, it is expected of the leaders of Afghan jihad groups fully to grasp that reality, and having done so, to guarantee the future of their Islamic country by maintaining unity and solidarity and shunning sectarian prejudices.

The unity of the jihad groups in Afghanistan, especially under conditions in which they gather in Moscow, is one of the most important instruments of success in the political arena. Undoubtedly, coordination and unanimity of the jihad leaders under current conditions, on the threshold of meeting in Moscow, is necessary and important.

### **Daily Warns Against Political, Cultural 'Liberalism'**

*NC1111113291 Tehran RESALAT in Persian 27 Oct 91 p 1, 11*

[Political commentary: "The Link Between Political and Cultural Liberalism!"]

[Excerpts] Whenever something is said about the Western cultural offensive, one group in our country says

that our country's economic situation is such that it precludes any confrontation!

No one doubts that there is a link among the country's cultural, political, and economic problems. Claiming the solution to the problem of "social degradation" can be achieved by improving the economic situation is, however, only an escape from dealing with the essence of the matter. The outcome of this is that some are questioning the great achievements of a prideful decade since the revolution. It is only the unholy link of political and cultural liberalism that can cast these achievements into oblivion.

The surprising thing is that some people who, until yesterday, supported the state economy (economic radicals!) have now accepted political and cultural liberalism in one fell swoop!

They have a prescription to heal the cultural offensive: "Self-confidence and national pride will strengthen our walls in front of the tempest of the West's offensive." [passage omitted]

Have we forgotten that the nationalists made the following official announcement: We oppose the implementation of divine statutes!? Have we forgotten how foolishly they reacted to the bill on Islamic punishment, proposed by the late martyr Dr. Beheshti?

Those nationalists who were the targets of inaffection did not show any affection to Islam or the nation. They wanted to sell the country to Mr. Brzezinski. Some of them respected Carter more than the imam and respected the views of the American public more than the views of their own compatriots!

Their government spokesman proved to be a CIA spokesman! Their Bani-Sadr fled the country disguised as a woman, hand in hand with a monafeq [hypocrite—term used to described the Mojahedin-e Khalq Organization]! Some of them are writing poetry and stories and are ridiculing the revolution. What they get in return is enough money to meet their opium needs!

How can we show them "affection!?"

Those who wear the medal of political and economic radicalism on their chests should not show off their epaulets of cultural liberalism and speak about "awesome impacts," "negligence and connivance," and "the health and chastity of society!"

We cannot attack the most natural revolutionary values, Islam, the system, and the imam and then say—as Mohsen Armin's article in the 2 October issue of SALAM—entitled "Cultural Offensive and Ways to Confront it" said—"Social freedom and security should be expanded. Freedom-killing and thought-burning ideas should be banned."

As stated in the same article: Is this not tantamount to giving the green light to the nationalists!? What does it really mean when we issue orders for freedom and social security and grant permission for liberal ideas to be expounded? Do those who think that following the imam "detente with the West was given priority in foreign policy" not think that giving the nationalists the green light is tantamount to a type of "detente with the West?" If you are committing this crime in public, why are you accusing others of doing it? People consider a "green" light to the nationalists to be tantamount to a "red" light to them. Let us not test twhat has already been tested.

**Tehran on Obligations of Law Enforcement Forces**  
*NC1211153291 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0430 GMT 11 Nov 91*

[Central News Unit Research Group commentary]

[Text] In the name of God. The three-day session of commanders, officials of law enforcement precincts countrywide, and central headquarters of the Islamic Republic of Iran law enforcement forces were convened in the presence of the Interior Minister Hojjat ol-Eslam val-Moslemin Nuri.

Maintaining internal and foreign security is the general need of every active political system in the world, and every country has equipped its forces responsible for ensuring internal security and safeguarding its borders with foreign countries. In our country, the security forces, law enforcement, and military forces were divided in various forms under various names, engaged in their respective duties. These activities were relatively successful but there were shortcomings because their obligations were separate, there was no joint command, and no coordinated planning.

To resolve the difficulties stemming from lack of coordinated planning and joint measures, law enforcement forces were merged for unified policymaking, upgrading their capability and strength for performing assignments delegated to them, and to expedite the review of people's complaints and difficulties.

One of the most fundamental effects of the merger was to bring law enforcement forces, as a revolutionary organization, closer to the people. More extensive facilities and the additional personnel created by three forces functioning as one facilitates speedier handling of assignments, greater coordination, and unified nationwide action.

Security, comfort, people's welfare, and the safeguarding of revolution gains, within the framework of law, are the law enforcement forces' objectives. To capitalize on the collective management under its command in terms of revolution values, and to allocate the necessary value to the efficient and dedicated forces, the law enforcement forces should follow the objectives of the Islamic Republic of Iran's system.

The Islamic Revolution of Iran is an ideological revolution relying on popular forces. In its pursuit of revolution objectives it is a constant target for attacks by internal and external counterrevolutionary forces. Following the Islamic Revolution, enemies tried their utmost to lure society's youthful forces toward corruption and to remove this true wealth from the struggle against colonial and arrogant powers.

The youth of any country are its society's most important resource, endowed with a high level of cultural acumen, the power to analyze, assess, and take political action. A colonialist country's objective for a Third World country is to contaminate its youth with vices and social aberrations. One of these, the scourge of addiction, has plagued society, especially Third World countries.

Polluting youth with drugs is the danger knell for the society wishing to attain security and durable stability: The youth are the true guardians of a society's political, economic, and social values. In every country, establishing internal stability and security is extremely important. In a turbulent atmosphere without security, correct economic, political, and cultural activity is jeopardized, and, in an insecure environment, the psychological stability of the people is exposed to serious danger.

In these circumstances the pillars of the country's political system also come into question and danger: The atmosphere of peace and stability is the prerequisite of a capable political system under which democratic and lawful freedoms prosper and flourish, shaping the possibility of continued legitimate political activity.

Tackling insurgents and merchants of death, attaining security and comfort should be at the top of the law enforcement forces' obligations. Today the insurgents and drug smugglers are treated no differently to foreign aggressive forces. Combating drug smugglers is a step toward protecting the well being and lives of the younger generation which, unprotected, will fall prey to various plots.

#### **Khorramshahr-Abadan Bridge Reconstructed**

*LD0411093691 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1730 GMT 4 Nov 91*

[Summary] The reconstruction of the massive Khorramshahr bridge has been completed. The 474 meter long and 11 meter wide bridge spans the Karun River. Its reconstruction cost 2.5 billion rials allocated from the reconstruction credit fund. The bridge, which is the only link between Abadan and Khorramshahr, was destroyed during the imposed [iran-Iraq] war.

#### **Population Growth Rate Expected To Drop**

*92AS0178D Tehran KAYHAN INTERNATIONAL in English 22 Oct 91 p 1*

[Text] Tehran (IRNA)—Iran's population growth rate is expected to drop to 2.9 percent per year from the present

3.4 percent, by the end of the current five-year development plan (March 1995), according to a Health Ministry official here Sunday.

He said five billion rials have been earmarked this year by the Health Ministry for implementing the family control plan, which offers various free-of-charge birth control devices and surgical operations to needy families.

The Health Ministry official said that this year additional graduates in medicine will be sent to remote towns and less privileged villages to offer their services which, he said, will be an aid to boosting the health standards in those parts of the country.

## PAKISTAN

### **Mahajir-Sindhi Relations: Amelioration Policy Sought**

92AS0229C Islamabad *THE MUSLIM in English*  
1 Nov 91 p 9

[Article by Sultan Ahmed: "Our Main Artery Threatened"]

[Text] Pakistan's principal communications artery from the north to the south or vice versa—is increasingly running the risk of being torn asunder. It has already shrunk to a considerable extent or gets interrupted from time to time for brief periods, but the efforts to snap that for longer periods is gaining momentum or ferocity almost every day now.

Officials flying into Karachi from Islamabad or flying back at public cost may not sense this increasing threat to national integration; but it is real, and can be ignored only at grave peril to national solidarity.

Non-officials seeking to travel between Karachi and the north of the country other than by air are finding it pretty hazardous. And air travel has become even more costly following the 20 percent rise in PIA [Pakistan International Airlines] fares. And families which want to go north and return find the air travel too costly but using other means of transportation can be increasingly hazardous, even trains for that matter.

Well-to-do persons who used to go north from Karachi by their own car find that risky for a long time now. Hijacking of the car earlier, and now kidnapping of the passengers are real threats. Some of them began going by coaches or luxury buses but the Blue Line coaches have been attacked and their passengers robbed several times.

And those who chose to go by the common and crowded bus following their belief in security through numbers which a large bus provides, have had their tale of woes.

The buses are hijacked and a large number of passengers kidnapped. After interrogation many of them are released, while some are detained to be set free after the ransom is paid.

Even without being stopped and robbed, the buses run the risk of being fired at, and more intensely if they do not stop, damaging the buses as well as injuring a number of passengers.

Those who travel by train have been facing three kinds of hardships: (1) Students or other young men can move into the upper class compartments and drive off their passengers and occupy them without tickets. (2) Passengers get robbed from time to time without protection from the police, even if present on the trains and made aware of the operations of the robbers. (3) Firing on the trains by dacoits which scares the passengers and results in injuries to them.

Last Sunday night the Express train going from Karachi to Peshawar was attacked between Larkana and Habibkot—near Allah Dadan Railway station using not ordinary guns or Kalashnikovs but with rockets by dacoits who sought to rob the train.

Driver Khushal Khan Khattak tried to speed up the train despite the rocket attacks on the engine as well. The engine was damaged along with four sleepers which were burnt. The dacoits had also tried to set fire to the tracks. Ultimately the train had to stop. And while non-official reports spoke of looting and injuries to passengers, the railway authorities claimed the efforts to loot the passengers were foiled by the police and railway guards.

The railway authorities are trying to reduce the hazards to the passengers by reducing the number of stops of the Express and other major trains. For example the Madheji Station at which a train was robbed and 25 passengers were kidnapped a few months ago was recently removed from the list of stops; but that does not stop the dacoits as they can block the tracks or fire at trains to stop and loot them.

The railway authorities claim increasing the number of cops and guards on the trains but that has not checked the rising crimes or increasing robberies. And if the dacoits are going to hurl rockets at trains from regular or make-shift rocket launchers far off the cops or guards on trains can't stop them.

Presence of armed forces personnel in some railway stations has also not deterred the dacoits and other elements from operating elsewhere.

And now a serious new threat to passengers coming south via the interior of Sindh from the north is that their trains can be stopped by students and other young men at Larkana and Sukkur who seek to check their passports and ID cards to ascertain whether they are Biharis or Bengalis coming into Pakistan illegally to settle down in Sindh.

Last Saturday not only Jeeay Sindh students but also activists of the Saraiki Province were reported to be checking the passengers of several trains, particularly in the lower class compartments and removing a number of persons whom they suspected to be Biharis from Bangladesh or Bangladeshis themselves.

Such persons are then handed over to the police to be detained and questioned further or for sending back to Bangladesh. Even if Bangladesh accepts the genuine Bangladeshis it would not accept Biharis whom it regards as Pakistanis—particularly those who had declared themselves as Pakistanis in 1972 when they were given the option to choose between the two countries.

But it is not Biharis and Bangladeshis alone who suffer through such interruption of the trains and checking of their travel papers and taking down a number of them from the trains, but also genuine Pakistanis. And as the rift between the Sindhis and Mohajirs widens, and both continue to be militarily antagonistic to each other, travelling though trains can become difficult, while travel by other means could result in falling victim to dacoits or kidnappers.

It is not a simple law and order problem which could be solved with the employment of more policemen or induction of army units at strategic places. Along with that, lawlessness in Balochistan is on the increase and those who thought they could go to Karachi for holidays in Quetta or places in Balochistan are finding it difficult. Bus passengers are falling victim to attacks on them, like the two men who were killed by firing by dacoits on a passenger coach coming to Karachi from Khuzdar via the TCD Highway on Sunday. While going to Quetta via Sindh is becoming risky, the highway going into Balochistan directly from Karachi is not very safe any more.

The issue between Mohajirs and Sindhis has to be tackled on a political basis. Jam Sadiq Ali as Chief Minister may get on well with the MQM [Mohajir Qaumi Movement] chief Altaf Hussain, but that can't be said of the people of the two categories in the province. Instead of the divide and rule or divide and destroy policy being escalated, a political settlement has to be sought earnestly. The Sindhis are insistent they will not permit Mohajir domination in Sindh and Mohajirs being made a majority in Sindh through the infusion of more Mohajirs from East Pakistan. Nor do they want to allow an increase in the ranks of the supporters of MQM and followers of Altaf Hussain.

But the tragic aspect of the whole exercise is that while a quarter million people of Bihari origin who are identified with Pakistan are still in Bangladesh, half a million Bengalis have reached Karachi and altered its ethnic composition in a different manner. Many factories in the outskirts of Karachi have Bangladeshi workers who came here illegally. Some are the cooks and other domestic servants of many well-to-do persons of all

kinds, including Sindhis. And it is going to be almost impossible to dislodge them. They are very quick to buy Pakistanis ID cards and passports after their arrival here and the corrupt officialdom is quick to furnish them with such documents.

Despite the twists and turns of such developments the rulers in Islamabad in whose hands the rulers of Sindh are merely playthings, have to strive for a political settlement in Sindh, acceptable to both sides. And the Mohajir leaders have to do all they could to remove the legitimate fears of Sindhis and end the outflow of bitterness between them.

Otherwise the militant elements in the interior of Sindh can snap the artery that connects the south to the north at will, if not for good. Pakistan cannot afford to employ a large force to prevent, particularly those who use rocket launchers, to fire rocket at trains. If the artery of the nation is blocked in this manner from time to time while travel by PIA becomes increasingly expensive, national integration will be its casualty. And crime in Sindh will have its deadly imitators in the Punjab and Balochistan, as is already happening.

#### Commentary Laments Post-Independence Decadence

92AS0229B Islamabad *THE MUSLIM in English*  
1 Nov 91 p 6

[Article by Afzal Iqbal: "Four Decades of Decadence"; quotation marks as published]

[Text] There is something rotten with a system in which treason, treachery and tyranny are acclaimed as heroic acts. The traitor is treated as a saviour and the criminal is credited with courage. And those who dare seek deliverance from these delusions are silenced, tortured, maimed and mutilated. Absolute power has corrupted our rulers absolutely. They have had their way since the demise of the Quaid-e-Azam.

Nawabzada Liaquat Ali Khan combined the offices of the President of the Muslim League and the Prime Minister of Pakistan in his own person. He sought to obliterate the fundamental difference between state and government. Anyone who would not vote for the Muslim League was dubbed a traitor. For the first time in our history, the Centre intervened in provincial elections and secured "positive" results. Intrigue, intimidation and intolerance became an integral part of politics which quickly lost the Quaid's stamp of integrity and incorruptibility.

The antics of Daultana in the Punjab and the diktat of Qayum Khan in the NWFP [North-West Frontier Province] are familiar phenomena of our politics. They were the great Moghuls—their word was law. There was no such thing as respect for the Constitution. The rulers were above the law. Ghulam Mohammad, Gurmani, Iskander Mirza, Ayub were all cast in the same mould.

They were chips off the same block. Professional politicians promptly fell in line. Those who faltered were deprived of the plums of office. And a politician without power is a person without lungs. He cannot breathe. Floor-crossing was common and carried no stigma. The philosophy of power has no relevance to ethics and morality. Success is all that matters. The end justifies all kinds of means.

Ayub's 'Decade of Development' was a masterly piece of deception. It made the rich richer, and the poor received plenty of promises. It is strange but true that a man who was later to transform the entire ethos of our politics was picked up to become the youngest cabinet minister because he was a dashing handsome wadera and could be depended upon to toe the line. Iskander Mirza discovered Z. A. Bhutto and Ayub retained him until he became an intolerable threat. After the rule of two military dictators viz, Ayub and Yahya, Bhutto became a civil dictator. A champion of the poor and the down-trodden, he had no patience for the dilatory dictates of democratic debate.

In trying to sweep away all obstacles in his way he assumed presidential powers and then came round to devise a constitution in which the Prime Minister became the Chief Executive and the President was assigned a ceremonial role. The popular concept of personal power is so strongly entrenched in our mind that the name of the constitutional president—Choudhry Fazal Ilahi—became a common joke in our society. People crave for a man of courage, candour and charisma. Bhutto had all these qualities. His followers did him grievous wrong in trying to perpetuate his power by unnecessarily rigging a general election—a tradition they followed without realizing that in doing so they were compromising the very cause they were seeking to espouse. Their leader paid the price for this folly but those who had betrayed him served his tormentor and executioner.

Zia who was catapulted by Bhutto for his mediocrity, loyalty and lack-lustre personality soon discovered that it was power that lent prestige to people and he, therefore, struck at the first available opportunity. He tore the constitution into pieces. His treason was hailed as an act of service to the nation. He was welcomed as a hero of Islam which was exposed to danger under a democratic dispensation. Zia set about to revive the glory of Islam. He had dreamt of setting up a Khilafat after the successful conclusion of the Jihad in Afghanistan which was waged with U.S. money against Godless communism.

Never was Islam exploited so deftly for a decade or more by a devious dictator. The devil himself could not have done better. But those who live by the sword do not realise that they can also perish by it. With all the repression of an illegitimate regime and all its devices to destroy the will of the people, the fraudulent referendum failed to secure legitimacy from an unwilling people. Notwithstanding all their sufferings—imprisonment, exile, flogging, torture, executions, the people pledged

their loyalty to a party founded by Bhutto. His daughter became the first female Muslim Prime Minister in the history of Islam. All the forces which feared change in status quo—landlords, generals, industrialists, capitalists and the mulla—conspired to oust a modernist regime which showed some awareness of the contemporary needs. The Prime Minister was ousted, not by a vote of no confidence in the Parliament but by the power assumed by the President under Zia's regime through the Eighth Amendment to the Constitution of 1973.

The election of 1990 has been widely challenged for its massive rigging but the drama of dubious democracy continues. The mere fact that the rulers have doffed their uniform does not make it a democracy. The legacy of Zia is there for every one to see. Our rulers are the close associates, supporters, friends and relations of the worst dictator we have ever had in our history. The old wine has the same vintage although it is now sold in new bottles. The cosmetic change does not deceive any one. The show of sherwani instead of the military uniform is not the badge of democracy. The threat of martial law is frequently flaunted by the so-called democratic government to protect and protract its own life under the umbrella of the armed forces. A straight-forward martial law would be better than the civil version for the mask would then be lifted and we would know exactly where we stand.

It is significant that all the three constitutions we have had so far—1956, 1962, 1973—none devotes a clause to the provision of basic needs to the people. They are guaranteed rights to life, liberty, expression and association but not the right to food, shelter and a piece of cloth to hide their shame. We have still to find our own fig leaf, our own piece of bread and our own abode under the sky. And these we cannot hope to find unless we are rescued from the clutches of the landlord who has so far successfully defeated all efforts at reducing their power and authority. The Jagirdar and the absentee landlord has so far dominated all the three constituent assemblies and he continues to retain this overriding authority in the current parliament.

Unless people can rise and make it abundantly clear that they stand unequivocally for the abolition of this vicious system which militates against the basic dictates of Islam, the overwhelming majority of the people will continue to be treated as serfs and slaves by our feudal lords. They can get away with murder, abduction and rape. Their rapacity is repulsive. Their capacity to inflict injury on our people is unlimited. Any system that continues with this inherent injustice cannot be expected to command the respect and allegiance of the people.

There is no stability in our system. The sense of self-respect is lamentably lacking. The basic requirements of law and order have yet to be met. The lapse of nearly half a century has failed so far to create a consensus on the basic minimum standard of ethics and morality. The debate on the virtues and vices of the presidential and

the parliamentary system of government has been dismissed by some as utterly irrelevant while others wish us to go back to the first century of Islam in search of an ideal Khilafat for the pure land of Pakistan. Even if it were possible to go back in time it would not be wise to turn back the clock. By doing so we would be creating a mere illusion for ourselves for even relative time will escape our grasp and we will be left with the sands of an idealised desert in our hands. No castles were ever built on sand and we are looking for a concrete foundation for our society. Any framework that we constitute to solve the basic requirements of our countrymen must take the following factors into serious consideration:

- 1) Radical land reforms must eliminate the immense influence of jagirdars, zamindars, sardars etc. Absentee landlordism must be abolished and landless labourers must be given proprietary rights over land they have tilled for centuries.
- 2) Judiciary must be immediately separated from the executive and power of the State must be decentralised with a view to providing cheap and quick justice to the people.
- 3) The concept of administration must undergo a revolutionary change. The professional civil servant who heads the district must be replaced by an elected representative of the people. Nowhere in the civilised world does a young bureaucrat rule over the destiny of millions of citizens without being directly accountable to them. The same should apply to police and other forces which should be recruited and run by the elected representatives to whom they should be answerable for their conduct.
- 4) All political parties should be required by law to conduct free and fair elections in their own organisations. Their accounts should be regularly audited and submitted to the people.
- 5) State policies should be framed and implemented in a manner which ensures effective participation of the people in the political process and guarantees equal rights to all citizens irrespective of their religion, caste or creed. Any discrimination on the basis of sex, religion and property should be outlawed.
- 6) All citizens should be guaranteed the minimum basic needs of food, water, shelter, clothes, health and education.

The last is certainly not the least. Unless this right is made part of our fundamental rights and is made justifiable the poor will remain poor. And poverty, as the Prophet (PBUH) said, provokes grave dishonesty. An empty stomach has little use for debates on democracy. It will upset the apple-cart if the pangs of hunger become too painful to bear and then there will be blood, revolution and indiscriminate destruction. Constitutions must anticipate such an eventuality and frame laws which can effectively prevent the massive holocaust which will

destroy everything it touches. That will be the end of all political process—good, bad or indifferent.

### **Chaotic National Assembly Session Described**

92AS0229D Islamabad *THE MUSLIM in English*  
1 Nov 91 p 12

[Article by Mohammad Yasin: "Bitter End to a Sour Beginning"]

[Text] Islamabad, Oct 31: Last day of the ninth session of the National Assembly was dominated by two walkouts by the PDA [People's Democratic Alliance] and like-minded MNAs [members of National Assembly] and a blistering attack on the government of Prime Minister Nawaz Sharif by the former Prime Minister Ms. Benazir Bhutto [BB] at her news conference held in the cafeteria.

Beginning in the midst of the explosive issue of cooperative scandal, the ninth session of the National Assembly ended on a note of bitterness and disharmony. Thursday marked completion of one year of the present National Assembly. It set today another record by passing five bills in just two hours. But in the course of the one year of its life, the present National Assembly has the unsavoury distinction of passing the 12th constitutional amendment bill within the time-frame of 30 minutes without any discussion at all. The five bills were passed today in the absence of the opposition members. Another feather in the cap of the present National Assembly is that most of the bills were passed in the absence of the opposition members. No wonder, the present National Assembly adopted during the one-year period in all 20 bills including the enforcement of Shariah bill 1991 and the constitution (Twelfth Amendment) bill 1991 and the finance bill.

Quorum syndrome hit the house immediately after the recitation of the Holy Quran was over. When lack of quorum was pointed out by the PDA's Rafiq Mehsar, the Speaker ordered the bells to be rung for five minutes before the counting of the heads. Thankfully the quorum was found to be in order.

The trouble emanated when Ch. Altaf Hussain of the PDA objected to the Minister of State for Parliamentary Affairs' plea for suspending the question hour as well as time for adjournment motions on the ground that important legislative business should first be taken up before House was prorogued.

Deputy Leader of the Opposition Afzal Khan contended that for the opposition the question hour and adjournment motions were the only means of agitating the grievances of the public. He said that even if this right of the opposition was snatched away by the government through the brute majority it wielded, there was no justification for the opposition to sit in the House. At this, all the opposition members walked out. Minister of Law Abdul Ghafoor and Minister for State Naeem Chattha went to the cafeteria to persuade the opposition members to return to the House. The Ministers



explained that since the House was going to be prorogued today, the important legislative business needed to be completed. In response to this, the PDA members suggested the holding of two sessions today. But the Ministers did not appear to be responsive to this suggestion. Minister of Law Abdul Ghafoor said that the Prime Minister had asked the treasury benches to complete the legislative business before the House was prorogued. Mahmud Khan Achakzai and Ch. Altaf Hussain urged the ruling party to abide by the rules. Ultimately the minister for law agreed that the adjournment motion standing in the name of the deputy leader of the opposition on the Mohamand Agency affair would be allowed to be taken up in the House. The opposition agreed to end the walkout. When the opposition MNAs and the opposition leader Benazir Bhutto went to the House and pressed for discussing the adjournment motion, the Minister of State for Parliamentary Affairs Ch. Amir Hussain opposed this. The opposition members told the Speaker of the agreement reached by them with the Minister of Law on moving of the adjournment motion. When the Speaker asked the law Minister to give his version on the agreement, the Law Minister came out with a different stand which was in reversal to the promise he had made with the opposition. He argued that they had not reached agreement on moving a specific adjournment motion. This provoked Achakzai to say that if the Minister had gone back on his commitment, the opposition would not sit in the House and instead stage a walkout. Minister of State for Frontier Regions Yaqoob Khan Nasir said that if the adjournment motions were to be taken up now, he would not be in a position to make a reply. Iftikhar Gillani retorted that when the House did not deliberate over any bill in accordance with the rules, it was no legislation at all. He taunted the government with the remark that it passed the constitutional Amendment Bill in just 30 minutes. Finally the opposition again staged a walkout and did not return to the House for the rest of the day.

There were around 45 members in the House when the ruling party went ahead with lawmaking and did not encounter any resistance from those sitting in the House.

Benazir Bhutto in her longish address at the crowded press conference in the cafeteria was more severe on the Prime Minister. There was no criticism by BB of the President even indirectly. The sum total of her press conference was the damage which she thought the Prime Minister was causing to the national economy by his privatisation policy. She equated the privatisation policy of the Prime Minister to Juma Bazar shopping. BB viewed her party as issues-oriented party and took the plea that she was not against personalities.

During the just-ended ninth session Prime Minister Nawaz Sharif attended the session only once but unfortunately that day the House was adjourned to meet on next day on account of the lack of quorum.

### Commentary Questions PPP's Qualifications

92AS0167E Islamabad *THE MUSLIM in English*  
21 Oct 91 p 7

[Article by Anees Jillani]

[Text] The coming of winter has taken my mind back to the days of MRD [Movement for the Restoration of Democracy] agitation in 1983. I was in Lahore then where the movement did not take off from the very first day, and it was almost ending during the days of October. Despite the lack of public participation, however, one or two PPP [Pakistan People's Party] workers used to court arrest daily in the Regal Chowk on the Mall Road. And hundreds, if not thousands, like myself used to come daily to witness the arrests. Some workers would suddenly emerge from the crowd raising prodemocracy slogans. The crowd would respond with some slogans of its own. The workers would be grabbed and dragged to the police truck, and the crowd would disperse, or was sometimes forced to do so by the police.

I always marvelled at the courage of the workers courting arrest. Those were the heydays of Martial Law when suppression was at its zenith. And knowing fully well the treatment to be meted out to them, there were people offering themselves for such treatment. Such was the conviction of these marvelous workers, and so much love for democracy and hatred for Martial Law existed in the hearts of these people.

But then things started to change. Benazir Bhutto left for London in January 1984 for medical treatment under circumstances that remain shrouded in mystery to date. Partyless elections in February 1985 took place, and Benazir came back to Lahore to an unprecedented welcome in April 1986. But the workers soon started to become disillusioned with the attitude of the new Party leadership. Benazir was constantly talking of issues that were of no concern to the common man, and things that mattered to the man on the street were publicly avoided by her. People perceived a gap between the leadership and themselves, and Benazir continued to ignore it on the basis of feeling engendered by her father's tragic assassination.

The result was a hung parliament elected in the 1988 elections. It was still not too late for the PPP leadership to turn around and change its policies. But it was not to be! Instead of trying to improve itself and change its policies, it genuinely believed that had there been no rigging it would have won 40 out of 200 seats for the National Assembly; and that the whole establishment, including the armed forces, the ISI [Inter Service Intelligence], the President and the bureaucracy, were out there to oust it. For what? PPP after all is not an "alien" totally isolated from the rest of the society. Members of the armed forces, the ISI and bureaucracy and their family members also privately support and vote for the PPP as it is their legal right—it is part of Pakistan. But the Party leadership for some bizarre reason continued to act as an "alien" in its own country.



PPP came to power and ruled the country for 20 months. But it cannot claim credit for a single major achievement. It was an incompetent government of mass confusion with the added disadvantage of being fatally corrupt. It not unexpectedly lost the October 1990 Elections. And it was again rigging except that this time it was on a massive scale. What, however, PPP fails to do is to pause for a few seconds to contemplate as to why all the powerful forces of the country allegedly are so opposed to it?

After remaining dormant for a long time after the dismissal of its government, PPP is now striving hard to make a comeback. Its policies, however, remain confusing and the workers therefore are perplexed. It takes the position that the 1990 elections were rigged but its sitting MNAs [members of National Assembly] thank their start for being elected, and appear in no mood to sacrifice their seats for their luckless brethren. Remember the amount of money you have to spend to put "the MNA plaque" on your Pajero! It is constantly expressing lack of confidence in the political system but is fully participating in partyless local bodies polls. It is accusing the present rulers of being responsible for the cooperatives collapse and being corrupt and has no explanation whatsoever for failing to take action against them during its government days. Its criticism of the President borders on the verge of being classified as "childish behaviour" but some of its leaders keep sending petition after petition to the same President for filing references against the present rulers. The same references which the Party decries to be unconstitutional.

One is not required to be a genius to figure out answers to the above questions. What has happened to the PPP since 1986 is not difficult to analyze. It has become an "Upper Class" Party. Its leaders only speak English and either are too ashamed, or unable to speak, Urdu. They wear foreign-tailored clothes; eat imported food; carry cellular telephones; have dish antennae on their houses that are always located in posh localities of the city. In other words, it is an "Upper Class" totally alienated from the local population. They are unable and in fact incapable of communicating with the common man. They are "aliens" in their own country perhaps more attuned to developments in Paris than in Mian Chunnau. They may be "trend setters" of the society but definitely not its political leaders..

And then they try to act smart by talking of the poor. The people of Pakistan are simple but they are not stupid. The collective thinking of the people is always right. They definitely get intimidated in the presence of these "leaders," but appreciate their double standards. The result is that there are no more workers willing to court arrest as was happening in Lahore's Regal Chowk during the MRD 1983 days. Why should they? Should they do it to revive the democracy they experienced during the 20 months rule?

IJI [Islamic Democratic Alliance] leaders secured loans worth crores of rupees. Why didn't the PPP proceed against them? The explanation is simple. The PPP leaders desire to do the same. Everything which the PPP leadership accuses the IJI leadership of doing, or failing to do, is valid criticism of the PPP also. The PPP supporters have seen the game, and are unlikely to be trapped again.

The criticism of the PPP leadership is of course no apology for the IJI leadership. In fact whatever support the PPP presently has can be attributed to failures of the IJI leadership. The point, however, here is that why would anyone vote for the PPP? Even if the person is disillusioned with the failings of the present IJI government, is this a sufficient reason to bring back a "rudderless" government headed by the PPP Upper Class leadership? Has the PPP ever explained as to what it would do to improve the present political, economic and law and order situation in the country? What would be different from what was done during the 1988 to 1990 period? There is no foreign exchange in the country and the rupee is constantly getting devalued. Does the PPP have any solutions? Law and order is a serious issue of concern to every citizen particularly in Singh. Does the PPP plan to resolve it by outlawing the MQM [Muhajir Quami Movement] and stopping the repatriation of the Biharis? Is it fair to give one kind of statement in Karachi and another kind in the interior of Sindh? Is it fair to keep silent in Pakistan on the collapse of BCCI [Bank of Credit and Commerce International] and call it abroad a "bank of thugs?" Don't the people realize the double standards?

PPP well-wishers may have two kinds of reactions to whatsoever has been stated above. A person considering himself or herself to be part of the "Upper Class Clique," or who is at least trying the utmost to join it, would classify it as part of IJI disinformation campaign instigated perhaps by the ISI vilification cell. The other category may agree with the above but will ask with disillusionment what can we do? A senior colleague of Benazir's in the PDA [People's Democratic Alliance] answered this question by saying that political association is always voluntary. Workers go to a Party not for employment but to serve a cause. If something wrong takes place in that Party, it is the right of the worker to leave that Party or alternatively to criticize it openly and get it changed. After all sincere political workers don't associate with political parties to earn commissions when their party comes to power and buy Hondas and bungalows in Islamabad!

### **Strengthening State Bank's Regulatory Role Recommended**

92AS0229A Islamabad *THE MUSLIM in English*  
1 Nov 91 p 6

[Article: "Strengthening SB's Regulatory Role"]

[Text] The legislation, now on the anvil, to reinforce the regulatory mechanism of the State Bank [SB] should

have been enacted long ago in response to the expansion of the operations of commercial banks and proliferation of other financial institutions over the last two decades. Apparently the task is now being assigned a special priority in the wake of the recent unhappy developments in the financial sector and to restore the badly shattered confidence of depositors, not only in the non-bank institutions but indirectly also in the stability of the entire banking order. Indeed the World Bank suggested some changes in the existing legal framework regulating banks way back in 1988 when the reform of the financial sector was being contemplated as part of economy's structural adjustments. Had appropriate action been initiated at that time it might have averted some of the recent tragic happenings and contained the bunglings of the eighties. It is known that when Mr. Ghulam Ishaq was the governor of the State Bank, he submitted a special report bringing out the reasons why the regulations already in force were proving ineffective in controlling the operations of the commercial banks. His report was one of the documents which provided the justification for the nationalisation of banks.

But regulation and supervision is enforced not only by legislation but also by tradition as well as respect for institutional autonomy. In the past the regulatory mechanism of the State Bank faltered because the autonomy of the central bank was eroded by undue political and bureaucratic interference with its working. Even the annual reports of the SB over the years lost their objectivity and independent assessment of the economy because the federal finance ministry insisted on vetting them before their public exposure. Secondly, in restoring the central bank's autonomy as well as authority, its right to control the entry and exit of new banking institutions must be re-asserted. Above all it should not function merely as an appendage of the central finance ministry if it is expected to guard the overall monetary and price stability of the country, with adequate expertise and undiluted integrity.

While any comprehensive comment on the proposed legislation must wait till all its provisions are known, one feature mentioned specifically in a press report about the insurance of deposits needs to be carefully examined. The crucial question involved is who will pay the insurance claims when the chips are down. Depositors should be guaranteed against any mishap in the banks or non-bank financial institutions. But the burden of financing the proposed insurance should not be passed onto the tax-payers through the government budget. The cost of the insurance must be borne by the privatised banks or the Insurance companies themselves. Under no circumstances must the tax-payer be made a victim of insurance claims.

#### **Article Tells Government 'Public Not Gullible'**

92AS0167D Islamabad *THE MUSLIM in English*  
21 Oct 91 p 6

[Text] The Satraps of the ruling party seem to have fallen prey to confused thinking judging by the contradictory statements they are making without a pause. They have

also had a temporary (one hopes) loss of memory since they seem to forget what the government has been doing in the very recent past which contradicts whatever they are saying now. Finance Minister Sartaj Aziz, while addressing newsmen on Saturday, said that "an established criminal, a person or a group who was involved in any 'illegal business' will be refused purchase of any public sector industrial unit put up for sale by the government." About the colour of the money that will be used for purchasing these units, the minister said it was not the responsibility of the Privatisation Commission and the government would not go into these niceties while accepting any bid. How then, is the minister going to ensure that these units are not taken over by criminals. Presumably only those convicted of a crime involving moral turpitude will be denied the privilege of buying these units.

It will be recalled that a few years ago the government had issued what were termed Whitener Bonds to people with the stipulation that these would be bearer bonds issued without any question asked. The object of the exercise was to enable affluent persons or groups to whiten their black money, as suggested by the nomenclature of the bonds. If people who buy the units on sale with money obtained by encashing Whitener Bonds, how will it be possible for the government to determine the source of their wealth as suggested by the Honourable Finance Minister? Since these bonds are bearer bonds and unregistered, it would be impossible for anyone to figure out whether the purchaser of a unit has provided the funds obtained through the sale of such bonds? In any case, once a person converts black money into white, does it still continue to be ill-gotten?

We have said so before and it would do no harm to repeat that the public is not so gullible as the government would like to believe. Neither is public memory as short as the government would want it to be. In any case, who are the spokesmen of the government trying to deceive? Why not say that the government is in need of funds and one way of going about it is to dispose of public sector industrial units, regardless of who bites, affluent sharks or indigent mice.

#### **Sindh: Law Enforcement Said Unsatisfactory**

92AS0158C Islamabad *THE MUSLIM in English*  
13 Oct 91 p 6

[Text] THE NATIONAL PRESS is full of the news of the recovery of 23 persons kidnapped by dacoits in Sindh a few days back. The galling thing about the recent kidnappings is that among those kidnapped was a Chinese engineer. For us it should be a matter of very great shame that within less than a year, a number of our Chinese and Japanese guests have been kidnapped and subjected to goodness alone knows what sort of treatment at the hands of the dacoits. To be exact, this was the fourth incident in which dacoits kidnapped foreigners working on various projects in Sindh. These are lawless acts for which the nation should be hanging its head in shame.

Kidnapping of locals is abominable enough but when foreigners are involved, it is absolutely unpardonable. The question is, why do these things happen? Perhaps it would be more appropriate to ask why they are allowed to happen. Possibly that, too, would be a futile exercise since the reasons for kidnappings advanced are almost invariably ludicrous.

After every kidnapping incident, either the Sindh Chief Minister, Jam Sadiq Ali, or a spokesman of his government swears by all that is holy that the Al-Zulfikar, and by implication, the PPP [Pakistan People's Party] (PDA [People's Democratic Alliance] now) is responsible. Even in the most recent incident, news reports say the dacoits were taking their victims to the farms of a PDA legislator. However, people are not half as gullible as the Sindh government would believe them to be. They are only too well aware of the dirty political game being played in the province in which the only objective is to discredit the PDA, no matter through what means. There is open speculation about the law enforcing agencies in Sindh being actively involved, or collaborating in the frequent kidnappings. It is also no secret that certain

influential people are being openly patronised by the Sindh government, thus encouraging them to do whatever strikes their fancy, not excluding kidnapping and highwaymanry.

There is no dearth of people who think these kidnappings are periodically engineered in order to embarrass the Federal government and that in most cases the law enforcing agencies are in full knowledge about the hands behind them. The only bright thing about this series of kidnappings has been that the Federal government has, at long last, seen fit to send its own representative to Sindh to get a firsthand report on the law and order situation in Sindh. This would indicate that the government is perhaps becoming wise to what is actually going on in that province. It is high time the Center decided to take a hand to put an end to what appears to be a planned campaign to discredit it in the eyes of those countries with which we have the most cordial of diplomatic relations. If the Sindh government and its law enforcing agencies are found guilty of playing this most foul of games, punitive action should be taken against them.

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