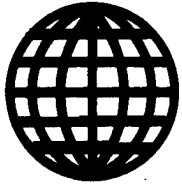


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9 AUGUST 1990



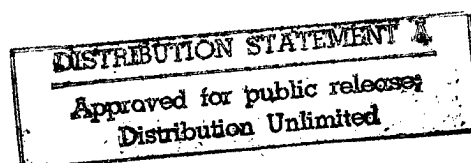
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Near East & South Asia

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REGIONAL AFFAIRS

Shift Toward Radicalism in Region Expected

90AE0088A Tel Aviv HA'ARETZ in Hebrew
22 May 90 p 16

[Article by Re'uven Padhatzur]

[Text] Evaluations on the questionable position of King Husayn, and on the perceived danger to his reign, were received with some surprise by cabinet ministers. The evaluation concerning the possibility of the outbreak of a civil war across the river, that accompanied the survey received by the ministers, stimulates real concern in Jerusalem. It may be assumed that the fear awakened among these high ranking officials, who listened to the evaluation of the situation, was not necessarily for the political and personal future of Jordan's king, but was, rather, related to the analysis that accompanied the report.

It turns out that sources following the events taking place in neighboring countries believe that in the not too distant future, the face of the Middle East will be entirely different. The traditional rules of the game between Israel and her neighbors will undergo significant change.

The evaluators claim that the new configuration expected in the Middle East does not bode well for Israel. It will be a Middle East ruled by extremist and radical forces, and the possibility for advancing diplomatic processes will become increasingly slim. The current climate, the basis of which is still hope in diplomatic processes, will likely give way to the winds of war.

The political forces and veteran regimes that were part of these Middle Eastern processes over the last two decades will likely disappear from the arena, and Israel will have to adapt to political, and possibly even military, action against forces whose world view will be different, most likely more radical.

The danger to King Husayn's regime and the possibility that a civil war will break out in his kingdom are but one component in the process that is foreseen. Another worrisome development is the formation of new military alignments: closer military cooperation between Jordan, Iraq and Egypt is a source of concern to Israel's security networks. Saddam Husayn, who is gaining momentum and registering victories in the struggle for leadership of the Arab world, has for the last two months been spearheading the process of forming a military front whose defined goals, even if they are not accepted at this point by President Husni Mubarak, are likely to be the legacy of the administration in Cairo if the standstill in the political process continues.

Anyone who is convinced that the political standstill is working in Israel's favor is not aware of the changes that have taken place in Middle East dynamics. Israel's refusal to continue the political process has weakened King Husayn's position, eroded Mubarak's position as

the leader of the strategy for peace with Israel, and has strengthened the one who of late represents the strong Arab stand -Iraq's president, Saddam Husayn.

Add to this picture the evaluation of defense sources who follow developments in the Arab world and claim that not only the throne of Jordan's ruler is in danger. According to them, it is necessary to carefully examine the events in Egypt against the background of the difficult economic situation that has led the country to the brink of what they call an "economic holocaust."

Continued Degeneration

The deteriorating economic situation and the continued degeneration of the Egyptian economy are helping Muslim-fundamentalist forces to gain political momentum. The weight of the fundamentalist component in Egypt increases as the economic situation worsens. Against this background, the stability of Mubarak's rule is not guaranteed for the long term. However, even if Mubarak were to maintain his position, it is reasonable to assume that he will be forced to submit to some degree to pressures from extremist groups in Egypt that want to put an end to the peace agreement with Israel.

Regarding his country's desperate economic situation, Mubarak in essence has his hands tied by Saddam Husayn. There are 800,000 Egyptians working in Iraq who send approximately \$2 billion a year back to Egypt. This sum is a critical mass in Egypt's economy, and the leaders of both countries are well aware of this.

Three months ago, Saddam Husayn sent the president of Egypt a message of clarification, in the form of thousands of Egyptian workers who were deported back to their country. Some were sent by Saddam to Cairo in caskets. Mubarak was thereby forced, due to lack of recourse, to support some of Saddam Husayn's positions and even to bless the plan for convening an Arab summit in Baghdad, instead of in Cairo. The president of Egypt understands clearly that Iraq's ruler is his most formidable competitor for the crown of leadership in the Arab world, but the means in his hands for preventing the strengthening of Husayn's position are becoming increasingly low. In the developing Middle East, political moderation is no longer legal tender.

In Jerusalem, officials were also surprised to learn that King Husayn is convinced that Ari'el Sharon's ideas on the amebic Palestinian state across the river were accepted by a majority of leaders in the Israeli government. This perception by Husayn bears witness to the schism between Israel and the Jordanian administration, which has grown deeper since the London agreement bombed in 1987. The Jordanian King's fears of the Israeli political leaders' plans is one of the important factors contributing to rapprochement with Iraq's ruler.

Husayn believes that the ties with Iraq and the military umbrella that Saddam is spreading over Husayn's kingdom may prevent the implementation of Israel's intentions to turn Jordan into a Palestinian state. When

Husayn allowed Iraqi fighter planes to fly over his territory close to the Israeli border, he did so as a gesture to the president of Iraq, who is prepared to cast his military protection over Husayn's kingdom to represent a deterrent force against the leaders of Israel.

The Challenge to Husayn's Throne

The evaluation regarding the challenge to Husayn's throne and the difficulties faced by President Mubarak are likely to stimulate gloomy thoughts in Jerusalem.

The fear is that the fall of Husayn's regime will not only signal an end to the Jordanian option, but more than anything, the formation of a NEW AND UNKNOWN Middle East. The developing Baghdad-Amman-Cairo military axis may well herald the beginning of a dangerous process that will lead, in the absence of diplomatic progress, to another military encounter in the region.

Egypt, Syria Seen Key to Regional Consolidation

90AA0222A Cairo AL-AHRAM AL-DUWALI
in Arabic 18 Jul 90 p 7

[Article by Salah-al-Din Hafiz: "In Light of Egyptian-Syrian Summit: Arab Future and Confronting Impending Danger"]

[Text] Whatever our assessment of the Egyptian-Syrian summit which ended its activities in Alexandria two days ago, the significance of Syrian President Hafiz al-Asad's visit to Egypt remains important and observed. It suffices that this visit, which is no less significant than the visit President Husni Mubarak made to Damascus last May, has officially and formally ended a political estrangement which, among other things, destroyed even mutual visits between the two countries which had cooperated, despite all differences in their positions, in repelling all the pan-Arab dangers.

After 13 years of absence, the Syrian president has come to end the long estrangement and to prepare for his next visit when he comes to attend the next Arab summit which is scheduled to convene this coming November at the Arab League permanent headquarters in Cairo now that normalcy has been restored to the situation.

Perhaps the mention of the Arab League, of its summits, and of its agencies that are in the process of returning to Egypt which has embraced them from the outset in the 1940's—perhaps this mention is fit for an inlet to our discussion today. As thought and action, as message and task, and as means and objective, the Arab League requires from us today a frank, serious, and profound reassessment now that dust and dirt have accumulated as a consequence of the passage of years and of the lapse of time not only on the files and dossiers but also on the minds and the perceptive faculties themselves while the age around us is rushing with fundamental changes toward a brave new understanding of a brave new world.

We say that the formula of common Arab action within the Arab League's framework—a formula developed in the 1940's—continues to be, despite the slight modifications introduced into it, the formula in force in the 1990's. We presume that the momentous events and immense international developments, plus the lapse of time, have surpassed this formula with extraordinary speed while the formula continues to amble unhurriedly and crawl like a turtle. This ambling Arab League formula may have befitted the 1940's, 1950's, and 1960's but it is certainly no longer fit, successful, or proper in this age of ours. All the circumstances have changed.

We believe sincerely that Egypt and Syria in particular have been and continue to be the common denominator in formulating and leading all the pan-Arab battles waged by the Arabs, especially from the time they confronted the Crusades with their western colonialist invasion in the middle ages to the time they confronted the Israeli wars, also with their western settlement-oriented invasion, in these days. Therefore, turning a new leaf in the current Egyptian-Syrian relations becomes a good occasion for restoring clarity to the Cairo-Damascus line, and through to Baghdad, but for a deeper and more beneficial task, namely the task of beginning the restructuring of new Arab relations at a time of change, even rapid change. This time is witnessing the fall of ideologies and the decline of major political systems, as it is witnessing the rebuilding of new international relations and the drawing up of a different international map under the umbrella of a fundamental change in the world's movement—a change through which the poles leading the movement are multiplying whereas only two poles, namely the United States and the Soviet Union, had continued to control this movement and to engage in polarization for 45 years.

Today, the Egyptian and Syrian intellectuals must, while looking at the world across the Mediterranean Sea, the historical link between them and the successive European civilizations from the time of the Greeks and the Romans and to the present, inevitably see the rapid change in the international balances within Europe which was divided through political systems and military alliances and which is now heading for unification in thought and conduct. Germany is being reunited and East Europe is washing itself of totalitarianism and Marxism and returning gradually to the liberal west. West Europe is building its economic and political unity. The Soviet Union has begun its military and armament withdrawal from East Europe. The United States will do the same, want it or not. The slogan of the greater European home from the Atlantic in the west to the Urals in the east is reemerging strongly. So where do we Arabs generally, and particularly the Arabs overlooking the Mediterranean Sea, stand vis-a-vis all this and where do we stand vis-a-vis Israel's immense effort to ride this wave and join the rising and harmonious Europe without losing the U.S. sympathy?

Very regrettably, while Europe is doing this, the Arabs are doing the opposite. Europe is uniting, cooperating,

eliminating borders, and dropping alliances and axes whereas the Arabs have abandoned even the "superficial umbrella" represented by the Arab League which has turned into a body without intellect or soul. They have resorted to regional partition through three blocs, namely the Arab Cooperation Council, the Gulf Cooperation Council, and the Arab Maghreb Federation. Regardless of any statement that alleges that these blocs operate within the framework of the Arab League, the larger Arab robe, I fear that the robe is riddled with holes.

It is certain that what is required of all of us is new and daring thinking and a broad imagination that rebuilds the collective Arab formula and rebuilds a more solid Arab structure that is capable of confronting the imminent and immediate danger knocking on our dilapidated doors. It is the danger of the fast-paced and fast-changing time. Now that the relations between Egypt, the central and influential state, and all the Arab countries have become serene, it is logical that Egypt should promptly initiate such a call and promptly present this new daring thinking, enlisting the help of the Arab sisters who are capable of engaging in unconventional action, in healthy imagination, and in sacrificing the minor interests for the sake of the major interests. It is not important that the opinions be identical on everything. What is important is the democratic principle which underlines the right to disagree, to have opinions, and to have the freedom to be distinctive within a general framework.

For this to happen, Egypt must always begin with itself when reweaving its relations with others. We mean by this that Egypt must define the present and future form of these relations after examining its past experiences within a clear and frank context that takes these relations out of their past conventional forms which often relied on emotions and persons and were influenced by disposition and whim, thus neglecting the need to develop common interests among peoples.

We presume, for example, that restructuring the Egyptian-Syrian relations on the bases of frankness and of mutual benefit also dictates definition of the agreement and disagreement points involving numerous important dossiers, of which the most significant are:

1. The bilateral relations dossier which is the sound beginning for any joint action in a time which recognizes nothing but interests. It is true that there are between the Egyptian and Syrian peoples long centuries of cooperation, mutual trade, political and military cooperation, and mutual cultural and intellectual exchange which led to establishing the united state one day. But this situation was constantly exposed to collapse as soon as disagreement developed at the top. Thus, the two peoples have continued to pay the exorbitant price for the constant shift from cold water to hot current!

Today, the law of "accumulated experience and knowledge" teaches us that it is necessary to abandon the logic of emotions and to return to the logic of the intellect and

to emulate the success of others. Once again, let us cast a glance across the Mediterranean toward Europe whose countries are not tied to each other by bonds like those that bind us together!

2. The pan-Arab dossier which is the most complex of all these dossiers because it combines numerous bannerlines under its cover. But the Palestinian bannerline continues to be the most important. It is most surprising and astonishing that the Israeli danger, which is the element that has always united Egypt and Syria and brought out coordination between them in particular, is also the element that always drives them apart because of the difference of opinions and policies. The immediate danger is the same but we stand divided into factions in its face!

In the Arab-Israeli conflict arena, there have been numerous developments that have been influenced by Arab and Palestinian elements, especially the valiant intifadah [uprising], by Israeli elements, and by international elements, especially the current Jewish immigration onslaught seeking to let in a deluge of two million new settlers who will turn tomorrow into a new war arsenal.

Perhaps the most urgent duty requires that Egypt and Syria reexamine their past, present, and future positions with an enlightened pan-Arab and international perspective that does not cling to the obstinacy of the past positions, that does not disregard faulty calculations, and that does not ignore the accelerating regional and international developments behind which we are lagging!

3. The regional dossier which encompasses the intricate inter-Arab relations on the one hand and the Arab relations with the neighboring non-Arab countries on the other hand.

When two historically and strategically important countries, such as Egypt and Syria, restructure their joint relations, they cannot ignore the complex Lebanese crisis which is draining Lebanon by as much as it is draining Syria while Israel is draining everybody, whether in terms of money, weapons, water, or of security, through the occupied South Lebanon.

Neither can they ignore the Syrian-Iraqi crisis that has topped heaps of partisan, political, and personal disagreements and that has reached not only the point of estrangement but also of raising weapons. Ultimately, it is a crisis that drains not only Syria and Iraq but all the Arab countries because it has become impossible to develop complete Arab action without Syria or without Iraq and because it is no longer acceptable to divide the Arabs between two polarization axes: A Syrian axis and an Iraqi axis.

In these two particular crises, perhaps Egypt is more eligible today than ever before to play an important conciliatory role that does not offer an immediate solution but that does at least pave the way with pacification

and rapprochement and that leads ultimately to the right path and to the restoration of harmony on objective, rational, and stable bases.

What remains before us are the intricate relations with the neighboring countries. It suffices to look eastward to see two regional powers which none of us can ignore. We mean Iran and Turkey specifically. They are two Islamic countries. But historically, their confrontations with the Arabs have been numerous and complex. Iran is still in a state of war with Iraq. To date, this war has not been officially ended. Syria supported Iran's war against Iraq whereas Egypt did the opposite. The water crisis, the joint border problems, and exploitation of the minority problems continue to exist between Turkey on the one hand and Syria and Iraq on the other. Egypt has an opinion on solving these problems before border and water wars erupt in the future.

But what is more important is that Iran and Turkey represent a serious regional weight which the European-U.S. west includes within the framework of its international strategy. It is a weight which the west exploits to strike and pressure the Arabs as it uses Israel to divide and discipline them.

I fear to say that numerous U.S. strategic studies centers have completed developing their strategic vision of our region by the end of the 1990's and the beginning of the next century—a region where three main forces, namely Iran, Turkey, and Israel, will exist, each with its plan, message, and objective. As for us the Arabs, absence is our punishment.

Why should we accept to be absent and why should we await the punishment?

Senegalese Official Views Mauritanian, Iraqi Activity

90AE0151A Kuwait AL-WATAN
in Arabic 16 Jun 90 p 7

[Interview with 'Umar Cisse, minister of state for foreign affairs in Senegal, by Rijal Talab: "In Candid Interview With AL-WATAN Senegal's Minister of Foreign Affairs Says Diouf's Letter to Amir Has To Do With Arrangements for Islamic Summit; 'We Did Not Confirm Veracity of Story About Iraqi Missiles in Mauritania; We Do Not Agree With Restoration of Relations With Israel; Arabs Have To Consider Israel's Return to Africa';" date and place of interview not specified]

[Text] Mr. 'Umar Cisse, Senegal's minister of state for foreign affairs, praised the important talks he held with His Highness the Amir of Kuwait and His Highness Shaykh al-'Abdallah al-Salim, the crown prince of Kuwait.

In an exclusive interview with AL-WATAN, Mr. Cisse indicated, that when he met His Highness the Amir of Kuwait, he delivered to him a letter from President Diouf about the ongoing arrangements to host the

Islamic Summit in Dakar early next year. He described his visit to Kuwait as very successful. The text of the interview follows.

[Talab] How would you evaluate the talks which you conducted with His Highness the Amir of Kuwait and His Highness the Crown Prince during your visit to the country?

[Cisse] I came to Kuwait with a letter to His Highness the Amir of Kuwait from President Abdou Diouf who asked me to express to the Amir the gratitude of the government and the people of Senegal for the significant contributions made by Kuwait in preparation for the Islamic Summit which will be held in Dakar early next year. It was an opportunity for me and my colleague, the minister who is entrusted with the task of making preparations for this summit, to express our profound gratitude to Kuwait for its generous contributions to the successful preparations which are being made for the summit and also for its economic contributions to the multifaceted development of Senegal. In the course of this visit I met with officials of the Kuwait Fund for Economic Development, which is an institution that plays an active role in developing the economy of our country, and I also met with Mr. Badr al-Hamidi, the director of the fund, and with Mr. Fahd al-Rashid, the president of the Foreign Investment Organization.

We are pleased with the excellent level of relations which has been achieved between Senegal and Kuwait.

President Diouf also asked me to inform His Highness the Amir of Kuwait and His Highness the Crown Prince that I will meet with my colleague, Mauritania's minister of foreign affairs, in Paris in the next few days. The ministers of internal affairs in both countries will take part in that meeting where, we hope, a spirit of understanding will prevail. We hope that this meeting will have the chance to succeed so that a just and honorable solution to the tragedy which occurred between Mauritania and the Senegal some months ago can be achieved.

To put it briefly, I am very pleased with the results of my visit to Kuwait. It was a very successful visit.

The Paris Meeting

[Talab] We would like clarifications about the Paris meeting. We would like to know what is the agenda for the meeting and what are the issues which you and the Mauritanian ministers will discuss.

[Cisse] I am going to Paris to meet with Mauritanian officials in response to the initiative of Egyptian President Husni Mubarak, president of the Organization for African Unity [OAU]. In the course of the good communications he conducted with us and with Mauritania, President Mubarak formulated three basic proposals to resolve the dispute between us. They are:

- First, air travel between the two countries is to be restored, and the air is to be cleared.

- Second, diplomatic relations are to be restored.
- Third, a summit meeting is to be arranged between President Abdou Diouf and President Maaouiya Ould Sid 'Ahmed Taya, the president of Mauritania.

For our part, we've accepted the three proposals without reservations. But we do not actually know if the gentlemen in Mauritania will do the same thing and accept these proposals, or if they will present other proposals to Egypt. At any rate, we are quite willing to consider all the means which could lead to a just and peaceful solution to the dispute between us and our neighbor, Mauritania.

Marking Out the Borders

[Talab] I believe that Senegal had initiated reconciliation efforts with Mauritania through intermediaries to press the point that the borders with Mauritania had to be marked out so that full reconciliation between these two countries can be achieved. Are you still insisting on that position? Will that position be discussed at the Paris meeting?

[Cisse] I do not agree with your premise, nor do I agree with those who say that marking out the borders was Senegal's condition for reconciliation. We did not say that, and we did not ask for it. What we said before, and what we are saying now is this: We are willing to consider all the points about which we disagree. We do not reject the notion that Mauritania should set forth all the proposals which it thinks would serve its interests. These proposals would then be considered at the meeting. Let me repeat that we were not the ones who turned the question of the borders into the principal issue for holding the meeting, and let me say that we did not make such a demand. This does not mean, however, that this subject will not be discussed. What matters is that we provide opportunities for a peaceful settlement of the dispute.

Compensatory Damages for Mauritians

[Talab] Mauritians are demanding compensation for the material and physical harm that was inflicted upon them as a result of the attacks which were carried out against them in Dakar. If this matter is brought up at the Paris meeting, and I believe that it will, what will be your response?

[Cisse] We accept the principle of compensation, and I believe that this point will be the easiest one we will deal with when we look into it at the meeting. But what I want to emphasize is that the question of damages requires proof and evidence. People receive compensation for their damages after those damages are proven and then recognized. When the events got started, we asked the international community and the United Nations to send a fact-finding representative to solve the problem. Unfortunately, however, the United Nations did not respond to that request, so we had to do something to arrange for talks and for an immediate meeting with Mauritania. We wanted to find out the root causes of the problem so we can put an end to it once and for all.

Success of the Meeting

[Talab] What do you think are the chances of success for the Paris meeting?

[Cisse] As far as we are concerned, we take advantage of every single opportunity to settle the dispute and achieve peace. I think this is something that both parties should want. For our part, we will do everything we can to achieve peace.

Iraqi Missiles

[Talab] The United States has tried once again during the past period to stir up the problem between you and the Senegal [as published]. The U.S. media and U.S. officials spoke of Iraqi ballistic missiles in Mauritania. Your reaction to that, however, was a reasonable reaction. Have you confirmed these rumors?

[Cisse] Actually, we do not have the technological means that would enable us to confirm that. We think, however, that if such statements were true, they would be tantamount to an invitation to start an arms race in the region, and this is something that would not serve peace in our area. What we are certain of, however, is that our relations with Iraq are good. We are also certain that we had good relations with Iraq during the years of the Iraq-Iran war. We are still supporting Iraq's position regarding a settlement with Iran. That is why I don't think it is likely that Iraq would make a hostile move against us. I can say that our country, the Senegal, was the first African country to maintain distinguished relations with the Arabs.

The Situation in the Horn of Africa

[Talab] What do you think about the situation in the Horn of Africa? Senegal is an Islamic country with distinguished ties and relations with the Arabs, but the Horn of Africa is going through a crisis, and President Barre as well as President al-Bashir complained about that at the recent summit meeting in Baghdad.

[Cisse] We hope that a solution to the unresolved problems between Somalia and Ethiopia regarding the Ogaden Province will be achieved, and we hope this will be achieved in talks brokered by the Organization for African Unity [OAU]. Both parties must have an opportunity to listen to each other's points of view.

People must come to such a meeting with good intentions. What really scares us is the possibility that some parties may take advantage of this dispute to infiltrate the area and create tensions in it. They might then start playing the game of separating the Arabs and Africans. But we are confident that a solution to this chronic dispute is possible by means of the OAU and the experience that area leaders have.

Israel and Africa

[Talab] Are you one of those people saying that Israel's return to Africa is a result of the lack of an Arab presence in Africa?

[Cisse] I don't think that we in the Senegal are concerned with this subject. We don't have relations with Israel, and we're not thinking at all of restoring political relations with it. Also we don't say that we are Israel's enemy. And yet, Israel is pursuing an unfair policy: it is occupying Palestinian land, and it is attacking Palestinians and violating their rights. This is why the intifadah (uprising) broke out. Senegal's policy on the Palestinian question has been unchanged, and that policy is that Israel must recognize the right of the Palestinian people to establish their independent state. It is the policy of Senegal that Israel must withdraw from the land it is occupying. Since Israel has not changed its policy, it follows that we cannot restore our diplomatic relations with it. With regard to other African countries, an Arab study must be conducted to find out why some African countries have restored relations with Israel. I believe that a gap exists between Arabs and Africans and that communications between them are limited. I believe that Israel has taken advantage of that situation and that it managed to infiltrate Africa in this confusion and restore relations with these countries. We in Senegal affirm that we will continue defending the legitimate rights of the Palestinian people until those rights are duly restored. I believe that the immigration of Soviet Jews and their subsequent settlement in the occupied land will exacerbate the problem. The immigration of Soviet Jews will give the intifadah additional momentum and reasons to continue.

We categorically reject the principle of settling those immigrants in occupied Palestinian territories. I believe that Palestinians will continue their struggle because it is the only way they have to defend their existence.

PALESTINIAN AFFAIRS**PLO Restructuring in South Lebanon Described**

90AE0093A Tel Aviv BAMAHAANE in Hebrew
16 May 90 p 11

[Article by Amit Gorvitch and Oren Gazit]

[Text] "The deployment of Fatah-'Arafat forces in the Iqlim al-Tuffah region east of Sidon has been observed recently. In the course of the battles between Amal and Hizballah, 'Arafat's supporters and devotees have left Tyre and Sidon and are now organized in forces the likes of which we have not known in the past in the region of Aqlim al-Tufah," says Brigadier General Ze'ev Zikhrin, commander of the communications unit in Lebanon.

"Another phenomenon which can have quite an impact on the region is the call on the part of the PLO for Christians from Beirut and Jazzin to return and establish themselves in the abandoned villages by means of the

financial assistance for residents. All this is going on at the same time that the PLO force in the region of the refugee camps of Tyre and Sidon are growing stronger," adds Brig. Gen. Zikhrin.

"In the past year and a half, the 'Arafat-Abu-'Ammar faction of the Fatah has not played an active role in the South Lebanon strikes. Despite this," Zikhrin points out, "we ought to pay attention to the new deployment of Fatah-'Arafat forces in the strongholds and the villages."

[BAMAHAANE] Is the entrenchment and the special involvement of the PLO in these areas the reason for the decrease in the number of strikes in the area?

"In 1989, the number of strikes against the IDF [Israel Defense Forces] and SLA [South Lebanese Army] in the security zone dropped 50 percent compared to 1988, and this pattern continues, especially given the continued hostilities between Amal and Hizballah which is weakening these organizations. In Aqlim al-Tufah, in the area of the al-Biqat Valley, Amal sustained a blow recently, and the struggle is still going on. As a result of Amal's weakness in standing up in the battles against the force in the security zone and Hizballah, a cooperative effort has developed between him and the Palestinian organizations."

Zikhrin argues that the involvement of the IDF and SLA in the area has brought about a drop in the rate of strikes.

About a month ago, three SLA divisions carried out an operation in Jabal Abu-Rashid in which one of the Hizballah veterans, Muhammad Minkin, nicknamed Shumarah, was killed. "They are not Golani and not paratroopers, but SLA continues with joint security operations and has acted with resolve according to its objectives."

[BAMAHAANE] How do the heads of the organizations feel about the declaration of General Lahd regarding the freeing of the prisoners of al-Khiyam Prison as part of the exchange of Israeli prisoners?

"General Lahd, who is in charge of al-Khiyam Prison, also has a few prisoners and people missing with the Hizballah and other organizations. I am convinced that the general also cares about his soldiers and is doing everything he has to do in this case. The declaration of intentions of Lahd, who has arranged for an exchange of prisoners on the condition that IDF prisoners would be freed, proves that he sees his army as tied to the IDF. It should be remembered that Lahd lives in peace with Christians, Shiites, Sunnis, Bedouins, and Druze, and whoever knows him is convinced that he is reliable and operates honestly and fairly. As to whether this declaration is really a bargaining chip, that we have to ask the leaders of the organizations."

[BAMAHAANE] It was published in the French press that residents are being forced to enlist in SLA. Have you investigated this?

"The things that were said, such as that they burned down the houses of citizens who refused to enlist, are not at all true. There were probably a few irregularities, but Lahd deals with those in order to prevent a recurrence. Enlistment in the security zone is voluntary and not compulsory.

PLO Issues Communique on Hamas

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[Article: "Lest Truth Be Lost, We Respond to 'Hamas People;' With Practice and Time, Democratic Principle Has Become Palestinian Characteristic; Any Straying or Attempt To Stray From Norms, Entity, Laws, and Regulations of Palestinian House Is Tantamount to Apostasy; PLO Is State, Not Party in State; Any Fabrication of Dispute With PLO Is Tantamount to Fabrication of Feud With Homeland; PLO Is National, Arab, Regional, and International Legitimacy; Any Disdaining of PLO Is Disdaining of Blood of Devoted Martyrs"]

[Text] In the name of God, the merciful, the compassionate

"Their intention is to extinguish God's light (by blowing) with their mouths: but God will complete (the revelation) of His light, even though the unbelievers may detest (it)." [Koran, 61:8]

"(O unbelievers!) if ye prayed for victory and judgment, now hath the judgment come to you: if ye desist (from wrong), it will be best for you." [Koran, 8:19]

It was said in the past that "difference in opinion should not ruin the cause of friendship." This is a democratic principle which, with practice and time, has turned into a Palestinian characteristic and a prominent indication of the nature of the relations and of the dimensions of the possible difference in opinion within the Palestinian house.

To begin, we say that this house is molded with the blood of devoted martyrs, fortified with deep faith and with the true and honest promise. This house has been fenced in and fortified by bitter trials and experience and by the state of total Palestinian belonging to the PLO, which is the Palestinian entity for all Palestinians inside and outside the homeland.

To begin, we say that any straying or any attempt to stray from the norms of the entity, laws, and regulations of this house is nothing but apostasy, regardless of how thickly it is concealed and regardless of the color of its ideological, political, or organizational robe. Such straying serves nothing but the schemes of the Zionist enemies and of their American allies and protectors to strike the Arab nation and to subjugate the region, and not just Palestine, to their control.

To begin, we say that the PLO house is the Palestinian homeland's and entity's house. Therefore, any feud

fabricated with the PLO is a feud fabricated with the homeland. The PLO is the state, not a party in the state. This is a fact which many apostates forget for a period of time. They made their pitch to create the alternative to the PLO, the state and the homeland and they fell into the sea. Wittingly or unwittingly, they fell into the snares of the Zionist scheme which seeks to destroy and devour the Palestinian entity prior to devouring other entities in the Arab region.

And now some dear ones among us are seeking the same objective. We do not wish them to fall. Therefore, we warn them and wish to stop them from committing a mistake that might reach the limit of sin and might lead to falling into the claws of the fearful scheme of the homeland's and nation's enemies, "and warn ye your closest kinsmen." We warn that the PLO is the state, not a party in the state.

On this basis, the difference of opinion "will not ruin the cause of friendship." Anything else is nothing but falsehood, slander, and sin. Some may not realize the significance of the principle that the PLO is the Palestinian people's sole legitimate representative. Therefore, we find it necessary to urge them to understand the principle. The PLO is the national, Arab, regional, and international legitimacy. Any undermining of this legitimacy is an undermining of the blood of the devoted martyrs and of the sacrifices of our struggling people. The PLO is the state of the homeland and it is the homeland. It grants the Palestinian, any Palestinian, the right to belong and the right to national identity, meaning that the PLO grants the Palestinian the right to survive in the face of the schemes to liquidate the cause and the national and pan-Arab existence. Therefore, disagreement with the PLO is not a partisan, political, organizational, or ideological disagreement. It is disagreement on survival-oriented belonging and disagreement on taking up a position within this sacred and advanced garrison in defense of the homeland, the nation, and the region and of the nation's sanctities, beliefs, history, present, and future.

We are making this clear to point out that disagreement in opinion and in direction cannot, in principle, be with the PLO, meaning that one, whoever one may be, cannot be on one side and the PLO on the other, exactly as the citizen of any country cannot be on one side and his country on the other. This is unreasonable and impossible because in this case, the citizen will have dropped his identity and his citizenship and he may thus go to any country or seek any belonging he wishes.

Thus, there can be no disagreement or conflict between the Palestinian and the PLO—the state. Disagreement may be legitimate and acceptable within the PLO and within its institutions. The PLO is the homeland. It is the homeland of all until the flag of Palestine, the nation's flag, is flown over the hills and walls of Jerusalem, the capital of the state of Palestine. This is the equation that some people—people who have been born "zealot" and

fiery, as if they have discovered hot water and have come to believe that it is the ultimate alternative—must understand.

These people must, to begin and before any argument, understand that they can argue with Fatah without any reservation and to their heart's desire because Fatah is an organization or a movement that constitutes a part of the structure of the PLO—the organization, the state, the homeland. Such people may embark on debates with the DFLP [Democratic Front for the Liberation of Palestine], the PFLP [Popular Front for the Liberation of Palestine], the ALF [Arab Liberation Front], and the PLF [Palestine Liberation Front] and with the communist, Ba'th, Islamic Jihad, and Hamas parties without any reservation and to their heart's desire because all such debates are tantamount to opinions, visions, and ideas within the context of the general structure of the single and unified entity.

But what such people are not entitled to and what constitutes actual infidelity by all criteria is to embark on an argument with the legitimacy of the PLO, which is the Palestinian people's sole legitimate representative, and to forget that the people have fought for decades to accomplish, complete, and firmly establish this legitimacy and its singularity at the local, Arab, and international levels vis-a-vis the scheme of the Zionists and their allies to first scratch Palestine out of the political and human garrison and then to strike its sacred beliefs.

Such argument is tantamount to infidelity and to apostasy because it is a deviation from the law, from the belief, from the faith, from the homeland, and from Arabism. Consequently, it is a deviation from legitimacy in its entirety, i.e. a deviation from Palestine and from the right to belong to it. This is sedition, and sedition is worse than murder.

But what prompts us to discuss this issue and to put such emphasis on what is axiomatic to our people, considering that we have thought it impossible that a Palestinian organization, party, or movement would dare, after all that has happened, raise this issue anew for discussion and would try to pull us back to the starting point, thus wasting nearly a quarter century of honest and obstinate struggle against all forms of oppression, suppression, confiscation, containment, liquidation, and intimidation?

Yes, what prompts us to engage in such a discussion?

A short time ago, the Islamic Resistance Movement—Hamas issued in the occupied territories a booklet entitled "Islamic Resistance Movement—Hamas Between Reality's Pains and Future Hopes." In this booklet, Hamas spells out its ideas and opinions and its general assessment of the Palestinian, Arab, and international position. In the booklet, Hamas also presents its ideological theorization and its theoretical definitions. After clarifying its concept of itself and its role, Hamas ends up offering an alternative on the basis that it, i.e. Hamas, is the comprehensive, universal, and firm alternative to all

that exists in the Palestinian arena currently, considering that Hamas is "eligible culturally, socially, and realistically to fuse the sons of our Palestinian people in a single crucible on the path of establishing justice and peace on Palestine's soil."

In fact, our objective is not to respond to Hamas or to embark on a Byzantine argument with it, be this argument jurisprudential, political, or organizational. Rather, we wonder whose interest would such a Byzantine argument serve now and in whose interest would it be at this particular time? Should we fight over the bear before we catch it? Is it necessary to create problems now when Rome is burning?

All we want is to reassert the foregone conclusions in our national and political life. Perhaps there is need to clarify the constants to some people, keeping in mind that no Palestinian patriot loses sight of these Palestinian national constants.

From the start, we wish to make it clear that Hamas and any other Palestinian faction, regardless of its ideological or political affiliations or tendencies, is a part of the Palestinian crucible created, molded, and formed by the Palestinian people's masses and vanguards in a manner which reflects their eagerness to keep this crucible capable of absorbing any frameworks produced by our arena. Nobody is prohibited from developing and molding his visions and presenting them to the Palestinians to say their word on them because we are the ones who believe in pluralism in the Palestinian arena, we are the ones who have defended it and who continue to defend it, and we are the ones who have established it firmly as a slogan and a practice. But at the same time, nobody can allege that he is the new crucible for the Palestinian entity and identity. In this regard, necessity dictates that we recall that many have tried to play the same role in the Palestinian theater. Everybody remembers those people. Where are they now? They have ended up in ashes. We do not really want any Palestinian to end up in ashes or to become an instrument hired against his own people.

What must be said is that the enemy, the objective, the means, and the crucible are each as clear as the sun. There is no justification for getting preoccupied with a sophistic Byzantine argument, with linguistic manipulation, or with the insinuations and shades of words or for entering the labyrinth of opinion explanation or interpretation to please the whim of some people, be they individuals, groups, or organizations.

Considering that Hamas sees a reason for such preoccupation and that Hamas' political address is founded on such preoccupation, then what are the details of this "address?"

We will first pause at the points which highlight Hamas' political objections to the Palestinian national action program or at the points with which Hamas seeks to crystallize its "political" address to the people with the purpose of exposing the dimensions of this address.

To begin, we say that it is not with such rush and disdain that one deals with a political process which has lasted more than a quarter century, which was launched by Fatah, the Palestinian National Liberation Movement, which has been joined by all the Palestinian people, and which has been led by a clear and specific program that has not changed since the beginning.

Fatah, the Palestinian National Liberation Movement, is the party which undertook to develop and build the Palestinian people's crucible of confrontation and their struggle within the organization at a time when many in the Palestinian arena, and even the Arab arena, refrained from and were reluctant to wage the struggle and the fight. Despite this, Fatah will continue to shoulder this historical and national responsibility—"and We shall try you until We test those among you who strive their utmost and persevere in patience." [Koran, 47:31] (God is always true).

As for Hamas, it has now come to present itself as the alternative a quarter century after the process was started and after it has made its accomplishments. Let it be. But whoever presents himself as an alternative must be aware of the balance in the arena's structure, of the arena's political legacy, and of the realism that binds any political activity in any arena. Therefore, in the light of this and despite the attributes Hamas uses to characterize its address, including the characterization "political," this address can only be seen as Hamas' zealous address. This is because Hamas presents this address as if the only alternative is "vacuum," not realizing that the Palestinian people are the region's, if not the world's, most politicized, vigilant, realistic, progressive, and enlightened people, that they are most aware of the course of the developments around them, and that they cannot be driven by a slogan, regardless of its glitter, robe, or color. It is also because Hamas has forgotten that "in this land are people of exceeding strength."

Hamas says: "The capitulationist Arab strategy, which has also been embraced by Palestinian official circles, has achieved no noteworthy progress for the Palestinian cause. Rather, the Arab regimes have worked through this strategy to stop the blessed intifadah [uprising] while in its prime."

This is how Hamas begins its political address. It then adds: "The regimes have also worked to foil the international political and propaganda gain the intifadah has accomplished for the PLO and the cause."

This paragraph, which amounts to no more than several lines, of Hamas' address contains numerous distortions and premeditated illwill. It intentionally puts matters in the wrong place and offers a superficial and pretextual logic which is capable of trampling any truth to achieve its own narrow and selfish objective. Hamas does this for numerous reasons, including:

First, the intifadah arose as a consequence of our people's accumulated struggle under the PLO's leadership. You in Hamas, and earlier in your political organization,

were opposed to this struggle "that is waged by your people, and even to the intifadah when it first launched its activities in its early days." Do you remember this?

Second, the Palestinian peace initiative and the Palestinian political offensive with all its clear characteristics and features and with its clearcut program which defines the foe, the enemy, the friend, and the brother cannot, if goodwill exists, be called the adoption of a capitulationist Arab strategy by Palestinian official circles. Capitulate on what? Capitulationist! May God forgive you. Is proclamation of the state and of independence a capitulation, keeping in mind that this proclamation challenges the resolution which was adopted by the international Zionist conference in Basel in 1897 and which said: "Palestine is a land without people and it belongs to a people (Jewish people) who have no homeland."

This inverse and faulty logic abounds with illwill and with all the notions of slander. The Palestinian peace initiative is certainly and absolutely not the adoption of a capitulationist Arab strategy by Palestinian official circles.

As Hamas knows, the Palestinian peace initiative or the Palestinian program to settle the Palestinian-Israeli conflict and Arab-Zionist conflict has been dictated by the will of our people and by the current developments in the local, regional, and international arenas, and herein lies the strategic significance of the PNC's [Palestine National Council's] and Palestinian leadership's foresight in anticipating these developments and in imposing the international facts with utter strength, resolution, and firmness. Some of you attended this PNC session and expressed your opinions within the structure of the Palestinian democracy.

Yes, for 25 years or more, the Palestinian arena has been fighting on more than one front. They are 25 years of awareness of the bitter mechanism and structure of the conflict which our people and their struggling vanguards inherited from the Sykes-Picot treaties, the Balfour declaration, the 1948 catastrophe, the tripartite aggression against us and against Egypt, and from numerous other events. They also inherited the mechanism and the structure from the phase in which the Arab structure declined and became so backward that even now the decline and backwardness are still prevalent and widespread like cancer.

Yes, such a phrase in Hamas' booklet does harbor utter illwill. It also harbors deep ignorance of the arena's legacy and of its deep-rooted struggle and strugglers. The Palestinian people are struggling today and they have been struggling ceaselessly generation after generation since the Balfour declaration. Most often, they have been struggling alone. Moreover, this position may indicate some sort of an eager rush to make quick gains picked up in dark corners.

The official Palestinian circles (namely the PLO) have not adopted, joined, or submitted to a capitulationist

Arab strategy, as you, brothers in Hamas, have said. The PLO has been fighting for more than a quarter century in order to stand fast in the face of storms, tribulations, and blockades from the enemy, and at times from brothers. We struggle with all the honorable people in our Arab nation for a national and pan-Arab revival that restores to the nation its balance, confidence, glories, and existence whereas some Muslim Brothers have cooperated with some of these [capitulationist] strategies. The latest Baghdad summit is nothing but an example of defiance and confrontation. There are countless examples of the numerous military and political confrontations with the enemy in most ferocious battles, beginning with al-Karamah and the Beirut blockade and ending with the effective and ceaseless current steadfastness in South Lebanon, not to mention the massacres perpetrated against the refugees camps at times by Israel and at other times by other regimes.

The Palestinian official circles, brothers in Hamas, and the PLO, brothers in Hamas, lead and are not led, scare and are not scared, intimidate and are not intimidated. They have been blockaded, their leaders have been assassinated, and they have been subjected to financial harassment because they are a living reflection of the will of the people who have made the miracle and have touched off the fable with their faith and sacrifices. This is why it has been these circles' and the PLO's main preoccupation to draw the entire nation to their awareness, their crucible, their historical struggle, and their evidently rightful strife to confront all the challenges, schemes, and plots—"God hath granted a grade higher to those who strive and fight than to those who sit (at home)." [Koran, 4:95]

Brothers in Hamas, strange is your determination to view the Palestinian intifadah as a devilish plant tied to no legacy or history. You thus march side by side with states, forces, monies, and local and international papers that have done their utmost to turn the intifadah into a "pretty" plant, a "pretty" stone whose praises they sing—"and enough is God for the believers in their fight" [Koran, 33:25]—so that they may isolate it, may impound it, and may kill it in its "pretty" hole.

We say that the phrase "the political and publicity gain that the intifadah has accomplished internationally for the PLO and the cause" is a totally mistaken phrase and it contradicts the phrase preceding it. Saying that the "intifadah accomplished for the PLO" immediately reflects your understanding that the intifadah is a devilish plant and that the PLO has nothing to do with it. Thus, you have done no more than reiterate what the yellow press and the black agencies say.

The intifadah is the accumulation of our people's struggle and of the struggle of all the fighters in all its national forces and all its concentrations of people at home and in the diaspora. Should we remind you where you were when the blood of our martyrs and our wounded flowed profusely? Were you not allowed, under

the occupation's umbrella, to organize, to have a presence, to seek financing, to publish and to engage in propaganda while we were engaged in battles and confrontations in jails and on the fronts? Moreover, there was your preoccupation with and your attempt to preoccupy the entire nation with sidebattles in Afghanistan in support of the United States and against the Soviet Union. When the two superpowers reached agreement, the battles and the cause ended. O Hamas and O brothers in Hamas, the intifadah is nothing but the consequence of prolonged armed struggle, honest struggle, and popular, organizational, military, political, diplomatic, cultural, social, and family struggle. The intifadah is the product of a people and the conscience of a nation. The struggle to develop, crystallize, and mold the general Palestinian awareness has produced this valiant and blessed Palestinian explosion which rejects the occupation and its means totally. Meanwhile, our steadfast heroes wage the fiercest battles in South Lebanon to defend Palestine, Lebanon, and the Arab nation in this advanced garrison against the Zionist enemy and his multi-shaped and multi-colored allies.

It is futile to embark on a theological and metaphysical debate over whether the "chicken or the egg," the intifadah or the revolution come first. Such a debate is a total waste of time, an offense, and a seditious act—"indeed they had plotted sedition before and upset matters for thee until the truth arrived and the decree of God became manifest, much to their disgust."

But let us move to another point. Hamas says in its booklet:

"At a time when the Palestinian official circles declare their commitment to the effort to end the occupation and to establish the independent state with peaceful means, negotiations, and diplomatic activity generally..."

These three lines carry two major fallacies. First, the repetition of a structural fault hidden in the structure of Hamas itself. It is a fault or a repetition that contradicts the ABC's of belonging to Palestine, the people and the state.

We again tell Hamas that the phrase "Palestinian official circles" is a faulty phrase because it is founded on a confined, rather un-innocent, understanding that has always been embraced by various hostile parties.

The phrase "Palestinian official circles," intended to mean the PLO, of course, reflects an understanding which alleges that the PLO is nothing but a party in the state or just one out of a number of general options from amongst which the people can choose. Is this what you mean? In any case, "if ye help not (your leader), (it is no matter) for God did indeed help him." [Koran, 9:40] God is always true.

This understanding is totally hostile to our people and their future because it is hostile to the prolonged struggle the Palestinian people have waged with all their political

segments and forces to achieve a specific central objective, namely to make the foes and enemies acknowledge that the PLO is the Palestinian people's sole legitimate representative and that any discussion of the people's political future or of their organizational structures must be conducted with and through the sole legitimate representative. What everybody sees today is that the Zionist enemy meets with numerous circles hostile to the PLO, the people, and the entire nation in refusing to recognize this firm and absolute fact. Here is the enemy continuing his endeavors to abolish this fact and, consequently, to fragment and disperse the Palestinian arena's great effort and to prevent it from totally flowing into a single and united crucible that reflects the will of the Palestinian people in their entirety to achieve this objective.

The question is: What do the brothers in Hamas want? Are you trying to join the troop of our people's enemies and adversaries? Are you trying to fragment our people's unity and their united effort and to smash their single, united, and sole crucible, the PLO, by alleging that there are other crucibles, such as the "village leagues" and "salvation fronts?" Do you want Hamas to join the same bandwagon, considering that "with its great Islamic program, it is the party culturally, socially, and educationally eligible to fuse the sons of our Palestinian people in a single crucible?" Brothers in Hamas, our Palestinian people urge you to actually fuse within the sole and unified crucible of unity. This crucible is the PLO which is the Palestinian entity and not "Palestinian official circles." It is our people's right to wonder: How can you fuse in pluralistic action in numerous Arab countries and then prohibit pluralism in the struggling Palestine? Brothers in Hamas, do you aspire to repeat the failed experience by alleging that you are the alternative to the Palestinian people's sole legitimate representative? We invite you to national unity in order to confront the most ferocious colonialist, settlement-oriented, racist, and Zionist onslaught that is supported by the most arrogant and biggest imperialist forces, led by the United States (your ally in Afghanistan). The faith, the homeland, and history are witnesses against those who stay away from the struggle and the fight. History is merciless and our orthodox faith shows no tolerance in this regard. We are fighting this scheme and this enemy with all the means and methods, using as model and example the life of Muhammad, our prophet, during the years of the Islamic call which he lived, adopting for each phase of the struggle, be it the greater jihad or the lesser jihad, its instruments, means, and forms. Should we remind of this or are you people guided along the right path?

In its second fallacy, Hamas says that the "Palestinian official circles" declare their "commitment to work to end the occupation and to establish the independent state with peaceful means, negotiations, and diplomatic activity." Such a statement does actually reflect all kinds of faulty, confused, and slanderous understanding that truly seeks to sabotage our arena and our revolution. True words may not be used to serve falsehood and

slander. Brothers in Hamas, be not like he who pulls down the temple on the heads of the congregation because the black trumpets, supported by their gloomy agencies, are the only ones who say this. The enemy and the hostile world intelligence agencies are the ones who say this.

Enough disdaining of all values and of the Palestinian blood stream that has never stopped flowing from the moment the first bullet was fired and until the present! The columns of strugglers have been marching ceaselessly one after the other. Enough destroying of the national unity at a time when the prisons are filled with those whom you stab with your faulty statements, thus intensifying their wounds and their pains! You are aware of how many such people are incarcerated in Israeli jails and prison camps. They are the steadfast and the persevering.

Any fair person, even any fair and objective western journalist, cannot overlook the firm facts in this regard. The "Palestinian official circles" or the PLO, O Hamas, do not struggle just with peaceful means, negotiations, and diplomatic activity to accomplish the Palestinian people's objective.

The PLO, O Hamas people, opens all the doors wide to all forms of struggle—all forms of struggle—led by the armed struggle. This armed struggle has become more diverse and has varied in form and color. The PLO has been able to transfer the armed struggle into the Palestinian society's structure so that it may strike at home and within the enemy, thus [avoiding] border persecution by some regimes whose sole role is to guard these borders. We have even been able to transfer the struggle into the structure of the Palestinian society that is under occupation. The great confrontational action of the Strike Forces—along with the sacred stone in the hands of Palestinian children, men, and women, with the steadfast strugglers in South Lebanon whose hands are kept on the trigger and in the fire, and with al-'Abid, al-Husayn, and al-'Abbas missiles in the hands of the brother Iraqi strugglers—is nothing but one form of this struggle.

Besides, the matter will never stop at a single form of struggle. All forms of struggle are proper, beneficial, and helpful in defeating the enemy. What is more, this defeat will not materialize if all forms of popular Palestinian and Arab struggle do not unite with all free, honorable, and struggling men in the world to flow, along with the PLO, into a single crucible to embody this comprehensive chapter in a bloc that forms the Palestinian people's and Arab nation's political strategy.

Fear God, O brothers. Do you think that it is in your organizational interest, regardless of the Palestinian people's interest and without consideration for the public interest or the interest of our people's goals of freedom and independence, to reopen this bitter debate? We tell

you: Fear God and do not let selfishness overwhelm you. The path is still difficult, even though it seems bright and shining at its end.

So what else do Hamas people say?

What else does their political address say? Hamas' political address goes on to entrench Hamas' falsification of the entire existing reality. It persists in proliferating this falsification with the aim of desecrating all that is in existence, i.e. with the purpose of dropping all the eras and phases of Palestinian struggle under the PLO's leadership, so that Hamas may reach the only result it will get, which is the destruction, God forbid, of all the accomplishments that have been made without the presence of an heir, whether it is Hamas or somebody else. Thus, Hamas hopes to pull, God forbid, the rug from under the PLO's feet so as to revive the theatrical of "creating the alternative representation," so that the occupation of our land may be perpetuated and the destruction and annihilation of our people may be continued, without any hope of their ever rising again. Is this what is sought? "Truly God loves those who fight in His cause in battle array, as if they were a solid cemented structure." [Koran, 61:4] God is always true.

In its zealous address, Hamas goes on to add: "At a time when the enemy shows his greed for more concessions, his determination not to withdraw even from some Palestinian territories, and his refusal to recognize the right to repatriation and to self-determination and when he meets the hands extended to it in peace with greater bloodshed, with more killing of the innocent, and with violation of the rights and sanctities..." First, we say that, yes, the enemy does persist in his greed, his rejection, his murders, his violations, and his shedding of the Palestinian blood. But what have you done, may God reward you? Be kind enough to submit a statement of account to your people about your accomplishments in fighting the enemy. Or do you prefer that we present this account? We have all the details that concern you, brothers. We have all the accounts, all the tales, and all the stories. With what should we start?

Should we start with the imprisoned shaykh, the brother struggler who was arrested when he tried to purchase weapons from a well-known agent. When this struggler was confronted with everything, he revealed the names of all Hamas members whom he knew, numbering exactly 173 members. His revelation was reported by the radio, television and the press. Regrettably, the shaykh then declared to the Israeli media, and some of your books have reported the declaration, his approval of self-rule. Israel clamored over, beat the drums for, and trumpeted this approval.

The PLO, the people's father, their reflection, and their sole legitimate representative, moved immediately and pulled to its gentle paternal bosom the detainees from Hamas, their families, and their kinsmen and supported those beloved brothers in their capacity as sons of the

Palestinian state, of the PLO. Moreover, the PLO displayed goodwill toward Hamas because we believe that all are sons of the Palestinian people and a part of the people's national movement.

Because the PLO is the tender mother to every Palestinian and because Fatah is the oldest and wisest brother, Fatah proceeded to dress Hamas' wounds in the wake of what Hamas had suffered. Fatah also helped Hamas publish and distribute—and we will say no more—the two leaflets it issued after this incident so that it may be able reexamine and rebuild its structure in the wake of those detentions in a manner that serves the general national line. This is because Fatah always believes that the struggle must always be aimed against the enemy and must never be preoccupied with narrow interests, regardless of their nature. All the force, all the weapons, and the entire Arab and Palestinian determination must be turned toward the enemy. Fatah believes that it must never allow the Zionists to destroy any Palestinian organization, regardless of its size, characteristics, or tendencies. Because it is Palestinian, because it fights the enemy, and it is part of the general national effort, such an organization must be protected.

We remind the brothers here that the Palestinian Muslim Brotherhood refused to issue even a statement in support of the intifadah when the intifadah started until the Kuwaiti Muslim Brotherhood intervened. Hamas had not been founded at the time. Our sole concern was to unite the ranks, to eliminate any stumbling block in the intifadah's path, and to prevent any impurity from impeding it. What is regrettable is that you have refused to recognize the intifadah martyrs. Likewise, you have failed to recognize the other martyrs. You have not recognized the martyrs of the faith, of the sacred duty, of God, of the people, and of the homeland. Throughout this long period of time, you have refused to recognize the martyrs who are more honorable than all of us. Why have you refused to recognize them? Meanwhile, only those killed in domestic conflicts in Afghanistan are considered the Muslims' martyrs! How, by God, can this be? Whoever proclaims a Muslim an unbeliever is himself the unbeliever. This being the case, what can one say about those who assault the devoted martyrs?

You have rejected the jihad for God, offering the opinion—and how well you have spoken—that jihad can be waged in Palestine only after "creation of the Islamic state!" Do you consider the prophet's jihad prior to the conquest of Mecca illegal? Are Badr's and Uhud's martyrs not martyrs? Are the Palestinian people's martyrs since the Balfour declaration and to the present time not martyrs? Are the Egyptian Muslim Brotherhood's martyrs in 1948 not martyrs? Are the Arab nation's martyrs throughout this historic era and these historic wars and confrontations not martyrs? Meanwhile, you hail the martyrs in Afghanistan. Is it only there that the "Islamic state" has been established?

We have held our tongue for a long time and we have remained silent for a long time out of our eagerness for

unity of the ranks. We hope that like us, you will be eager for this unity. In view of this attested eagerness on our part, we are entitled to ask:

Is the license you are given to print and distribute your publications which carry the slogan "O Jews of Khaybar, O Jews of Khaybar, Muhammad's army will return" a reflection of the enemy's nature? Are you given the license because the enemy is a tolerant and polite occupier who respects free expression? Or is it given to instigate the world and the enemy's allies against us?

Are the endeavor to fragment the unity of the national ranks by provoking sectarian rancors and the endeavor to declare hostility to Palestinian Christians, as has been done in some Christian areas under the pretext of prohibiting the sale of alcohol, patriotic acts? Were it not for the national awareness with which all have armed themselves and for the commendable efforts and the contacts the Egyptian Muslim Brotherhood has made with several circles and leaderships, a catastrophe would have befallen the national ranks and the intifadah.

Do you deny that you refused to join the intifadah's Unified Command because it has leftists in it? Despite this, Fatah agreed to coordinate with you separately. To do so, we made numerous concessions. But in no time, you came to point out that you did not wish to coordinate with Fatah. You tried to sneak through the gap of subsidiary conflicts between Fatah and the PFLP in a new attempt to split the national ranks!

The same thing recurred with the Unified Workers Federation. Even though you did not join the federation, we reserved a seat for you in the federation leadership out of our eagerness to have every Palestinian patriot and anybody who wishes to struggle against the occupation included in the national ranks. But you quickly (after 6 months only) came back and demanded two seats. Are you entitled to them when, to begin, you are not a member of the federation?

Is your representative's withdrawal from the PLO's Central Council a contribution on your part to the national unity or to "division?"

Is your representative's withdrawal from the intifadah Higher Committee a contribution to bolstering the intifadah or are you implementing orders to set up a new shop in the name of the intifadah so as to help some in the Arab region to either strike the intifadah, to withhold aid from it, or to attack it?

Do you recall how Fatah, acting on the logic of fraternity, gave you, as Hamas, the seat of martyred hero Abu-Jihad in the National Council, with all that this seat signifies, in order to increase the number of your seats in the council. But what was your position? Your position was to renounce everything, may God forgive you.

The matter does not end here and we have a lot more than we have pointed out. Therefore, it is our people's right to ask you: Where do you get your enormous budgets?

Do you know, brothers in Hamas, that these are monies given to you and that you accept these few millions to help some parties and to absolve them for failing to meet their obligations to the Palestinian people and to the PLO—obligations that amount to the hundreds of millions. These are due obligations imposed on them by the Arab summits. But they have not been paid to date. They are paying you crumbs and withholding from the Palestinian people the rights given them by the Arab nation at the summits. When you accept these crumbs, they allege that they are paying the intifadah and the Palestinian people. With your action, you are doing exactly what others had done before at the expense of our people's martyrs, wounded, detainees, health and educational institutions, and other institutions. You do all this so that the Palestinian people may ultimately stand naked and alone in the face of all the plots aimed against them and against the nation.

What if we open the "Afghanistan dossier?" You, along with others, have waded into this issue that is well known to everybody. What position has the PLO taken on this issue, especially since all the ambiguity engulfing it was eliminated? Did not the United States provide all kinds of aid and boundless support and did it not present the events in Afghanistan as a struggle between two ideologies: Communism and Islam, infidelity and faith?

But suddenly and in the wake of the accord between the two superpowers, Washington itself, yesterday's ally, did not hesitate to characterize the Afghan mujahidun as no more than "drug and weapon dealers," as Peter Thomson, Washington's envoy in Peshawar, has said.

Inversely, the PLO performed its duty of solidarity with the Muslim Afghan people and offered an initiative to spare the Muslims' blood and to attain a consensual peace that would have given the mujahidun the opportunity to gain 75 percent of an Afghan coalition government to supervise the elections. But Thomson, as well as the mujahidun, rejected this Palestinian initiative because it has been the objective to turn Afghanistan into a lasting point of Islamic attrition in order to achieve a dear and previous U.S.-Israeli goal, namely divert attention from the Islamic nation's central issue, namely the issue of Palestine, the first of the two qiblahs, the third after the two venerable mosques, the site of Prophet Muhammad's, may God's peace and prayers be upon him, midnight journey to the seven heavens, and the cradle of Christ, may peace be upon him.

Here, we are permitted to ask: Has the mosque "whose precincts we did bless" moved from Jerusalem to Jalalabad or to Kabul or are there among us those who wage wars on behalf of the United States?

But in no time, the two superpowers agreed, as it is well known, on Afghanistan's future. Thus, the mujahidun

financed by Washington and its allies have turned into the hunted. The superpowers have reached among themselves a formula for a solution in Afghanistan. A total of \$20 billion in Arab and Muslim monies have been spent on Afghanistan, in addition to vast quantities of the most sophisticated U.S. weapons, whereas the Arab nation has not paid the Palestinian people more than \$2.6 billion throughout the past 27 years even though the Palestinian people are the party that has waged and that continues to wage the most ferocious battles on behalf of the Arab nation, beginning with the battles of al-Karamah, of the valleys, and of South Lebanon and ending with the current battles. During the 1973 war, the PLO participated directly on all fronts. The PLO is now carrying on with its battle through the blessed intifadah.

Do not all these given facts require of you, O brothers in Hamas, an awakening and revival of the conscience before it is too late?

Hamas' address completes the sin by making offhanded accusations, thus accomplishing what all this mass of enemies and of foes have failed to accomplish. Wittingly or unwittingly, Hamas is engaged in another endeavor with the hope that the Palestinian people will abandon the PLO, their historical leadership and their sole legitimate representative. Hamas says in its booklet:

"At this particular time, what Hamas has asserted from the outset and what the Islamic movement generally has warned against has become obvious, namely that one cannot beg for rights meekly and that the series of demanded concessions have only made our enemy more determined to cling to his positions which reject our national rights to self-determination and to establishing our state on our soil. This is not, of course, just obduracy on Shamir's part or intransigence on Rabin's part, as the Arab media and our Arab leaders try to tell us. It is an accurate expression and a clear reflection of a Zionist political strategy..."

To whom is Hamas addressing its words and who are they who beg for rights? Who are the ones who have made the series of demanded concessions? Who are the leaders who cling to the delusions of Shamir's obduracy and Rabin's intransigence? Who are these characters, O Hamas followers? Isn't this an attempt to fabricate division in the national ranks and to preoccupy us with subsidiary statements? Isn't this an insult to the strugglers and to those who founded and created the modern Palestinian revolution? Are you insulting our martyrs, leaders, strugglers, and people? Was Abu-Jihad begging for rights meekly when he was martyred in Tunisia as a result of an operation for which the Israeli intelligence, the U.S. Central Intelligence Agency, and collaborators and participants with them from every color were employed? While leading the intifadah and when he was martyred like a brilliant star lighting the way for all the future generations, was Abu-Jihad begging for rights meekly?

Is Yasir 'Arafat, who leads, stirs, makes, and revives every iota [sic] in all our land, in our entire diaspora, and in the wounds of our children, women, martyrs, and prisoners, begging for rights meekly?

Is Abu-'Ammar who fought in Palestine in 1947, against the British with your Egyptian brothers, in the Suez war, and in other battles begging?

By God, this is disgraceful, disgraceful, disgraceful, O Hamas!

Individually and collectively, is this Palestinian leadership which is trying to wrest what the Arabs lost in Palestine and to wrench our people's rights from the claws of the U.S. demon and the Israeli brute—is this leadership which is supported by the people in their entirety without any exception and by the Arab and Islamic hearts in need of begging for rights meekly?

Has all that has happened, that is happening, and that will happen an act of begging, O brothers? Was the September 1970 war an act of begging, O brothers? Do the successive invasions made by the Israeli military since al-Karamah battle in 1968 and to this moment reflect any act of begging?

Did the allout international invasion of Beirut in 1982—the U.S.-European-Arab invasion and the minor and major acts of collusion against the strugglers—reflect an act of begging? By God, this is disgraceful, disgraceful, disgraceful, O Hamas.

Was our steadfastness in the face of the accursed 1983 Tripoli plot which sought to complete what Beirut had been unable to accomplish an act of begging?

Does our [spilled] blood reflect an act of begging?

Has the destruction of our refugee camps reflected an act of begging?

Has the annihilation of our people in Tall al-Za'tar, in Sabra and Shatila, in Burj al-Barajinah, and in al-Dubayyah reflected an act of begging?

Has the Sharon massacre reflected an act of begging?

Does our total incineration every day and every moment and our banishment to the farthest corners of the earth and do the ceaseless wars of the United States, Israel, and some Arabs against us reflect an act of begging?

Do we in our condition, with our history, with our struggle history, with the 3 leaders, Abu-Yusuf and the two Kamals, and with the devoted cadres who were martyred on the enemies' hands in every corner of the globe—in Rome, in Paris, in London, in al-Biqā', in Sidon, in Beirut, in Athens, and everywhere else in the world—reflect an act of begging?

Is the martyrdom of Majid Abu-Sharar, Sa'd Sayil, Abu-'Ali Iyad, Ghassan Kanafani, Mundhir Abu-Ghazalah, Khalid Nazzal, Abu-Sabri, 'Abd-al-Fattah

Mahmud, 'Abd-al-Wahhab al-Kayyali and of hundreds of other leaders and thousands of strugglers an act of begging?

Or do you view as idle talk our people's rally behind the historical leadership which has wrested for our Palestinian people from nothingness, homelessness, and aimlessness a presence in the Middle East's political map as a prelude to a presence on the geographic map and which is setting up our independent Palestinian state, with the venerable Jerusalem as its capital?

Do you think that this leadership which, along with our people, is accomplishing proud and noble feats every day and which is gaining gigantic stature as a luminary and a star among the world's peoples and as an honorable symbol for all peoples of the earth, and this entire history, which is the uninterrupted history of the long struggle of all national forces and sects, a pure coincidence? It seems that you are trying to erase our people's memory and that you don't want for Palestine, this country of prophets and saints, a presence among the independent and proud countries.

We have a final question to ask you: Why has Hamas resorted since its creation to this veto against the PLO and why is your veto coinciding with the U.S. veto that has been used seven times against the PLO since Hamas came into existence?

Our brothers in Hamas, we assure you, despite all this, that what you are projecting will attract from us no more than a passing gesture charged, of course, with utter sadness and regret because the main battle is there. This is why the struggle will march on its path while a hand continues to be extended to you, O brothers in Hamas, in order that we may build together, side by side, and with open hearts so that we may protect this torch, the torch of struggle and of the intifadah, until we score the resounding victory, God willing. We will build our sacred Palestinian state, with sacred Jerusalem as its capital. One of our country's children, who will be one of our new generals, will fly Palestine's flag over Jerusalem's walls, minarets, and churches.

In the name of God, the merciful, the compassionate: "And to enter your temple as they had entered it before, and to visit with destruction all that fell into their power." [Koran, 17:7] God is always true.

EGYPT

Party Leaders Discuss Reforming Electoral System

90AA0171A Cairo AKHIR SA'AH in Arabic
30 May 90 p 48

[Article by Zakariyya Abu-Haram: "What Do Parties Say About the Electoral System? Single Precinct System Wins Over Proportional Representation"]

[Text] Will the upcoming People's Assembly elections be conducted through the old single precinct system

method or by proportional representation? This question has been raised lately in political and party circles. What do the National Democratic Party [NDP] and the opposition parties think about the method of conducting the coming elections? Why do the opposition parties now support proportional representation, which they opposed in previous elections? Why will the upcoming elections be conducted through the single precinct system?

AKHIR SA'AH asked these questions in the party arena, seeking the opinions of various party leaders in Egypt. The replies regarding each method ranged from support to opposition, with each opinion having its own perspective and reasons.

First, Deputy Speaker of the People's Assembly Chancellor Ahmad Musa stressed: It is best for the elections to be conducted by the single precinct system since it is appropriate and is compatible with the current constitution, which was drawn up along these lines. Since the existence of constitutions in Egypt, the framers have had in mind only the single precinct election system, and any change to this system could violate other constitutional principles. If we think about adopting proportional representation, the constitution would have to be amended, requiring time and a lengthy study so that the amendment would be compatible with modern systems and Egypt's political and social conditions. Right now, it is preferable for elections to take place by the single precinct system because it is currently the only method compatible with the constitution and would merely require abrogation of all amendments to the Law Governing the People's Assembly and the Exercise of Political Rights passed from 1982 to 1987.

Yasin Siraj-al-Din, chairman of the Wafd Party's parliamentary group in the People's Assembly, said: Election by proportional representation would be preferable after certain points are changed, including reducing the eight percent to only three percent. Voter lists must be purged of the names of the dead, since the occupants of graves have been participating in elections for years. The names of women and men who have reached 18 years of age must be entered, because the number of those who must participate in the elections and who have the right to participate is 20 million, but voter lists currently contain only 12 million, including the dead.

We demand that the judiciary supervise the elections at all stages, from the election committees to the announcement of the results, and that an impartial, free, democratic atmosphere prevail over the elections, regardless of the method used. There must be no interference from the authorities, the security apparatus, or the governors.

Siraj-al-Din stressed: We prefer proportional representation because it is the system which best represents the people and the various political views.

On the fact that proportional representation allows the party to control its candidates, Siraj-al-Din said: Any candidate chosen by his party from the list must be convinced of its principles and of the philosophy of his party and must enter the elections within the framework of these principles. The single precinct election system allows anyone, independent or member of a party not nominated by that party, to nominate himself under his own responsibility. If the single precinct election shows the worth of single, proportional representation is an expression of the size of the party and its popular base, and choosing persons of worth and influence helps strengthen support of the party.

Deputy Chairman of the SLP [Socialist Labor Party] Dr. Muhammad Hilmi Murad said: Under the current constitution, proportional representation will be challenged as unconstitutional, as before, because the framers of the current constitution were thinking only of the single precinct election system. Although among the many provisions of the current system there is none stipulating proportional representation, it is preferable because it does not invalidate a large number of votes, as does the single precinct election system. One candidate could win by a single vote, while the corresponding number of votes minus one would not attain representation in the Assembly.

If elections are held under the current constitution, it will be by the single precinct system in order to avoid a third challenge of unconstitutionality. The best thing would be to amend the constitution, not only amending this point, but reviewing the entire constitution in light of development toward the multiparty system, avoiding the shortcomings of the current constitution drawn up under the comprehensive system, so that it will stipulate the best election system.

Dr. Mustafa Kamil Murad, chairman of the Liberal Party, affirmed: The single precinct system is understood by the people, as they have become accustomed to it over 60 years from 1924 to 1984. It also helps bring to prominence worthy political leaders who have the trust of the people, as opposed to proportional representation, which totally subjugates the elector to the party, which can nominate him or hide him away, as it wishes. His loyalty, therefore, is to the party, not to the people who elected him.

The experiments in proportional representation of 1984 and 1987 proved that most opposition political parties are not capable of obtaining the eight percent of electoral votes nation-wide in order to be represented. As evidence of this, we see that in the 1984 elections, no opposition party obtained eight percent, and consequently the only party to win a seat was the Wafd, which had the partial cooperation of the Muslim Brotherhood. In 1979 elections, when the Muslim Brotherhood [MB], the Liberals, and the SLP formed a bloc, they won 17 percent of the votes. This confirms that no opposition party can obtain a seat in the People's Assembly because they lack eight percent of the votes.

Al-Ma'mun al-Hudaybi, MB member of the People's Assembly, said: The issue is not whether elections are held under the single precinct system or proportional representation, but that all the authorities be neutral and impartial and that all electoral laws have guarantees to reassure the people that they are genuine, not fraudulent. Otherwise, any electoral system will be rejected because it will only separate the people and the authorities. No one is willing to accept procedures that do not lead to an assembly that truly gives voice to public opinion. The judiciary must oversee all stages of the elections, from voter lists to announcing the results. Martial law must also be suspended during the elections, and all public gatherings, publications, and signs must be allowed.

Since amending the constitution is not practical, we have no choice but the single precinct system. We hope that nothing will intervene to thwart its promise of expanding precincts or any other measures.

Dr. Rif'at al-Sa'id of the National Progressive Unionist Grouping [NPUG] said: The party believes that President Mubarak and the chairmen of the opposition parties must meet to discuss the best way of formulating an electoral law for the coming elections.

Foreign Market's Impact on National Budget Detailed

90AA0221A Cairo AL-MUSAWWAR
in Arabic 8 Jun 90 pp 52-53

[Article by Majid 'Atiyah: "International Changes Reflected in Figures of New Plan and Budget"]

[Text] Despite adherence to the overall national principles of the plan and the budget, international and domestic changes have been reflected in the figures announced for budget funds or plan investment costs. This has raised the size of the budget—around 30.3 billion pounds in the year now ending—to 41.3 billion pounds. At the same time, there was an 500 million pound increase in plan investments. However, the burdens of support and the social dimension and the burdens of capital remittances absorbed most of the differential between the new budget and the budget now ending. Suffice it to say that the change in the central bank's dollar exchange rate from 110 piasters to 200 piasters to the dollar has cost the budget nearly five billion pounds, not to mention changes in international prices, both of which have been reflected in the figures for support and debt burdens.

Despite the impact of foreign and domestic changes on budget figures, this year's budget has maintained a number of principles and policies. In addition to economic targets, the budget had to adhere to the social dimension necessary to realize a degree of social justice. Even within the framework of the economic dimension, the budget had to plan for the self-reliance policy, without the oppressive burdens of debts.

The two goals can be achieved only through a series of principles that controlled the directions of the budget:

- Adherence to planning as a scientific method of completing the course of economic development,
- Continued implementation of the policy of financial and economic reform,
- Use of financial and credit policies to spur the private sector to contribute to economic growth, and
- [Taking account of] how international economic changes involving import prices and export volumes affect our revenues and capabilities, and how exchange and interest rate developments in international financial markets affect debt burdens and the flows of foreign currency for budget uses.

These principles were reflected in the figures. The size of the budget increased. The surplus in the current balance sheet fell to 600 million—compared to 1.593 billion pounds in the previous budget. The net deficit rose to 3.775 billion pounds, compared to 660 million pounds in the budget now ending.

Extent of Social Burdens

This may be attributable to a series of social burdens that have imposed themselves as a commitment. For example, wages and pensions increased by about 900 million pounds. Figures for support rose to 3.5792 billion pounds, compared to 2.061 billion pounds in the previous budget. The social burdens do not stop with commodity support. Besides the 2.200 billion pounds budgeted to support prices of essential commodities, 45 million pounds were budgeted to support butane gas, 243 million pounds to support medicines and children's milk, and 702 million to support low-income housing loans and food security projects. In addition, 389 million pounds were budgeted to support farmers in the interest of agricultural production and to supply them with production requirements such as seeds, fertilizers, and pesticides.

If one adds to these social burdens other allocations such as education, health, culture, and the government's contribution to social insurance and pensions, total expenditures for the social dimension amount to over 11 billion pounds, representing 40 percent of current modes of utilization in the budget—an increase of 2.954 billion pounds over the figures of the previous budget.

Impact of the Central Bank's Dollar Rate

The change in the central bank's dollar exchange rate has affected the budget figures in terms of the size of the budget, the size of debt burdens, the size of appropriations for support, and the size of the gross and net deficit.

Although this change made it necessary for the central bank to revalue foreign assets and liabilities, thus raising the amount of the bank's surplus from 749.7 million pounds to 3.1817 billion pounds, about 2.200 billion pounds of the increase can be attributed to the change of the exchange rate.

The change in the central exchange rate contributed to a rise in the figures for foreign debt interest and payments. Furthermore, the impact extended to burdens and payments on part of the domestic public debt that is tied to foreign currency. The burden of foreign debt interest and payments amounted to about 5.3425 billion pounds, compared to 2.1015 billion pounds in the previous budget—an increase of 3.241 billion pounds. This increase can be attributed 70 percent to the change of the exchange rate. The change in the exchange rate also has affected total capital remittances, which amount to 7.2518 billion pounds—an increase of 2.0449 billion pounds over the figures of the previous budget.

Thus we find that the change in the central bank's exchange rate to 200 piasters to the dollar has had the effect of inflating the figures of the budget by nearly 5 billion pounds. Nevertheless, the net budget deficit rose to nearly five times what it was in the previous budget.

Public Sector Surpluses

We should have mentioned the increases achieved in government and current revenues before talking about the deficit. Government revenues realized an increase of 3.162 billion pounds, reaching an estimated 17.862 billion pounds—an increase of 21.5 percent. Current revenues rose from 5.6422 billion pounds to 9.9831 billion pounds—an increase of 76.9 percent. The total increase in revenues amounts to 7.5029 billion pounds. If one adds the surplus from economic organizations, the public sector, and the central bank, the total comes to 7.4081 billion pounds, compared to 3.1537 pounds in the previous budget. If we add what is available from revenues, we find that the revenues of the budget have risen to 32.5225 billion pounds, although allocations for utilizations have risen to 41.2478 billion pounds. Through other available revenues it was possible to restrict the deficit to its announced limits of 3.275 billion pounds, in addition to 500 million pounds that will be offered for subscription to the public. Perhaps the greatest of the factors of this deficit arises from capital remittances, amounting to 4.375 billion pounds. The highest figure utilized in remitting the total deficit arose from surpluses of savings vessels of about 3.0945 billion pounds allocated to remit investments, which amounted to 6.7509 billion pounds, and which rest on only 2.1106 billion pounds as private resources. Add to these the sum of 3.2491 billion pounds allocated to public sector investments. These do not enter the budget, now that we are following the principle of separating public sector balance sheets from the government budget. Thus, the figure for total investments in economic organizations and the public sector comes to about 10 billion pounds. In addition, 6.1 billion pounds were allocated for the private sector in the plan for the new year 1990-91, which is the fourth year in the second five-year plan.

Introduction to the Plan

In speaking about the plan's fourth year, one should perhaps start from the achievements realized during its

first years. We review them with Dr. Kamal al-Janzuri, deputy prime minister and minister of planning.

In its three years from 1987-88 to 1989-90, the plan's investments amounted to about 49.3 billion pounds, 12.7 billion pounds of which were allocated to the private sector. Based on prices of the seventh [as in source, perhaps a misprint for fourth] year of the plan, the investments have yielded about 76.9 billion pounds of growth in the value of the domestic product—an increase of 12.7 billion pounds, or 17 percent, for an annual growth rate of 5.4 percent. This is close to the 5.5 percent rate that the plan targeted.

Paralleling the growth in the domestic product was an increase in overall consumption, which rose from 40.9 billion pounds to 47 billion pounds. The share of household consumption in this was 39.7 billion pounds, for a yearly growth of 4.8 percent, while government consumption increased by 4.9 percent.

During the first three years of the plan, the number of job opportunities [generated] reached 992,200 or 48 percent of total job opportunities targeted for the five years (2.069 million jobs).

Accordingly, total wages for the three years increased from 16.731 billion pounds in 1986-87 to about 25.167 billion pounds—an increase of 8.436 billion pounds or 50 percent. During the same period, the average annual wage rose from 1,319 pounds to 1,848 pounds—an increase of 529 pounds or 40 percent.

Investments in the housing sector by the private sector alone amounted to 1.098 billion pounds—95 percent of the total increase in investments, which was 1.159 billion pounds.

What Is the Target?

This introduction to the results of the three years of the second plan has been needed as we approach the figures for the fourth year of the five-year plan. Perhaps the most salient point being made about the new 1990-91 plan is that it relies on private resources for up to 82 percent of investments both in local and in foreign currency and that the total domestic remittance to the plan amounts to over 53 percent.

The plan for the new year has set funding priorities. New substitution projects have been allocated 25.5 percent of the total plan. As a second priority come operations to complete projects, with 31.2 percent of the plan's allocations.

Investments are allotted so that 43.6 percent of total investments go for expansion projects and the new projects included in the plan.

Private Resources

The National Investment Bank is playing a role in providing local and foreign currency credits—about

4.975 billion pounds in local currency and [the equivalent of] 801 million pounds in foreign currency. This is in addition to [word illegible] remittance operations, with the value of grants and aid amounting to about 855.6 million pounds. The value of available loans amounts to about 1.764 billion pounds, in addition to about 539 million pounds of other available external credit facilities, and 229 million pounds as forms of undistributed remittance.

After funding has been arranged, the priority for projects can be set. Electricity, energy, and industry form the first priority. Next come housing and utility projects, followed by projects for agriculture, land reclamation, and irrigation. There is also strong emphasis on increasing agricultural production, so as to curb imports and benefit the domestic producer.

The general plan for the new year aims at achieving 5.2 percent growth in the domestic product, so that it increases by about 4.6 billion pounds, to reach about 91.5 billion pounds. As a consequence, wages will reach 28.3 billion pounds—an increase of 3.1 billion pounds over the year now ending. The plan aims at creating job opportunities, such as replacing retirees, pensioners, or those who resign.

Can Consumption Be Controlled?

Paralleling increased product and increased wages, the plan also targets an increase in overall consumption. Consumption is expected to reach 48,855 billion pounds—a growth rate of only 3.9 percent or 1.885 billion pounds over forecasts for the previous year. The plan's other new target is to build 2.078 million housing units, 70 percent of them as low-income housing, and 26.3 percent for people with middle incomes. Only 3.2 percent of the plan's target remains for housing above the middle level. The plan has given the private sector responsibility for implementing this program with 95.7 percent of housing investments. The public sector is responsible for implementing 3.3 percent of total investments. The remaining one percent has been left to cooperative housing.

At the economic level and in the context of the policy of reforming the economic path, the plan has set a national goal of lowering the current balance of payments deficit to 1.5 billion pounds, even though the deficit is projected to reach nearly 3.2 billion pounds for the year now ending, 1989-90. This is to be done by substituting domestic production for imports and by attempting to push exports to higher rates.

This entire overview has been merely a reading of budget figures and of plan projections preceded by a discussion of the achievements of the plan's previous years. The reading also contains warnings to make us alert while we are on the way to a national economy free from all pressures.

Subsidy Program Criticized, Ways To Revamp It Offered

90AA0203A Cairo AL-WAFD in Arabic 17 Jun 90 p 3

[Article by Muntasir Jabir: "Government Subsidies Lose Their Way, Fail To Reach the Poor; Government's Subsidy Policy Created Class of Spongers, Tax Evaders; High Income Earners Consume More Goods"]

[Excerpts] Successive waves of price increases have repeatedly exposed the story of subsidy funds and made that story once again the topic of discussion. According to the figures which have been made public, 3.225 billion pounds were earmarked this year by the state to subsidize people on fixed incomes. And yet, this group of people continues to grow poorer and to experience more hardship every day. Therefore, the old questions, which were asked after every price increase, are being asked once again. Are subsidies really helping those who need them? Is it possible to free people on fixed incomes from the hardship they have to bear by increasing subsidies? Should subsidies be abolished once and for all? How can the solution, which will be chosen, be implemented? Is abolishing subsidies a step on the road to economic reform?

The total deficit in the general budget was approximately 14 billion pounds. This figure became official when the final figures for the 1987-1988 general budget were discussed in the People's Assembly. The deficit figure provoked sharp reactions from various parties. There was the government's reaction on one side and the public's reaction on the other. Economists had their own opinions on the matter: they commented on it, and they offered their suggestions about it.

Average citizens found an explanation for recent price increases in the budget deficit. It is their point of view that the government is using the proceeds of price increases to triumph over the budget deficit or to reduce the deficit figure. The government, however, is affirming that recent price increases were essential to expose the truth about subsidy funds, which have been growing every year. The subsidy figure now stands at 3.225 billion pounds.

Economists affirm the importance of changing the approach to subsidies to ensure that subsidies reach those who are entitled to receive them. For many years factual evidence has made it clear that subsidy funds were ending up in the pockets of those who act as intermediaries between the state and citizens. That is why the history of subsidies had to be retold, and the reasons why a subsidy code should exist and continue to be enforced had to be discussed. Questions are being asked about subsidies: How can they be delivered to those who are entitled to them? How can they be abolished? What harm could befall citizens if subsidies are abolished? Can abolishing subsidies be an approach to economic reform? [passage omitted]

Side Effects

There is no medicine without side effects. But in curing patients, skillful physicians try hard to reduce these side effects to a minimum. The government's physician, however, maximized these effects by continuing to prescribe a larger dose of medicine: more subsidies. Growing subsidies were among the side effects [of the medicine that was prescribed for the economy]. A Shura [Advisory] Council report indicated that with regard to the nature of the goods and services which can be subsidized, the subsidy policy was not based on precise standards. A variety of goods and services were subsidized, and high income people benefited from those subsidies: their consumption increased as a result of their higher incomes, and the justice which was being sought was circumvented. The buying power of those individuals is much greater than that of those who actually deserve assistance. It became clear that the well-to-do spent large amounts of money on goods, especially meats, fish, and dairy products. They also spent a great deal on goods, like grain and sugar, and consumed more of these goods than poor people did. In addition, the well-to-do consume more goods like gasoline and bottled butane gas. The subsidy policy created a class of opportunists and a group of spongers whose income is not taxed. It created opportunists and spongers like those who use [subsidized] bread as feed for live-stock and poultry. This makes it clear that subsidies do not help narrow income disparities. Instead, they contribute to a certain extent to the redistribution of income in favor of people with higher incomes, and that does not help those who live on fixed incomes.

If subsidies are one manifestation of the government's flawed economic policy, how can we deal with them under the current subsidy policy? What can we do about the current high subsidy figures? What can we do about the fact that subsidies are not benefiting people living on fixed incomes?

Dr. Hasan Muhammad Kamal, professor of business at 'Ayn Shams University says, "Subsidies must be abolished because they do not benefit citizens. In fact, subsidized goods are sold by some people. Therefore, monetary assistance through wages must be extended to those who are entitled to subsidies. Such a measure will not cause inflation to rise; it will rather help reduce the rate of inflation. Increasing salaries means reducing subsidies and cutting the budget deficit. We can thus guarantee that subsidies reach those who are entitled to them, not those who earn high incomes and who evade taxes to boot. If the supply and demand policy is applied, abolishing subsidies for goods will reorganize the economy, stabilize prices, and make goods available in the market. Consequently, the black market will cease to exist, and those who use people's livelihoods to make deals will vanish. The real problem with subsidies is a lack of confidence between citizens and the government. The government makes public statements denying that prices will rise. Days later, however, the surprise comes when prices do rise. Frankness and disclosure of the

truth about economic conditions are required. The principles of economic reform should be announced to all citizens so that people can participate in the process and tolerate this reform."

Supporting the IMF

Citizens attributed price increases and the recent rise in the cost of living to the fact that the government has been following IMF and IBRD [International Bank for Reconstruction and Development] policies. Dr. Bakr 'Atiyyah, professor of economics and business at the College of Business of 'Ayn Shams University, talks about that and says, "There is no doubt that subsidies are one way by means of which income can be redistributed. Subsidies make it possible for people on fixed incomes to purchase goods at reduced prices. This was the case when subsidies were first introduced. With the social and economic changes [that have taken place], however, subsidies must be reduced and salaries must be gradually increased. A schedule is required to do that, and this is something which is not clear. The recent price increases were prescribed by the IMF, but the policies of international banks and funds are not related to the reality of Egyptian conduct. Accordingly, such policies are not as suitable for us as they might be for countries with a mature economy whose economic rules are stable. The problem in our country is one of actual low production and of the exploitation of price increases by intermediaries. The absence of accurate, scientific, economic studies about our citizens' conditions and incomes led to the situation we are experiencing now. There are large income disparities in Egypt which one does not find in the countries of the world. That is why when prices rise, people on fixed incomes are hurt."

The Wafd and Subsidies

The Wafd Party's Finance Committee and the Committee on the Economy contributed a plan to deal with the problem of subsidies. The plan was outlined in reports that were submitted to the government of Kamal Hasan 'Ali. Dr. Ahmad Abu-Isma'il, former minister of finance and chairman of the Wafd Party's Finance Committee says, "Although getting the information and the figures for these reports was difficult because the government refused to help us, these reports were adequate for reforming economic conditions. I remember facing the problem of subsidies when I was minister of finance: I abolished subsidies for some goods, like vegetables and sesame tahin, and I abolished subsidies for dollars paid for goods that were imported from abroad, provided the dollar was handled by customs at the incentive rate. Although this policy which I followed was attacked, it was eventually accepted and understood after its real implications were explained. At that time the IBRD affirmed that this policy was a serious start for economic reform. Subsidies are very harmful for the economy. Removing them restores normal patterns of consumption. And consumption is growing because of the subsidies, but the danger lies with petroleum. We are now consuming almost half of what we produce, and we

export the other half. What shall we do after [our] oil reserves are depleted? The only thing we can do then is import oil at world prices and pay for it in hard currency. We must pay attention to this predicament now. The problem lies in the fact that the government is apprehensive about abolishing subsidies. Thus, all problems are deferred. Subsidies have to be lifted gradually, and this is what we have been calling for since 1975. The governments, however, always insist on the element of surprise when they abolish subsidies."

As far as the budget deficit is concerned, that can be attributed to the fact that the government underestimated revenues and failed to balance spending and revenues. The government's estimated revenues from taxes and customs, for example, are unrealistic. Estimated revenues are usually incompatible with actual revenues. Expenditures are usually underestimated as well: actual expenditures are higher, so the government ends up spending more funds than it had budgeted. This makes it clear that the People's Assembly does not oversee the budget.

Businessmen Give Guidelines for Economic Reform

90AA0204A Cairo AL-WAFD in Arabic 15 Jun 90 p 2

[Article by Zakariya Fikri and Halah al-Malki: "At Businessmen's Conference in Alexandria al-Gharib Attacks IMF Demands That Interest Rates Be Raised; Abazah Affirms Absence of Clear Plan To Revamp Public Sector; al-Najjar Affirms Economic Reform Contingent Upon Political Reform"]

[Text] There was a heated 4-hour debate about the current economic crisis at the conference which was held last Sunday by the Society of Businessmen in Alexandria. A large number of university professors, a few former ministers, representatives of the Wafd Party and the National Party, legal professionals, and deans of colleges participated in the conference. Participants in the debate were Dr. Sa'id al-Najjar, the international economist; Dr. Muhyi-al-Din al-Gharib, chairman of the Executive Board of the Investment Authority; Dr. Ibrahim Disuqi Abazah, assistant secretary general of the Wafd Party; Dr. Samir Tubar, chairman of the National Party's Committee on the Economy; Justice Muhammad al-Jindi, former public prosecutor; and the former ministers, Jamal al-Nazir, Dr. Sulayman Nur-al-Din, Engineer Ahmad 'Izz-al-Din Hilal, and Dr. Muhammad Sa'id 'Abd-al-Fattah, president of Alexandria University.

The Society of Businessmen in Alexandria, whose president is Muhammad Rajab, had convened this conference and had proposed a working paper for it which revealed that problems resulting from the economic crisis were piling up. The paper indicated that 22 percent of the country's labor force were unemployed and that the budget deficit had grown. Consequently, the rate of inflation was rising; most people were suffering more;

and there was a severe recession in the country. As a result of that the profitability of most businesses declined; investments declined; there was a production shortage; and tax revenues also declined. The volume of exports was affected by all that.

Businessmen warned against the unfavorable consequences of such a decline, should it continue unabated and nothing was done to apply a radical, effective remedy to it.

The businessmen's view of an economic reform program may be summarized in several points, the most important of which are: converting public sector ownership to the private sector and putting an end to the budget deficit by setting up proper guidelines for spending, for fighting bureaucracy, for encouraging investments, and for developing exports.

The Public Sector Is the Reason

Dr. Sa'id al-Najjar spoke first. He affirmed that Egypt was going through a stifling economic crisis, which was being exacerbated by a continuing rise in prices which were becoming disproportionate to people's wages. Furthermore, Egypt's debt rose beyond the \$50 billion mark in the blink of an eye, and the annual service for that debt is over \$5 billion. In other words, 55 percent of the revenues earned from the petroleum sector's production, from the Suez Canal, and from tourism are spent on the debt service. Furthermore, talks between Egypt and the IMF are still underway, and these talks are mostly about one point: the interest rate and the rate of exchange. The difference of opinion on that point is fundamental.

Dr. Sa'id al-Najjar added, "The real problem lies in the fact that the present economic and political system is no longer compatible with the changes that are taking place in the country and abroad. That system is also plagued by neglect and riddled with corruption, and that makes reconsideration of the entire sector necessary. That is, restructuring the political and economic system is necessary. Neither the IBRD [International Bank for Reconstruction and Development] nor the IMF will be able to get us out of this crisis because we are the ones who are involved in it. This is not their crisis. Our knowledge that one study conducted by the IBRD and by U.S. AID [Agency for International Development] two years ago ranked Egypt number 38 out of 42 in management and planning should suffice. Such a ranking is considered extremely poor."

A Serious Budget Deficit

Dr. Sa'id al-Najjar went on to say, "If we were to examine the present status of the public sector, we would find it playing an important role in the economic crisis. It is the public sector that is responsible for the problems of inflation and unemployment. The public sector is responsible for the deficit in the balance of payments and for the rise in the foreign debt.

"All this makes the demand for change necessary and urgent. Such change can only come about by restructuring the economic and political system and by affecting a clear shift away from a dominant public sector and centralized planning of the economy to an active private sector that participates effectively in the economy. The state must not become involved in everything in an attempt on its part to dominate and monopolize. It is not the business of the state to be involved in the management of poultry and fish farms and motion picture as well as stage production theaters. Nor should the state become involved in raising poultry. What benefit can the state derive from such activities?

"We will not ask the government to give up major companies, such as those in the petroleum sector, nor will we ask it to give up the Suez Canal Authority, but we will ask it to give up those companies which are impeding its development activities and draining its resources."

Dr. Samir Tubar, chairman of the National Party's Committee on the Economy, indicated that objections were being made to the process of diagnosing the problem. He said, "We have not yet achieved radical solutions to these successive crises."

Dr. Tubar said that a decision on ownership in favor of the public sector or the private sector would not provide a radical solution to the economic crisis. Dr. Samir Tubar acknowledged the extraordinary rise in the net deficit of the general budget. In 1988 the total deficit was 4.9 billion pounds, but the final accounting which was done to close the books on the 1988 budget showed that the deficit had soared to 14.4 billion pounds. Dr. Tubar mentioned that spending on imported production requirements and on consumer goods had risen. At the same time he emphasized the need to liberate and to develop the public sector. He also said that the private sector should be encouraged and offered incentives.

Investing Through Savings

Dr. Muhyi-al-Din al-Gharib, vice president of the Investment Authority, spoke after Dr. Tubar. He indicated that except for parts of those policies which had to do with rescheduling debts, interest rate policies as well as exchange rate policies approved by the IMF were not feasible. He emphasized that the IMF, in its talks with Egypt, was always adopting an approach that involved raising the interest rate and reducing the rate of exchange for the Egyptian pound. "This policy does not give us any real benefit. Instead, such a policy will shift capital away from direct investments and into savings accounts. Thus, goods produced by small businesses will go begging if the interest rate rises over 16 percent. The burden will be shifted to the banking system and from it to public sector banks." Dr. Muhyi-al-Din al-Gharib joined Dr. Sa'id al-Najjar in calling for the restructuring of the economic system, which both men said was necessary. They said that ratios of industrial, agricultural, and other activities had to be redistributed between the public and

private sectors, and they also said that the central planning policy should be considered because it was not feasible. Dr. al-Gharib affirmed, in fact, that so-called central planning no longer existed.

Regarding the ongoing controversy about the sale of the public sector, Dr. Muhyi-al-Din al-Gharib said, "The present manner in which the subject of selling the public sector is being brought up is nothing more than a mere desire to talk and to steer the debate into areas that would provoke and sharpen differences of opinion. Given the fact that the public sector's problems, including the problem of hidden unemployment, are getting worse, the private sector is expected to lay off employees and reduce surplus employment in the public sector if the public sector is put up for sale and if it is acquired by the private sector. Where will this army of unemployed people go should that happen? Would political and social conditions permit such a solution?"

"And yet, we do not oppose the idea of selling the public sector, but we do not want emphasis to be placed on selling in general. We want a set of measures to be taken to encourage the private sector to invest its savings in new projects."

Dr. Ibrahim Disuqi Abazah spoke after that. Early in his remarks he touched upon the political and economic model which is being used to run the country. He said, "The root of our problem lies in this system which is not suitable to new economic aspirations. It is a system that needs to be changed and developed."

Dr. Ibrahim Abazah said that the public sector was being managed in accordance with a barren central plan which was controlled by a domineering political administration that relied solely on physical force. "An attempt was later made to bring about superficial change through a so-called liberalization system, but the old legacy survived.

"The determination to consolidate this erroneous situation is still there. The public sector is a huge, oppressive dinosaur that will not stimulate any economic development. In fact, the public sector interferes with development and holds back the private sector. Change will continue to be the real alternative for providing a remedy for the economy. Unfortunately, however, the political system is objecting to change because its existence is tied to the present economic system. It is natural that the upshot of all that would be one failure after another and one catastrophe after another.

"The totalitarian regime which is governing us today and hiding behind a superficial democracy, objects strongly to selling the public sector because that sector is thought to be the government's main foundation. The discussions which are heard nowadays about selling the public sector are, just as Dr. Muhyi-al-Din al-Gharib explained, merely discussions and talks. A single standard should not be used in looking at the public sector because the public sector is engaged in a variety of activities, and each activity has its own nature. That is why it cannot be

said that selling the public sector is impossible unless, as Dr. al-Gharib affirmed, the current climate of Egypt's money market and investment market were to continue. In such a climate not a single buyer will be found for public sector projects or for any other project." Dr. Ibrahim Disuqi Abazah added, "What is required in the first place are guidelines for the public sector, and those guidelines should include selling some parts of the public sector. If parts of the public sector were to be sold, Egyptians would regain their confidence, but if this reform is not carried out in earnest as part of a comprehensive economic reform package, the Egyptian economy will continue to pay the price of political mistakes.

"Regarding the problem of inflation and revamping the budget, Dr. Samir Tubar says that the budget deficit, which amounted to about 14 billion pounds in the last budget, is out of control. But Dr. Tubar did not tell us how the government covered that deficit." Dr. Abazah affirmed that the deficit was being covered by printing money and that no goods or services were being produced to offset the money that was being printed. Dr. Abazah also affirmed that proceeds from savings in insurance and pension funds were seized and funds were borrowed to cover the deficit. According to Dr. Abazah the deficit was covered according to the following formula: 50 percent of the deficit was covered by printing paper money; 40 percent by seizing funds from insurance and pension funds; and 10 percent by borrowing funds. Dr. Abazah added, "We reject this method of covering the budget deficit. In fact, this method is tantamount to stealing from people on fixed incomes. This poor method hurts those people and erodes their incomes because it causes inflation.

"Finally, the state budget is plagued with foolish spending, primarily what the state spends on central security forces. The state spends about 1.25 billion pounds annually on these forces. In addition, money is spent lavishly and unnecessarily in numerous ministries and security agencies and administrations."

Dr. Ibrahim Abazah concluded his statement by reminding his audience that Egypt had entered the industrial age 40 years after the Industrial Revolution was started in Europe and approximately 50 years before Japan entered the industrial age. "Today, however, Egypt remains a technologically backward country. In fact, Egypt's industrial progress now lags behind that of countries which used to be behind Egypt. The inevitable solution to that situation is to reform the political structure and the economic structure because both are tied together, and both must be reformed together. At the very least, political reform should start first. But there is no way that delaying political reform will lead to economic reform."

At the end of the conference Dr. Sa'id al-Najjar affirmed that political reform was a must. He emphasized that without a real parliamentary council with all its legislative and oversight powers, there can be no economic

reform. There can be no reform under a council that does not keep tabs on the budget and cannot vote its confidence in the government. There can be no reform under a council whose members hold public positions and serve on the parliamentary council at the same time.

ISRAEL

MK Begin Criticizes US Policy Toward PLO

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[Commentary by Ze'ev Benyamin Begin]

[Text] This year, two assumptions held by American policymakers regarding the Middle East were refuted: a) Contrary to their expectations, the PLO refuses, to date, to accept a secondary, unseen role in the political process; b) Contrary to their hopes, the PLO continues to engage in terror, which has been its murderous custom since its establishment in 1964. In the American State Department, it had been hoped that terrorism would cease, if not all terrorist activity, at least activity by FATAH [Palestine Liberation Movement], and if not that, at least terror acts in Israel west of the "green line," and if not that, at least terror acts against civilians. All of this was reckoned without the host, and the host of the PLO's terror syndicate is Yasir 'Arafat [the proverb being: He that reckons without his host must reckon twice].

When PLO leaders declare repeatedly that peace is impossible without East Jerusalem as the capital of an independent Palestinian state, without recognition of the PLO, and without attainment of the right of Palestinians abroad to return to Jaffa and Haifa, Israeli doves make noises, maintaining that these are mere words that should not be a cause for becoming excited, and that the PLO must not be judged by its statements, but by its actions.

With pleasure, we will indeed judge the PLO by its actions. I presently have a map that was found among the effects of terrorists belonging to the PLO, specifically members of the Democratic Front for the Liberation of Palestine [DFLP], headed by Nayif Hawatimah. These terrorists were killed only a short time ago while en route from Lebanon to Israel. Sketched on the map is the cell's planned advance route, which crosses the Litani River via the village of Taybah, where the terrorists were killed. Also marked on the map are the border fence and target of the operation, Kibbutz Misgav 'Am. Recently another PLO-Hawatimah cell was liquidated, the fifth this year. Its objective was Moshav Zar'it.

We must all be set straight about the following facts: The PLO faction led by Hawatimah, the DFLP, is continuously carrying out terror operations against civilians of Israel. Hawatimah's deputy, Yasir 'Abd-Rabbu, is the head of the PLO representation in the dialogue with the United States in Tunis. The significance of these facts

are understood not only by us, but also by the U.S. State Department, which nonetheless refuses to draw the necessary conclusions required by this understanding.

Recently, the U.S. State Department placed on the desk of the Chairman of the Senate Foreign Relations Committee, Senator Claiborne, a report on the extent to which the PLO has honored its commitments to desist from terror. This report represents a certain amount of positive progress regarding the disclosure of the truth about PLO terrorism, in the sense of "somewhat acknowledging" it, but by no means is it adequate.

On 12 July 1982, an aid to the U.S. secretary of state, Mr. John Kelly, testified before the Senate subcommittee for European and Middle Eastern Affairs. Since the start of the dialogue, there are indications of three attacks carried out by Hawatimah's faction of the PLO in February and March 1989, and one attack carried out by the Islamic Jihad on 15 March 1989. The Islamic Jihad, as we all know, is part of the western sector cadre, FATAH's main operational body. The nom de guerre of FATAH's commander is Abu-'Ammar, who is Yasir 'Arafat.

Indeed, there was somewhat of an acknowledgement of error in July. However, fundamentally, due to an obvious lack of data, the concealment of facts, and groundless conclusions, the report constitutes an unsuccessful, insulting, humiliating attempt to whitewash the PLO, camouflage its terrorist character, legitimize the murder syndicate, and provide an excuse to continue the dialogue with it.

For example: The American report points to an attack by the DFLP on 2 March, in which four terrorists were killed in the security zone in Lebanon, and one escaped. The report indeed cites the statement by the DFLP in which the organization claims responsibility for the attack and specifies its target, Moshav Zar'it. However, the authors of the report indicate, insolently, that the objective of this operation, as in the case of the two previous attacks, is not clear. How did they reach such a clear conclusion about such an unclear target? According to the report, the Americans clarified the three cases with the PLO in Tunis.

Let us recall that the PLO representative in these talks was, as stated, DFLP deputy commander Yasir 'Abd-Rabbu. Perhaps they, or someone, expects us to fail to defend our settlements so that a PLO terror operation will result in civilian deaths, which would then make it possible for these reports to indicate with certainty that the objective of these operations is indeed to murder men, women, and children.

The preceding relates to individual terror operations mentioned in the American report. However, many terror operations carried out by the PLO are not even mentioned in the report, which is updated to at least 5 February 1990. Since 15 December 1988, not nine, but 30, operations were carried out by the PLO against Israel, including 17 were attacks across the border, two

carried out by FATAH, and 13 terror attacks in Israel, carried out across the borders of the "green line" by cells of FATAH's Force 17 organization. This information has been known for some time to the American administration. Nonetheless, the American Secretary of State announced to Congress on 1 March, three weeks ago, to applause, that the PLO was adhering to its commitments not to engage in terror.

Regarding this senseless conclusion, the report adds: "A problematic area concerns several operations carried out by Damascus-based PLO groups, such as the Popular Front for the Liberation of Palestine and the DFLP. We do not have proof that these operations were permitted or approved by the PLO's executive committee or by 'Arafat himself.' Really..."

It is certain that approval is not given for the mounting of attacks in orderly proceedings of the PLO's executive committee. The PLO's terror cadres are in charge of execution. Some of them operate on 'Arafat's orders in the framework of FATAH, including Hawari's cadre, the western sector cadre, and Force 17. The commander of Force 17, Abu-Tayyib, is in charge of 'Arafat's personal security, and he is one of his closest confidants. It is a cynical pretension of innocence to claim that the PLO leadership, including 'Arafat, is not connected to the continuous succession of terror acts.

Against this background, it is possible to perhaps understand why the authors of the report chose to absolutely ignore FATAH's actions -and I repeat emphatically, FATAH's actions- in the area of Mt. Harif in the Negev on 4 December 1989, which involved five terrorists with 50 hand grenades, who had set out to attack and kill indiscriminately. Why? The Americans are our friends, our allies, and they are usually fair and generous. Why have they recently adopted a new version of the carrot/stick approach, in which the PLO is offered the carrot and Israel the stick? Why have they taken the trouble to write so insulting a report to cover the tracks leading from terrorist attacks to protect the PLO?

The answer of course lies in the U.S. State Department's policy during the past year of promoting the political process at all costs.

Despite the facts mentioned above, it is said in the U.S. State Department that the American dialogue with the PLO will continue. They are attempting to purify the impure, and when they do not succeed in doing so, they turn logic upside down: No longer is the cessation of terror a condition for continuing negotiations with the PLO. On the contrary, they signal that because the PLO is able to impose a terrorist veto on the peace process, it is necessary to negotiate with it, on account of its use of terror, not despite it, because, as it is currently customary to say, the PLO is the main element in the field.

This is a terrible submission to murder and intimidation. Accordingly, the more monstrous the PLO becomes -or as stated by Knesset Member [MK] Tzuqer in the Knesset, the more I do not even exist, because animals

do not liquidate their own species -the greater the need will be to integrate the PLO in the political process. Woe to the eyes that perceive such twisted logic.

But why should we complain about our friends the Americans? The Israeli Labor Party, in accepting the logic of the extreme left, also accepted this invalid approach in its aspiration to become disconnected from Samaria, Judaea, and Gaza as quickly as possible. Thus, the Labor Party no longer sees the PLO as an obstacle, but as a tool that will enable it to return, more or less, to the old, beloved "green line," behind that same famous electronic fence. Thus, developing before our eyes is an improved edition of the "humanist" left, accustomed to terror, and no longer requiring that the cessation of terror operations be a condition for contact with the PLO, which explains why it is necessary -even worthwhile and rewarding- to submit to terror and negotiate with terrorists.

This was expressed by the Deputy Finance Minister at the time, MK Yosi Beilin, on 24 January of this year: "We in the government thought that America could induce the PLO to give the green light to the Palestinians in the territories to hold discussions with us about elections...inasmuch as our goal is certainly for the PLO to accept our political program and give the green light to Palestinians in the territories to talk with us about holding elections."

Thus, the Peres-Weitzman-al-Tayyibi-Tunis axis developed, according to the testimony its main player, 'Ezer Weitzman, and thus, MK Peres, in an interview with AL-AHRAM, hastened to announce the good news to the Egyptian people, that his government, if it is established, would change the law that prohibits meetings with the PLO.

"A green light" for dialogue with those striving to liquidate Israel with nonstop terror?

Arens' Methodology on Intifadah Analyzed

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22 Jun 90 p 14

[Article by On Levi]

[Text] "The IDF [Israel Defense Forces] is doing difficult, unpleasant work, and it is doing it well." With this statement, Defense Minister Moshe Arens summarized his first visit to the Gaza Strip.

The strip greeted Arens with relative quiet. On Wednesday, the day of his visit, the streets of the city of Gaza seemed cleaner than ever. For a moment, it seemed that someone had cleaned the strip in Arens' honor. Officers of the NAHAL [Fighting Pioneer Youth] battalion serving in the area told Arens that the quiet that he encountered has characterized the strip since the murder of seven Palestinians in Rish'on Letzion.

During the visit, Arens heard reports from senior officers in the strip, who told him that the strip is calm and that the volume of incidents had declined significantly. In the IDF, the relative calm is attributed to the experience gained by the Army after 31 months of handling the intifadah, recognition of the need to reinforce troops after exceptional incidents, the strictness of orders regarding the opening of fire, the prevention of excessive friction between soldiers and local residents, and exhaustion and frustration on the part of the local population after two years and seven months of struggle. However, it is emphasized in the IDF that a monitoring of developments provides cause for suspicion, and that it is still too early to make summary appraisals.

From Forum to Forum

This was not Arens' only tour to study the territories. Last Wednesday, a day after he entered office, Arens toured the West Bank. To the surprise of many, Arens did not start his tour in the camps of the IDF, but in Ari'el and in Ma'ale Adumim, where he sought to learn about security pressures from settlers.

Arens thus became subject to some criticism in the IDF because he sought the opinions of settlers on security problems before seeking those of senior IDF officers.

In his visit to Jewish settlements in the West Bank, Arens received support for his belief in the need to do more to ensure the security of Israelis travelling on roads. He learned from settlers that rock-throwing at moving vehicles was their most pressing and painful problem. If he can successfully handle this problem, he will have won the intifadah, at least ostensibly.

Two days later, equipped with the "professional" opinion of residents of Ari'el regarding security problems, Arens convened the large "territories forum" that his predecessor Yitzhaq Rabin introduced. In this meeting, he reviewed, for the first time as defense minister, reports by professionals in the IDF and the General Security Service, and civil administration leaders. The review was lengthy. Those in attendance detailed the situation in the territories according to what they had personally witnessed.

General discussion at the meeting indicated that a relative relaxation exists in the field, and that the IDF and the civil administration are more or less in control of the situation. The professionals also thought that the central problem at present is contending with isolated, disorganized stone-throwing. Anyone can pick up a stone and throw it. The IDF finds it difficult to contend with this problem. Those in attendance told Arens that, in order to present him with new recommendations for dealing with the intifadah, the new government must determine whether the definition of the IDF's mission has changed, i.e., does the new government intend to seek the complete routing of the uprising, and if the definition of the

IDF's mission has not changed, the IDF—it is worthwhile to pay attention to this—is doing the maximum within the scope of the definition of the mission imposed on it.

Moshe Arens did not hasten to express his opinion in this meeting. He thanked the participants in the forum and announced that he would convene a more limited forum to examine new methods for safeguarding travel on the roads, for which purpose he ordered the heads of the commands to present methods for dealing with the problem.

On Sunday of this week, Arens met with chief-of-general-staff, Lieutenant General Dan Shomron, the head of the central command, personnel of the General Security Service, and the coordinator of activities in the territories. In this limited forum, he requested recommendations for solving the problem of the intifadah in Judaea and Samaria. The participants in the forum argued that, in the absence of new definitions, they had neither miracle cures nor spells. Thus, all of the recommendations submitted to Arens were previously submitted to Rabin. Most of them had been rejected on account of budgetary or other no less complicated problems.

Arens was told in the meeting that the violence could be reduced through a substantial increase in manpower, i.e., through an increase in the load born by reserve units. Because it was decided in the IDF to reduce the load, not increase it, there is no reason to deal with this issue. The participants did not recommend that force be used more extensively. It has already been proven, they argued, that an increase in the number of injuries necessarily extends the cycle of violence. Nor did they recommend an expansion of the use of deportation as a means of punishment, because it is illegal. Even if a way were found to carry out deportation legally, it has already been proven ineffective. Moreover, the IDF cannot recommend the expanded use of the destruction and sealing of houses as a means of punishment, because of limits imposed by the High Court of Justice.

Recycled Recommendations

Because Arens asked to receive new recommendations, the IDF retrieved from its memo file, recommendations that were not implemented in the past for various reasons. The following are some of the new-old recommendations that IDF representatives presented to Defense Minister Arens:

The construction of highways that bypass problematic locales: Nothing new is contained in this recommendation. The IDF and the civil administration recognized, at the start of the intifadah, the extreme importance of reducing contact with local residents, because Israeli vehicles passing through Arab villages and cities are potential targets of attack. The IDF has found it very difficult to contend with rock-throwing, because it is a

local, unplanned phenomenon. The paving of bypass roads was therefore recommended to the defense minister.

The recommendation resulted in the paving of a number of roads, including the bypass of Qalqiliyah, Upper Bayt Hurun, and Lower Bayt Hurun. The paving of the bypasses cost the defense system hundreds of millions of dollars. Because of the connection established between the bypasses and very low levels of injuries resulting from stone-throwing incidents, the defense system recommended the paving of other bypass roads in Judaea and Samaria, including a bypass of the Dehayshah Refugee Camp, a bypass of the 'Anbata Refugee Camp, a bypass of 'Azzun, and, in the Gaza Strip, the paving of the Rafiah bypass to Kisufim juncture.

The IDF performed checks and made all of the legal preparations to pave the bypass roads. However, the Department of Public Works, responsible for road-paving and which oversees budget resources for road-paving, claimed that it could not finance the work. In short, the defense system must finance the paving. It is now thought in the defense system that because the roads to be paved will reduce the danger to settlers travelling on the highways, IDF representatives, at the start of this week, recommended to Arens that he seek an allocation from the government for paving bypass roads.

They also recommended to Arens that the penal authorities of the minors procedure be expanded. This recommendation is also not new. It was made in the past, but was not approved by the judicial system. Under the existing law, a fine can be imposed on the parents of a minor who is apprehended throwing rocks or disrupting order.

The IDF has difficulty apprehending minors who throw stones. For quite some time, the IDF has been seeking to expand the penal authorities to enable it to submit legal claims against, and impose fines on, minors who are not physically apprehended while committing an illegal act, but who are identified as a result of the disclosure of their name during the course of an investigation, and who are incriminated by a sufficient number of witnesses. The IDF believes that the expansion of penal authorities will be more of a deterrence to many youths and their parents, who will be stricter about preventing their children from throwing rocks. The state attorney rejected the IDF's recommendation in this regard. The IDF currently hopes that Arens will perhaps be able to influence the justice minister to pressure the state attorney to facilitate the amendment that is sought.

IDF officers and representatives of the civil administration also reported to Arens on difficulties in the judicial system in the territories. Since the start of the intifadah, the load on the legal system has increased greatly, but the system has not expanded accordingly. There is a significant shortage of courtrooms, judges, and prosecutors, which has resulted in longer delays regarding sentencing

compared to the past. Thus, some detainees sometimes wait for eight months before being sentenced, and sometimes even longer.

In this regard, the IDF's problems are 1) lack of budgetary provisions to build additional courthouses, and 2) an inability to attract lawyers and jurists. The enticements of the civilian system are much greater compared to the terms that the IDF is able to offer. The IDF also made recommendations in this connection, but here too, the involvement and support of the justice ministry is needed.

The Price of Protection

What remains? The most effective way to reduce the number of injuries and increase the security of travellers on the roads is to equip vehicles with protective means. The IDF has made a substantial effort in this area. It has tested materials and different means of protection available on the market. Following a study, it recommended that the vehicles of settlers travelling in the territories and all military vehicles be equipped with protective means. On the request of the settlers, the IDF and the previous defense minister intervened with the prime minister and obtained partial governmental subsidization of the costs of equipping with protective means the vehicles of settlers living in the territories. Nonetheless, the settlers claim that the protective means are still expensive, and that they are unable or unwilling to pay for them. The IDF is now recommending that the defense minister ask for greater governmental financing of vehicle protection means. To the extent that this financing is obtained, and to the extent that the settlers consent, there will be a reduction in the number of injuries and an improvement in the settlers' personal security.

All of the recommendations brought before Arens require an increase in the allocation of the IDF and the defense system. The IDF, which has covered a large part of the expenditures arising from the intifadah, is unable to absorb additional expenditures. If Arens accepts the Army's recommendations, he will have to find the resources to finance them. At a time when the Finance Ministry is talking about an additional cut in the defense budget, it is doubtful that Arens will be able to accept and implement the recommendations.

The PLO Does Not Exist?

Aside from the recommendations that the IDF is presenting to the defense minister, Minister Arens is declaring his willingness to hold discussions with the leadership of the residents of the territories. The goal of such meetings would be to attempt to reach a breakthrough in discussions with residents of the territories regarding their future. Arens' confidants claim that his intention is to achieve a real dialogue. At this stage, Arens refuses to say with whom he intends to meet. When he toured Gaza, he evaded answering how, in meetings with leaders in the territories, he would circumvent meeting with leaders identified with the PLO.

However, in order for him to successfully advance something in his discussions, he will have to meet with leaders identified with the organization. Otherwise, the discussions will be hopeless. There is no doubt that if the coordinator of activities in the territories and the leaders of the civil administration are asked to summon influential leaders in the territories, they will find many PLO supporters among these leaders. If they delete these leaders from the list, Arens will lose time.

The previous defense minister, Yitzhaq Rabin, understood this well. He carefully screened the topics and interlocutors of such meetings. If Arens intends to promote a dialogue, he will be unable to refrain from meeting with representatives of the PLO in the territories.

Minister Arens has reiterated that he is now in a learning stage. He knows that many in Israel and the world are waiting to see how he will act when this period ends. It is still difficult to know how he will act and whether he will adopt a new policy. There is no doubt that his predecessor, Rabin, did his best to reduce the level of violence. Arens promises that there will be a change, and he says that he will be very surprised if the conclusions that he draws from his learning experience will be the same as those of his predecessor. However, his desire for a change is not enough. It should be assumed that Arens will also find it difficult to produce something new. Arens understands that he cannot give any order that he pleases. He himself said: "I think that when directives are given to the IDF, they must be well considered. It is necessary to be certain that they are defined correctly and can be implemented."

David Levi's Policies in Likud Examined

90AE0120B Tel Aviv MA'ARIV in Hebrew
20 Jun 90 p 10

[Article by Shmu'el Segev]

[Text] The minor heart attack suffered by Foreign Minister David Levi gave him some vital time to stabilize his relations with the prime minister and to adopt several rules that will assure him supremacy in the future war over who will succeed to the Likud's leadership.

Relations between Levi and Shamir are likely to be less problematic than the succession war. Shamir emerged from the last crisis much weaker than he was after the last elections to the Knesset. More serious, his credibility with the United States, Egypt, and Western European states now aspires to zero, as shown by the intentional delays on the part of those countries in sending the customary messages of congratulations and good wishes on the formation of his government. In delaying their messages, Bush and Mubarak sought to signal to Shamir that much time would have to pass before he would be able to rebuild relations of trust between him and them, and before it would be possible for Bush and Mubarak to seriously consider inviting him to Washington and Cairo respectively. This situation leaves David Levi standing

alone in the political domain, whether or not this is to Shamir's liking, as convincingly indicated by the speed with which James Baker and 'Isamat 'Abd-al-Majid sent congratulations to David Levi, in contrast to their delay in sending congratulations to Shamir. In diplomacy, as is known, even the slightest signal always indicates an act or an omission, and the signal this time was thicker than an elephant's foot.

David Levi's appointment as foreign minister is bound to soon bring about several changes in the leadership of his ministry. In order to prevent excessive shocks in the administration of the ministry during his "start-up" period as foreign minister, Levi responded to the prime minister's appeal and agreed to appoint Knesset Member Benyamin Netanyahu as deputy minister in his ministry. Levi also asked the Foreign Ministry Director General, Re'uven Merhav, to continue in his post "in the meantime." Within Levi's circle of close advisors, it is thought that Levi is interested in cultivating relations with Netanyahu, despite Netanyahu's identification with the Shamir-Arens camp, as part of his preparations for the succession war in the Likud. On the other hand, it is not all certain that Re'uven Merhav will continue as director general. These circles argue that Minister Arens has already been seeking an elegant way to remove Merhav, although it was Arens who originally appointed Merhav as director general. Among other things, there is even talk of the possibility of appointing Merhav as ambassador to Canada to replace Yisra'el Gur-Arye, who will finish his tenure in Ottawa at the end of the year. However, it is understood that, as long as Levi is in the hospital, this will not be discussed openly, and the director general's future will probably be dovetailed with the next round of appointments, which is soon to occur. Contrary to what has been published in the press to date, with the exception of the appointment of the ambassador to the United States, which must be coordinated with the prime minister, all of the other appointments will be made by David Levi himself, and the new foreign minister has no intention of transforming his ministry into a branch of the prime minister's bureau.

However, David Levi's main test will of course be to quickly rebuild the ruins that Shamir left behind regarding relations with the United States and Egypt. It is precisely the personal tension in relations between Bush and Mubarak on the one hand, and the prime minister on the other, that is giving Levi invaluable time and good-will credit. Anyone who has lived in the United States knows that a person is given unlimited trust as long as he deserves it. However, if such a person is caught being deceitful, he is lost, and much time is needed before confidence in him is restored. Therefore, Levi is now enjoying much credit in Washington, and it is very reasonable to assume that he will visit the White House and Cairo well before the prime minister does. It emerges that "Levi's file" in the United States is much more positive than certain circles would wish to represent. More than any foreign minister that preceded him, Levi personifies the "American dream": An immigrant

from Morocco, from a modest socio-economic background, who, with his own strength, and by dint of his personality and leadership ability, climbed to the top of the pyramid.

This credit that has been granted to Levi is liable to create a certain tension in relations between himself and the prime minister, and especially between their respective "confidants." Much wisdom and maximum restraint will be required of Shamir and Levi if they are to navigate on their shared path to a positive horizon. Levi, especially, will need much leadership wisdom to prove to the Israeli public and the Jewish people in the diaspora that he is indeed qualified to lead Israel at this time of distress.

Changes in Military Intelligence Noted

90AE0132A Tel Aviv 'AL HAMISHMAR
in Hebrew 22 Jun 90 p 9

[Article by Avi Benyahu]

[Text] Intelligence is celebrating its day. And it has something to celebrate. Great resources have been invested in it, and it has changed its countenance—small pilotless aircraft, sophisticated equipment, and computers. It is not enough to gather reliable, comprehensive information. The alarm must reach the right ears in a timely fashion. Intelligence personnel must gather information detail by detail, like a column of industrious ants, and assemble a picture that deciphers enemy intentions.

Very large sums of money, representing a significant portion of the defense budget, have been invested in the last three years in the intelligence disposition of the IDF [Israel Defense Forces]. The attempt to predict the features of the future battle field has taught that the intelligence disposition will have a decisive role in the Army's ability to identify enemy targets and provide a clear, updated, intelligence picture of forces in the air and on the ground.

The IDF's intelligence branch, like other intelligence arms in the world, is divided into two areas, collection and research. While the different collection elements—aerial photographs, observation posts, small pilotless aircraft, communications eavesdropping, and human intelligence (both agents and open sources)—spend entire days collecting every crumb of information, the research disposition in AMAN [Bureau of Military Intelligence] processes, prepares, and appraises the information.

The IDF's intelligence branch, which also functions as the "national appraiser," inasmuch as it submits the intelligence estimate to the political echelon, has two main functions: To warn the IDF and the political echelon of an impending war, and, if war breaks out, to gather and process intelligence, and channel it at maximum speed to the different consumers.

In honor of Intelligence Corps Day, 'AL HAMISHMAR spoke with four officers in charge of different areas in the corps. All of the officers, whose ranks range from lieutenant to major, are immersed in current daily operations and are on the front of the unending intelligence war.

Lieutenant Iti, who serves as the commander of a small pilotless aircraft company, says that such aircraft will be a valuable means in the next war, if it erupts. Israel specializes in the development and production of small pilotless aircraft, and the intelligence corps enjoys the use of advanced instruments with impressive performances.

"The small pilotless aircraft carries within it a video camera that transmits a real-time aerial photograph to a ground station of forces in the field or rear. An officer in a special car is assigned to control the drone. Our drone has a 100-km control range, and it flies at an altitude of thousands of feet. It can be used to identify small details, such as humans, with high resolution. The drone can remain in the air for five hours, and it accompanies the IDF on every operation behind enemy lines," says Iti. Small pilotless aircraft are entering into service in the IDF at a relatively fast rate in response to the lack of tactical intelligence, which was a lesson drawn from previous wars. AMAN's small pilotless aircraft unit currently works with the echelons of the regional commands and divisions, or with special mission forces.

Warning From the Field

AMAN's collection disposition also includes the "intelligence observation posts unit," which was established in the 1970s in response to a determination by the Agrant Commission of Inquiry that the IDF lacked a unit that could provide an unmediated indication of the start of war preparations by a foreign army, in addition to agents, eavesdropping means, etc.

AMAN's observation posts unit is headed by Major Avi. He states: Our main mission is to warn. We carry out systematic surveillance of the routine of the enemy's units and training disposition. By studying the routine, we can draw analogies regarding readiness, stepped-up readiness, or the possibility of the enemy going to war. The unit's observation posts are currently equipped, in addition to standard long-range binoculars, with advanced observation means that enable observation over great ranges, electronic means, and star-light magnifiers.

These means make possible a level of surveillance at which the observer becomes familiar with every movement in the area. The unit monitors and assesses enemy positions, and it searches for "warning signs" of a war.

The observation posts unit also monitors the development of the enemy's combat doctrine by following its exercises.

Maj Avi states that "most of the terrorist cells that have been detected in the security zone in Lebanon were uncovered by AMAN's observation groups. In south Lebanon, the unit controls the entire required area with advanced electro-optics. Soldiers manning observation post can communicate instantaneously with fire elements (infantry units, scouts, artillery, and combat helicopters). The observation posts unit has not been exempted from the IDF's continual preoccupation with the intifadah. Teams of the unit are in the West Bank, and they are credited, for example, with capturing the "Black Panther" cell in Nabulus.

Maj. Ron serves as an intelligence officer of the Baraq Armored Brigade in the Golan Heights sector. His mission is to help the brigade commander prepare the troops for war from the intelligence standpoint of knowing the field, and the enemy's warfare method, combat means, etc. Maj. Ron's primary work is to update targets, and prepare battle orders, photographs of the enemy, and maps showing movement axes, mine locations, and passable areas.

The unending war of Maj. Ron and other intelligence officers in the field units is to imbue awareness of the enemy in officers and soldiers. "This is a daily war. It is difficult for people, they do not have a head for it.

Incidentally, last year, the Intelligence Corps stationed female officers trained to instill awareness of the enemy in brigades. Their assignment is to assist the intelligence officer in teaching the soldiers about the enemy and his combat means. "This is a relative success" states Ron. "The commanders of the battalions and companies are open to studying the topic, but the problem is in the lower echelons. Our hope is that the soldiers will receive enemy awareness instruction twice a week.

One difficult problem facing the Intelligence Corps is the timeliness of the flow of intelligence information to field echelons, which emerged as a lesson of the Lebanon War. During that war, troops in the field received intelligence pictures of their adversaries that were hours old and therefore useless.

It is said in the Intelligence Corps that emphasis is currently being placed on quicker communications means and advanced computerization to help close the gap.

I asked whether it was easy for him as an intelligence officer to stand up to a brigade commander with the rank of colonel, who, as it were, "knows everything." Ron: "I have no problem. However, a battalion intelligence officer, who has the rank of second lieutenant, certainly has a problem contending with the battalion commander, a lieutenant colonel, who already knows a lot about intelligence." One solution, he believes, is for intelligence officers to be assigned to battalions after having first gained experience in other field intelligence assignments.

An armored brigade intelligence officer states that he does not need much forewarning of a war, because "within a very short time, we can be in our tanks, in position." The two from the collection disposition were not pleased with his statement, retorting: "But you need early warning to know whether to grant soldiers leave." They finally reached a compromise.

Captain 'Amit serves as the chief of the Syria-political section in AMAN-Research. All intelligence information from different sources regarding the political sphere in Syria flows to this officer, who consolidates the information and assesses its meaning.

Cap. 'Amit states: This begins with the smallest matters, such as President Asad's current location, the foreign minister's destination, and the persons received by the defense minister. I follow political developments in Syria, foreign relations, and so on. Each evening, I write a report that is attached to the daily intelligence summary. After undergoing a certain filtering at different echelons, it reaches the highest echelon. In general, the AMAN-Research section chief needs the qualifications of a journalist. He must have advanced skills in written expression, reading, comprehension, and interpretation."

Cap. 'Amit monitors Asad daily. Mastery of the Arabic language enables him to listen to Asad's speeches without need for translations and to quickly interpret them. The consumers of Cap. 'Amit's interpretations are mainly the chief of AMAN, the chief of staff, the defense minister, and the prime minister.

In Front of the Mirror

As a result of the lessons of the intelligence trauma of the Yom Kippur War in 1973, AMAN is now characterized by a substantial degree of openness that permits junior and senior elements alike to air differing opinions and conflicting assessments. "There is no compulsion. There is joint clarification of topics. When there is a debate, I can, a priori, convey a deviating opinion without restraint or fear. I fill out a special report reserved for such cases, designated 'another opinion.'" Sometimes, Cap. 'Amit's protests against his commanders' opinions reach the prime minister.

The joke about Cap. 'Amit's "client": "Asad usually makes decisions *tete-a-tete*, in front of a mirror." Thus, it is very difficult to monitor and predict political developments.

'Amit states: "Asad can wake up in the morning and change policy. He need not consult with anyone. The Syrian president has behaved according to a stable world view for years. However, he can prepare a surprise for us, so we must be cautious in our estimations and not rule out any possibility."

Cap. 'Amit has worked on the Syrian topic for seven years. Naturally, a kind of "intimate link" has developed with the subject of his study. "He is a wise, poised, and

pragmatic leader, and he calculates his steps well before taking them. From our standpoint, he is a very tough rival, and we doubt whether anyone can fill his shoes."

The Crowning Achievement

At the end of each year, AMAN undertakes the "crowning achievement" of its work, the "Annual Intelligence Appraisal Summary," which is submitted to the chief of general staff and the government. "Recent years have not seen large deviations from what we predicted regarding all that happens in Syria."

Cap. 'Amit offers his view on his future in intelligence: "The work is interesting and fascinating. You are in the center of affairs, controlling all of the information and forming an intelligence picture."

I know that I am the element that links the intelligence system to the general staff and political level, and this is most enthralling."

The combined work of the four elements presented in this article, in addition to dozens of other elements that cannot be disclosed because of their nature, produces high-quality intelligence.

The book by Yosi Melman and Dan Raviv on Israeli intelligence testifies that "hitches do occur." Nonetheless, other intelligence elements in the world are still inclined to regard the Israeli intelligence disposition as the best in the world, and that, essentially, is the gist of the story.

Idea of Autonomy for Israeli Arabs Discussed

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[Article by Mikhal Sela', based on an interview with Sa'id Zaydani, a philosophy lecturer at Bir-Zayt University, and an Arab citizen of Israel; place and date not specified]

[Text] The state's Arabic-speaking citizens no longer belong to the generation of the desert. After 40 years of wandering in search of a framework to which they can belong, they are now standing on Mt. Nebo, viewing the land before them. But they will not enter it. Contrary to what is written in the Proclamation of Independence, Israel broadcasts to them that their place of birth does not belong to them. Racial and national equality has not been achieved.

Over the course of 40 years, they have learned that this situation is not temporary, as their parents tended to believe. The state of Israel is an accomplished fact. However, their efforts to identify with it have met with a high wall of rejection.

The sense of self-identification of the Arabs of Israel has formed in this reality. The feeling that their parents harbored in their hearts and were afraid to express in public has become open self-determination for them. No longer referring to themselves as the Arabs of Israel or

the Arab sector, they now say: I am a Palestinian, or a Palestinian-Arab-Israeli. They are contending with the difficult feeling that their state is fighting against their own people.

The struggle has been continuing for some years now. They are now at a crossroads and are engaged in a moral stock-taking.

Their previous attempts failed. They attempted to be "faithful" and were attacked from within. They attempted to be nationalists and were pursued by the security services. Their attempt to integrate into the political system in order to exercise influence from within has yet to prove itself.

The Local Council Heads Committee is a first attempt to establish a public and political lobby that includes all of the political currents of the Arab population, including Arab members of Knesset. The committee has limited achievements to its credit, mainly the ability to repeatedly and jointly raise their problems on the public agenda.

None of this has solved the basic problems, nor has it responded to growing frustration, especially among intellectuals, who now want to take matters into their own hands. Like the lead actors in a play, they are no longer willing to respond to events and processes, but wish to initiate them.

This is one of the drawing powers of the Islamic movement. In addition to being the antithesis of the Jewish character of the state, it provides independent solutions to problems that the state has neglected, such as kindergartens, road development, and care of the needy.

This frustration is also a factor in the violence that we have seen in recent years. If it works in Nabulus and in Gaza, why would it not work in Taybah and Tur'an?

Moderate intellectuals, who want to exist in a secular-democratic society, without violence, are seeking other courses of action.

Philosopher Sa'id Zaydani is one of them. His response to the difficult reality in which he lives is to propose autonomy for Palestinians residing in Israel to administer their lives in all areas and would include territorial autonomy.

Zaydani believes that autonomy is the golden mean between the need to become actively integrated in the state and the need to be separate from it.

"In reflecting on the obstacles placed in the path of the Arabs of the state by the Zionist movement, one concludes that Jews and Arabs are of one mind that full integration is not realistic. The only way out, therefore, is self-rule, autonomy. This is the middle solution that combines the two tendencies."

Zaydani maintains that autonomy does not contradict full equality. On the contrary, it protects it. It is also the

framework that could provide legal support to the need for a separate language, and separate education, housing, work, and media, without detriment to the rights of Palestinians as citizens of the state.

Zaydani, 40, a native of Tamrah in the western Galilee, is a philosophy lecturer at Bir-Zayt University. He graduated from Haifa University and received his doctorate in philosophy in Wisconsin in the United States, where he taught for some years.

In the articles that he frequently publishes in Arabic newspapers in Israel and abroad, he expresses concern over the dangers threatening democracy in the world in general and in our country in particular. He believes in democracy as a value that exists in its own right, and that dovetails with social justice. He dreams of socialism and democracy based on the Swedish model.

"The fact that I must teach at Bir-Zayt is very reflective of the nature of reality in Israel. In a state in which I am outwardly a citizen, I cannot find work in my profession. It is not bad for me from a personal standpoint. I have work, a family—this is not the problem."

Recently, he has been particularly incensed by statements made by Minister Zevulun Hammer. When Arabs of Israel voiced opposition to immigration from the Soviet Union, Hammer made harsh statements against them, saying that the possibility of withdrawing the citizenship of Arabs who speak out against immigration should be examined.

Zaydani: "What does this say? A citizen is permitted to express himself regarding every topic without his citizenship being threatened. Should an Arab be deprived of his citizenship for expressing opposition to a certain matter, even if the matter is connected to the special character of the state? I understand from these remarks that, as far as Hammer is concerned, the Arabs are not equal citizens, or they are not citizens at all."

Modest, groping for the right words, and cautious in his statements, he adds: "I am not an expert on the Arabs of Israel. Nor am I a sociologist, economist, nor a member of the follow-up committee. I rely on the findings of others in concluding that discrimination is blatant."

"An Arab in the state is in a grey area," explains Zaydani. "He is only a half-citizen, and the state is only half-open to him. For Arabs, the government is only half-democratic. It is somewhere between a dictatorship and a democracy. I emphasize that the discrimination is total. It exists in all spheres of the individual and the group. I am racially discriminated against because I am an Arab."

Discrimination in budgetary allocations for the local governments is only the tip of the iceberg. "There is discrimination regarding water, housing, and health. There is even a high probability that I will pay more fines

for traffic violations than you. When I stand in line at Kupat Holim [health service], a Jew always receives treatment before me."

"Everything is closed to us. Look at the Hebrew University. It does not employ one Arab secretary, regular lecturer, or even a single Arab clerk. In what sense am I a participant? The declarations are empty statements. They do not even reflect good intentions. I have not seen one plan to close the gap."

Zaydani made the transition from a feeling of discrimination to the idea of autonomy through intermediate stages. He recently wrote a series of articles on democracy and the changes in East Europe.

"I began to ask myself: How does a democratic government contend with the problem of nationalities. I saw the melting pots of Switzerland, Belgium, the United States, and New Zealand. This is also starting to receive attention in East Europe."

"Our problem as Palestinians in the state of Israel is not related to peace and war. What is the connection between sewage in Tamrah and comprehensive peace in the region? There is no logical connection between discrimination against citizens and political agreements. There is a blood covenant between Israel and the Druze. Is the situation of the Druze better because of this?" asks Zaydani rhetorically.

"Here, we do not have a melting pot, but a boiling medley. In a dictatorial regime, the notion of citizenship is fundamentally distorted. Not so in a democracy. A regime that purports to be democratic must accept a certain commitment."

Beyond the main issue, Zaydani is also troubled by his future and that of his family. "Forty years have passed. When I think of the future that awaits my 12-year-old daughter, I am troubled. Will our children also be adversely discriminated against? It is necessary to stand up and do something! My father struggled to survive. My struggle is to find my place in this world. Nonetheless, we are investing a great deal in the next generation. At present, it is difficult for the several dozens among us with doctorate degrees to find work. What will happen in another 10 years, when there will be hundreds of such persons?"

The problems have existed for many years. Two processes caused an explosion last year, the changes in East Europe and the intifadah.

The decline of the communist movement in East Europe deprived the Israeli Communist Party of its monopolization of the Arabs in Israel, and it stirred a public debate on the continuation of the communists' political course.

Concurrently, the intifadah and the decisions of the Palestine National Council in November 1988 generated a need to determine the place of Palestinian citizens of

the state in a settlement between the state and the state of Palestine, when it is established.

Zaydani stated: "A question arose about our position in this picture. A debate started among us. Some said that we are part of the problem and part of the solution. Others argued that we are part of the problem, but not part of the solution."

Within this cauldron, the idea of autonomy took shape. Within the ideas shop of Palestinians of the Philosophy Department at Bir-Zayt University, the idea of Sari Nusaybah had developed some years ago. This idea spoke of the advantage that the Palestinians would have if they asked to be annexed to the state of Israel. Hence, after the [meeting of the] Palestine National Council, when the possibility of establishing a government in exile was discussed, Nusaybah spoke about the need to establish ministerial frameworks in the territories as the basis for the future state. In this connection, Zaydani also raised the idea of autonomy for the Arabs of Israel.

The question lying at the foundation of the thesis is: How is it possible to solve the problem of discrimination without breaching the framework of sovereignty. "The difference between this and Shamir's autonomy is that Shamir is offering the Palestinians autonomy without citizenship, and I am talking about life in a democratic state based on equal rights."

"I am talking about autonomy that first of all has a territorial aspect, self-rule in all areas, except foreign affairs and security. And one Knesset. Everything else would be separate. There would also be a fair division of water and land in the framework of the state. Nothing justifies a lookout settlement in the Galilee with 20 families receiving more water and land than a neighboring village with thousands of residents."

Under Zaydani's autonomy, there would also be Palestinian television, "not Israeli television in Arabic." The burden of national service would also be distributed fairly. "National service frameworks for Palestinians must be found outside of the Army."

In the meantime, this is not a political platform, emphasizes Zaydani. "It is only an idea that I have brought up for public discussion, because I want to be an active participant. The state, in its current configuration, does not enable me to participate in managing my life. Autonomy allows me to participate in governing, and it grants me equality regarding the distribution of resources."

This is only one of Zaydani's ideas. "In order to fight for our equal rights, while preserving our national distinctiveness, it is necessary to consider all means that do not require violence. It is necessary to consider the possibility of civil disobedience to appeal to international public opinion. Perhaps continuous strikes. I repeat: All of these ideas stem from a desire to exist in a democratic system, from reflection on the successes of other, multinational, democratic societies, [and from a desire for]

something that provides for nationality as an autonomous entity. It works in other places."

Settler, Arab Tensions on Green Line Described

90AE0132E Tel Aviv DAVAR in Hebrew
22 Jun 90 pp 7-9

[Article by Bilha Diburi]

[Text] There is no fence between Kibbutz Eyal and Qalqiliyah. They are separated by only a patrol road that is six km long and two meters wide. Eyal's fields border the fields of the "Qalqiliyans," as members of the kibbutz call them. Agricultural workers from both sides gather each day to work. From time to time, since the eruption of the intifadah, a portion of Kibbutz Eyal's fields is scorched, becoming insultingly grey next to the splendidly growing wheat fields of the "Qalqiliyans." The two sides have known better neighborly relations. At the end of last week, the kibbutz was in the headlines after four of its members ambushed and captured five youths from the village of 'Azzun, who were on the way to carry out an attack.

Nonetheless, it is difficult for members of Kibbutz Eyal to give up their human connection. They still maintain leftist positions. Just two weeks ago, a Jewish-Arab meeting took place in the Kibbutz club house. The guests were Arabs from Tirah. They spoke about everything but politics.

On the day before the Feast of Weeks, on a sun-drenched Saturday, members of Kibbutz Eyal were preparing for the holiday. Tractors loaded with hay decorated the roadsides. The kibbutz invited its Arab neighbors to a ceremony, as well as its neighbors from Kokav-Ya'ir, the neighboring community settlement. All of this happened east of the Qalqiliyah-Tulkarm highway, 10 km north-east of Kfar-Saba', the site of the kibbutz that is closest to the intifadah.

Kibbutz Eyal has known many vicissitudes since its establishment in 1948. According to the history of the kibbutz, the first nucleus, which was organized in Kfar Saba', settled in 1946 in Ashmora in the upper Galilee, east of Hula Lake. After the War of Independence, the members of Ashmora moved to the present location. In 1956, the founding nucleus was disbanded and replaced by a nucleus of the "Immigrant-Camps" movement, which brought other nuclei in its wake.

Of Eyal's 150 members, 80 percent are urban graduates of the movement. The others grew up on kibbutzim, or they grew up in the city and were absorbed by, or married into, the kibbutz. The age of the adult population fluctuates between 20 and 45. Most of the adults are college educated. Re'uven Liebl, the secretary of the kibbutz, who is trained as a history and Judaica teacher, states: "It should be remembered that Qalqiliyah was Husayn's city of exile from 1948 to 1967. Its residents have mainly included refugee families that fled from the West Bank, and underworld figures who were deported

to Qalqiliyah. Before the Six Day War, there was a fear that the Qalqiliyans would attack the settlement, which was accordingly fortified. The kibbutz was shelled as soon as the Six Day War erupted, but did not incur any real damage. The northern force that occupied Qalqiliyah went out from Kibbutz Eyal. Eyal members remember an attempt by Moshe Dayan, then defense minister, to destroy the Arab city. Liebl: "Residents of Qalqiliyah were put in trucks and their homes were blown up, until an order arrived from the Americans to return them to their homes." After the Six Day War, the kibbutz had good neighborly relations with the Arab city, and mutual influences were not long in coming. Work and personal relations were formed between the garage mechanics and locksmiths of the two populations. The kibbutzniks did not refrain from going to exotic Qalqiliyah, rarely missing a weekly visit to the local Arab market.

Liebl: "At the end of the work day, members of the kibbutz used to make the short trip to Qalqiliyah to eat hummus. Who thought to carry a weapon there? On the day the intifadah spread to Qalqiliyah, there were eight kibbutz members there. Two women had gone to buy material for curtains and several members had gone to the local nursery. They had simply hopped on over to Qalqiliyah."

Eyal does not sit on an abandoned Arab village, but part of its land, mainly the orchard, was worked in the past by residents of Qalqiliyah. Liebl: "When we had only an orchard, there was almost no theft. However, when we shifted to growing avocados the problem became serious. More than once, the plantation coordinator caught Arabs who had loaded avocados onto donkeys."

Since 1975, a watch has been set up to guard against theft from the plantations. There has since been minor sabotage. Sometimes sprinklers are broken. It is not clear whether the motive in these acts is nationalism or mischievousness. They were a nuisance, but not insurmountable. Liebl: "I recall when writer Yoram Qanyoq came to the kibbutz with Egyptian writer Sana Hasan in 1976. She asked us what kind of relations we aspired to have with our neighbors. We said that we prefer to be separate from them. Already at that time, we preferred the establishment of a Palestinian state. We felt a threat in the air."

The intifadah changed the picture and affected life in the kibbutz. The kibbutzniks say that their main fear in recent years has stemmed from the possibility of a terrorist cell being organized in Qalqiliyah, which would carry out an attack in the area. They once spent their free time in Qalqiliyah. Now, if a kibbutz member gets a flat tire in Qalqiliyah, his heart misses a beat and he becomes distressed.

Kibbutz Eyal has an ordinary security classification, which means that the Army cannot provide the kibbutz with security components. Located two km from the border, the kibbutz is not considered to be on the border.

Because of its security classification, the kibbutz cannot call on the Army when sabotage or an incident occurs. It must instead turn to the police, whose jurisdiction extends only to the green line, beyond which the Army must be summoned. Members of Eyal believe that "the force composition needed to handle matters here is lacking."

In the last two years, Eyal's fields have been subjected to a series of sabotage acts. The kibbutz did not receive indemnification, because it could not prove that the damage was caused by sabotage. "If we were located on the other side of the green line, 'circumstantial proof' could be established, and someone would share in compensating heavy damage," explains a kibbutz member.

In May 1989, Eyal members stopped reporting sabotage acts against the kibbutz. They simply became fed up.

Efrayim: "If an avocado plantation is burned, we receive compensation for the fruit that is lost. The fact that the plantation will not produce for three years is of no interest to anyone. If an irrigation pipe is blown up, causing the desiccation of a field, we receive compensation for the damage to the pipe. The desiccation of the field is indirect damage. We are compensated only for direct damage...."

Members of Kibbutz Eyal miss the pre-intifadah days and Qalqiliyah's market. They talk about the city in tender tones. After the curfew was lifted on Qalqiliyah, they were the first to go to see what had been done there. They were amazed at the sight of the alleyways that the IDF [Israel Defense Forces] had sealed off.

Re'uven: "Suddenly, the place seemed like Hebron, Nabulus, and Gaza. Our awareness was penetrated in 1988, after a series of arson acts against our fields and plantations. At the time, a change occurred in the character of relations between us and our neighbors. We realized that they had all joined the intifadah. The market square was empty and the city was having difficulty supplying its own needs. The border had been drawn again. As far as we are concerned, Qalqiliyah is a foreign country. It is rare now to find kibbutz members who work in the fields unarmed."

Efrayim and Zohar Tzukerman, the parents of three adolescent boys, have been on the kibbutz since 1967. Efrayim was born at Kibbutz Beit-Hashita, and Zohar is a member of the first Eyal nucleus. Efrayim: "There is fear of attacks of all types, both small and large. Last year, the water reservoir was sabotaged. An attempt was made to set fire to the room containing the electricity controls of the pumps and the main storage area for the entire system. They came at night, threw chlorination containers, and shattered the system's command heads. Sabotage of this type is liable to damage our ability to irrigate the fields. With field crops, irrigation is performed on fixed dates. One disruption can cause extensive damage. Of course, there is a danger of harm to human life. A problem exists. Despite all of the security pressures, Eyal is classified as a rear settlement. This

means that, from the standpoint of the budget and how we are treated, we are in the purview of the Interior Ministry, the police to be exact, as are Kibbutz Shafayim [on the coast] and Glil-Yam. Therefore, Eyal is not considered a development area in which investments are encouraged. If we built our factories 500 meters to the east, they would flourish, because the establishment of a factory in Judaea and Samaria, even if it does not do much, earns money. The bureaucratic lexicon of the state of Israel does not contain the classification "confrontation kibbutz." In Eyal, it is thought that an additional classification is needed: "A settlement facing a hostile population." Re'uven: "The security situation has a price. It is important to stress that people do not experience the distress of the security situation in their daily lives. Nevertheless, Eyal has acquired a name as a frontier settlement. To my amazement, friends who came to visit us from Ma'ale-Efrayim, which overlooks the valley, said that they thought twice about coming. The problem is that we cannot sell services to Kfar Saba'. They will not come to our pool, and they rarely come to cultural events, because they mistakenly think that our kibbutz is located in the territories."

In the late 1970s, the kibbutz built its first factory (optics), because it understood that revenues from the agriculture branch alone could not facilitate the development and growth of the kibbutz economy. Four years ago, the kibbutz built another factory (an electronics factory to produce small components for micro-wave communications systems). The two factories did not solve Eyal's economic distress, as seen in the inability to expand the members' small apartments after the kibbutz switched to having members' children sleep in their parents' homes instead of in separate accommodations. The crowdedness in the small apartments is most palpable, but no one is leaving because of the economic distress.

Hana and Avraham Ben-Simhon have been at Eyal since 1967. He is originally from Jerusalem and a member of the Immigration-Camps movement. She is a kibbutznik from Na'an. They have three children. Because their eldest daughter is a soldier, a telephone was installed in their home. Each family in Kibbutz Eyal receives a telephone whenever one of its children is inducted into the Army. Avraham: "People live with the feeling of belonging to the place. You strike roots in the place and love it. Despite the economic problems, the individual aspirations of the members are not suppressed. I, for example, am studying sculpture and drawing in Tel Aviv. It is a shame that relations with the Arabs of Qalqilyah have soured. As a garage worker, I had many contacts in Qalqilyah. I worked for more than 20 years with the same people—the tire repairman, the metal worker, the spare parts dealer, and others. We developed personal connections with these people through years of work. They would visit us in the garage and the locksmith's workshop to drink coffee, and we would visit them. We did not feel fear until the intifadah broke out."

Hana Ben-Simhon: "Proximity to Qalqilyah does not disturb my rest. In general, I assume that hidden fears exist, but these are not manifested in daily life. The damage is to property, not people. There are certain limits. For example, my son likes to run. After the murder in Rish'on Letziyon and the prediction of an escalation in the intifadah, I told my son not run outside of the kibbutz's cultivated areas. Also, on hikes with the pre-schoolers, we think twice about going near the wheat fields or climbing up the hill. However, fear does not control us. We are simply developing precautionary means that did not exist previously."

Shabta'i Ben-Nahum is the folk personality of the kibbutz. Married, the father of three children, he has not given up his relations with the neighboring city. Shabta'i: "I have travelled on horseback throughout the entire area and have studied the lives of the Arabs. Their mentality still arouses my curiosity. The Arabs are a warm and charming people." Ben-Nahum meets with them. More than once, the conversation has turned to politics. "They ask me: 'Do you want us to forget that we have land in Eyal, Kfar Saba', and Lod'? Sometimes we meet for talks of the heart and forget the intifadah." [box on p 8]

Level of Alarm Rises

Hana Ben-Simhon: "Up until now, they have only sabotaged property and burned fields. Now, following what happened at the end of the week, which demonstrated their motive to harm persons, my level of alarm has risen somewhat. In such situations, I begin to count my children, but I have yet to lock the door more securely. Life goes on. I am happy that our people were in the right place at the right time and caught the terrorists, even though this is actually our Army's duty. I hope that this incident will show that a military presence in our kibbutz is vital.

"It is not easy for me to speak about these matters. Next week, my son will celebrate his bar-mitzva. I hope that the guests will not be afraid to come. It is worthwhile to remember that the terrorists also reached the Savoy Hotel in Tel Aviv and the coastal highway, gasoline bombs are thrown in Nehalel, and fields are also burned in the valley. My fear does not stem from the location of my house, but from the situation in the state.

"At the start of the intifadah, they burned our straw. This was a most difficult feeling. People stood with tears in their eyes. The smoke covered the entire kibbutz, and we felt like our house had been burned down. After two years, we have become accustomed to the disturbances. We live with them, although it is difficult to become reconciled to them. It is especially difficult to understand how they can destroy our fields, trees, and water reservoir, when they are farmers as well."

Avraham Ben-Simhon: "The last incident, in which five terrorists were caught by four members of the kibbutz, is not the first of its kind. In the past, Eyal dairy farmers apprehended cow thieves, after it was decided in the

dairy branch to set up permanent ambushes to deal with the theft of calves from the dairy farm. The kibbutz does not initiate these ambushes. The branches organize them on their own accord. This also applies to the most recent incident, in which members of the cotton branch decided to set up an ambush after returning from a coffee break to find irrigation tubes sliced. They had intended to apprehend equipment saboteurs, but instead caught terrorists who had planned to harm human life. I am not hysterical by nature, and so I cannot imagine the terrorists succeeding in their mission. For greater security, I have already warned my 17-year-old daughter not go horseback riding in the fields bordering Qalqiliyah.

"A large segment of our members, who were extremist members of the left, now hold views of the center with a rightist tendency. When bottles are thrown at us and our fields are burned, we become incensed. However, after the last incident, which aimed to harm human life, we have become more reserved toward them. A year ago, Peace Now staged a demonstration at the entrances to Qalqiliyah in protest of [Defense Minister] Rabin's order to destroy a house. The demonstrators received permission to sleep in our fields, and we provided them with water. We actually cooperated in protecting Qalqiliyah, so that it would not be harmed, which sounds absurd, because why should we be concerned for people whom we view as terrorists?"

Tadiran Expected To Record Losses for 1990

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19 Jun 90 p 1B

[Article by Uri Ginnosar]

[Text] According to the operating plan of the Tadiran Company, the company is expected to end 1990 with a loss of \$20 million. Yesterday, Tadiran published its 1989 balance, which shows a net loss of \$145 million, compared to a loss of about \$20 million in 1988. The company indicates that the loss includes one-time expenditures totalling \$93 million entailed by the reorientation program, but that the data in the balance on the operational loss is a cause for concern.

The loss in 1989 was about 27 million shekels, compared to an operational profit of 49 million shekels in 1988. The assistant general manager of finance, Arye Markman, states that the operational profit in 1988 was realized because inventory had not yet been written off at the time.

The Banks Extend Current Credit to the Company Until End of Year and Recycle Existing Debts

Tadiran's liabilities currently total about 700 million shekels (582 million shekels for durables and 194 million shekels to holders of debentures). The company's equity capital has been almost entirely eroded. It totalled 77 million shekels at the end of 1989, compared to 370 million shekels at the end of 1988.

Tadiran's balance was published late yesterday afternoon, shortly after representatives of the company and the banks reached an agreement that made its presentation possible. The banks committed themselves to extending current credit to the company until the end of the year and to recycle existing debts. In exchange, it was agreed that, in the event of the sale of assets by Tadiran, including subsidiary companies, the proceeds are to be transferred to the banks. The leaders of Tadiran refused yesterday to detail which companies they intended to sell, or whether Kvalim [Cables], Tadiran Consumer Products, and El-Op would be sold.

Company Has to the End of July To Submit a Five Year Program

The company has until the end of July to submit a five year program to the banks. Following the submission of the program, the matter of the sale [of assets] will be definitively determined. In the meanwhile, the banks have received as security from Tadiran, permission to sell several assets in the event of a deterioration in the company's financial position, which would require such a sale.

According to the operating program, Tadiran's sales turnover will increase to \$867 million (a nominal growth of 5 percent). Planned manpower strength at the end of the year will be 8,632 workers. Since the start of the year, close to 2,000 workers have been dismissed. At the end of 1986, Tadiran employed about 13,000 workers. Tadiran General Manager Guri Meltsar stated that the dismissals that must be made in the communications group and in the batteries plant have yet to go into effect.

[box]

The General Manager Has No Answers

"I have no prescription for solving the labor relations problem in the communications group" stated Tadiran's general manager, Guri Meltsar, yesterday, and this was not the only question directed at him that remained unanswered. In his first public appearance since assuming his position, Meltsar appeared yesterday as though he would prefer to waive the entire matter. "I was not around then" he answered a number of times when asked to respond to questions concerning the past.

The Tadiran general manager joins the company of those who quote passages from Jewish Law. "In preparation for the press conference I went especially to the Baba Batra tractate of the Talmud to see what the precise quote of [Talmud commentator] Rashi is regarding the fact that one should not be seized by his sorrow," he stated in reference to workers of the company, several of whom had demonstrated in front of Beit Sokolov. The banks were also deserving of superlatives: "Once bitten twice shy," Meltsar explained regarding why time was needed before the balance was approved.

The statement to journalists pathetically says that "the company's administration is resolutely prepared to

implement the emergency plan, which is supposed to return Tadiran to profitability and growth." Last year, before he left, Yig'al Ne'eman said that 1989 would end with earnings of \$10 million. Yosef Ma'ayan, his successor, did not even manage to present one balance before he too went. Meltsar, who received the position under the law of motion (Beni Ga'on), is the current dispenser of promises.

Yesterday, he said "I am the general manager of Tadiran, not the acting general manager. Like every general manager, I will remain so until the day I am dismissed."

Potential Labor Leader Shahal Interviewed

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[Article by G. Levi]

[Text] At the end of the lengthy conversation, Moshe Shahal brought up memories from Egypt, and his eyes sparkled. He reconstructed his four meetings with President Mubarak and the famous reception, the speech in the Faruq Club before seven ministers in his literary Arabic and the release of the "Niyuta" with a single telephone call, the motorcycles before and after the official vehicle that was trampled on in Cairo and the compliments that the Egyptian president heaped on him. He was so immersed in this sweet memory, until he finally agreed to say: "I think that, with the existing factors, it would be possible for me to lead the Labor Party, perhaps already in the coming elections."

This is how it is in the internal politics of the Labor Party: almost everyone there says that Peres and Rabin must go, and almost no one can find an alternative for them. Mention Shahal and they'll smile there. Mention Ya'aqovi, and they will grimace. Mention Gur, they'll laugh; mention Bar'am, they'll chuckle. Last week, they wrote in the newspapers that lo! the swords will be drawn from their sheaths, and that was not the case. But Peres and Rabin will go one day, in one way or another, and someone will come in their place. Moshe Shahal is a possibility.

At age 54, Shahal says that he and his friends have been pawns on Rabin's and Peres' game board for 15 years. Their time has passed, says Shahal. But, that's what he also said in an interview for HA'ARETZ a year and a half ago. But Shahal has not totally wasted his time in the meantime. Throughout these years, this hard-working attorney has built a significant base for himself within his party. During his tenure as Minister of Energy, he initiated reforms and made nominations. His travels and meetings with leaders of several countries greatly deviated from that which was required by the small scope of the Israeli Ministry of Energy. When they spoke of the possibility of the Labor Alignment government, there were those who mentioned his name as a candidate for Foreign Minister. Now, this is already a possibility that

won't cause peals of laughter. Finally, they aren't speaking of a crowd worse than Moshe Arens or David Levi for the job.

On the way to his pleasant house in the Danya section of Haifa, I pondered what he would wear for an in-house interview on Independence Day. Shahal opened the door wearing a suit and tie, of course. Sarah, his wife, said that this was appropriate for being interviewed. Later, he changed into a sports coat, and even this was dressy. In the parking lot, his government Volvo is no longer parked, but, in any case, Shahal couldn't stand the Volvo. "A real lemon." As one who, in the past, knew how to select automobiles well - Peugeot 605 and Citroen DS and Mercedes Coupe - one can depend on him this time, as well. Shahal is now interested in a 500-series BMW. Then why not a 700-series, I asked him. They are much nicer. "You'll kill me in the newspapers if I buy a car for 250,000 New Shekels.

He is an affluent man who is somehow always embarrassed by that. I was reminded of how he would park his Mercedes in the corner of the Knesset parking lot, far from everyone's eyes. So that they wouldn't see that he came in a Mercedes. "If I wanted," he said to me this week, "I could be much richer. After all, I have a wealthy family in the Far East, Canada, and England. But I still feel guilty that I didn't properly make my own way and that I didn't go to a kibbutz. Picture Moshe Shahal, the kibbutznik."

During the next conversation, as is his habit, he is properly equipped. From his black suede James Bond briefcase, he took out documents from time to time, protocols, and books that had been prepared that day. He quoted from "The Fierce War to Peace" more than once and "Hebrew Law through Knesset Legislation", and he even read some passages. Soon he will apparently return to his legal practice, within the limitations of the law. Not that he's—God forbid - leaving politics - just the opposite. But, it's difficult for him to fill his long work day only with activity from the opposition's benches, where he is convinced his party is now headed. I told him that 'Ezer Weizmann said to me this week that Shahal is the preferred candidate, in his eyes, to succeed Rabin and Peres. Shahal was happy to hear it. On this subject, he is in full agreement with Weizmann.

[HA'ARETZ] How do you feel now?

[Shahal] Sad, really sad. But at no stage did I believe that we had a chance to set up a government.

[HA'ARETZ] So why did you sit on the negotiating committee?

[Shahal] They asked me to handle the outline. A few months ago, Shim'on Peres invited me to lunch to try and convince me that it was possible to go with the religious parties. Then, he was certain that he had them. I told him that I had nothing against it, but I added: "Why do you need me? At the moment when you and Rabin are in agreement, nobody in the party will be able

to oppose you. For 15 years the party has been at a standstill because of the two of you.' And, I also told him that the proof was in the pudding - if he succeeds, they will send flowers to his house, and he will also not lack candidates for the government. But if he fails - he will lose everything. And when Arye Der'i tried to work on me, as on others, I did not come out and say, like Rabin and Moti that we have a narrow government. But I was in favor of leaving the government. Without the political process, we have no reason to sit there. I preferred to sharpen the political debate and go to elections.

[HA'ARETZ] If so, Peres has lost everything. This is, after all, what you told him two months ago.

[Shahal] We find ourselves in the process of exchanging leadership and generations. Perhaps it will take two or three more years, but we are in the full force of the crisis. Ever since Peres and Rabin reached a balance of the terror between them, there has been no chance for any other opinion, for any new ideas in the party, and it has been completely silenced. We should have left the government in October 1987, and it wasn't done. Not because Peres didn't understand - in essence, he was obligated to do this - but, because he submerged his opinion to keep internal peace with Rabin. He was prepared to ruin his own credibility, in Israel and the world, solely for the sake of internal peace. He did nothing without Rabin's approval. And so, when there are only two main actors on stage, a situation is created where no one in the succeeding generation stands out enough.

[HA'ARETZ] You are, after all, not the last of the branch secretaries of your party. Why didn't you do something?

[Shahal] First of all, in general, I wanted to be Minister of Justice. These were my true desires: to be Minister of Justice and retire at age 55. I also have many difficulties. It is true that it is extremely flattering that friends come to me and tell me that, by process of elimination, I am the man. But, before this, the so-called additional job should have been done. Outside or internally. This did not ensure that there was no paragon directly in the Labor Party. The degree of stinginess with which they behaved in the Labor Party in handing over jobs shows its weakness. I am familiar with the assembly of the continuing generation in the Likud, and I have no reason to feel inferior to any of them, and I am not diminishing their worth. Ariq Sharon said, on one occasion, that Shahal ate five of them for breakfast. But in the Likud, they gave them a chance.

[HA'ARETZ] You are already 54.

[Shahal] The great failure of the people of my generation resides in the inability to reach an agreement among ourselves on a joint plan of action. We did not supply what was needed by the stratum of people saying: We are the next in line. We did not leave an impression as a group. Shahal could say: I have a reform plan for the oil economy. But this is not the central issue from the

movement's angle. There have not been any more rebellions in the Labor Party since the establishment of the kibbutz and moshav. There were some attempts at talks among those of my generation, but this did not go beyond the tactical phase. There is no spiritual readiness to say that, whoever wins, all of us will accept his leadership. Each one of us thinks, if not him, then nobody else. As long as there is no further spiritual readiness, there can be no talks. In addition, the party preferred the silence that the balance of terror between Peres and Rabin granted it. But I repeat: in my eyes, we are at the end of the Rabin and Peres period.

[HA'ARETZ] You said this, too, one and a half years ago.

[Shahal] One and a half more years could pass. The final period could continue, but it is the end. In the Labor Party there is no political conduct for expediting processes.

[HA'ARETZ] Do you still consider yourself to be one who wants to do some good for Peres?

[Shahal] The assumption is correct. But, it is also correct that he once said, when I didn't go to some event, that Shahal is celebrating his independence. Ever since the episode with the General Security Service, relations between us have cooled, and I am no longer foolishly pious; furthermore, I am married to a Lithuanian. I have great respect for him. I still think that he is the only visionary among the politicians; only, it is a shame that he did not prefer the struggle over compromise and an illusory internal peace.

[HA'ARETZ] I want to understand. Peres should continue?

[Shahal] The question is irrelevant. We are beyond Rabin and Peres.

[HA'ARETZ] It is standard to regard your party as having ethnic barriers. Are there any advantages to your ethnic origin?

[Shahal] I have never put this issue to the test. There is, perhaps, only one thing - the ability to understand the thought process of the eastern Jewish community. Therefore, I also reject the meaningless thought that we have a problem with the eastern community, as if it were an incurable disease. There is nothing more superficial than to say that those from the east hate Arabs. For, in the Gush Emunim settlements, for example, there are no eastern Jews.

[HA'ARETZ] Arye Der'i? received terrible press last week. Did he deserve it?

[Shahal] Personally, I am not angry with him, only disappointed. It was expected that, perhaps, a new species was growing in the midst of the religious camp, especially the Sepharadis. He speaks the language of the land, he is talented and sharp. And, as great as the expectation was, that is how great the disappointment is.

I cannot forgive him for what he did to the State of Israel. The man met with world leaders, with the president of Egypt and American Jewry, and gave them hope. No one in the world can understand what caused the change. It will be difficult to fix what he ruined. I have great esteem, which was not impaired, for Rabbi 'Ovadiya Yosef. He did not change his opinion. He demonstrated unusual bravery. He cannot be criticized because his political flank did not turn aside, despite him. But, Der'i also hurt the honor of the Sefardis. He demonstrated such negligence before Rabbi Shakh, negligence which, in the eyes of many, symbolized the entire Sefardi community. And there is also the human side, known as Shim'on Peres. He didn't deserve it. After all this, I don't know how Arye Der'i can live with himself.

[HA'ARETZ] He now says of you that you can fill "volumes of hypocrisy."

[Shahal] On this it is said that no man is caught at the time of his sorrow.

[HA'ARETZ] Were you also caught in his spell?

[Shahal] My story with Arye Der'i already began in 1984. I was the one who encouraged him then, with the tensions between SHAS and the National Religious Party in the background. After two meetings between us, I told him: you are liable to become the youngest minister in the history of the country. I spoke to him as to a younger brother. I saw a young man who constituted a true bridge. Maybe I did more than anyone else to encourage him. Later, in a conversation that I had once with Dan Meridor, and also with him, I tried to give him the message that there is a limit to power. But he did not stand up to the test.

[HA'ARETZ] Did Rabin cause damage in negotiations?

[Shahal] I wouldn't say that.

[HA'ARETZ] Nor did Moda'i?

[Shahal] He was very proper and even did some things that surprised me, like the walk to the ADMORIM [Rabbi of Admor]. Things that I couldn't do, he could. I did not deal with the Sharir agreement. I wouldn't touch it. In the matter of Moda'i, I was also not willing to give Baker an affirmative answer. Rabin emphasized this. If I had other motives behind this - this takes us to the first part of our discussion.

[HA'ARETZ] What is your opinion of Rabin's suggestion to set up a unity government and to prepare direct elections for prime minister within half a year?

[Shahal] I introduced the subject of change in the system of government into a governmental outline. I learned all of the options, I spoke with the experts. But, since I am not certain of the strength of the Israeli democracy without a constitution, I would not be prepared for a change in the system of government that would give the prime minister almost unrestrained authority. Such suggestions are very populist, but without a system of

checks and balances, appear impossible. We must not agree to a proposal that would necessarily result in the elevation of a strong man and the deliverance of the country into his hands, sooner or later.

[HA'ARETZ] And what about actually joining the unity government?

[Shahal] Only based on political initiative, and there is no chance of that.

[HA'ARETZ] And if your party joins - will you remain outside?

[Shahal] Without political initiative, I will clearly not join.

[HA'ARETZ] 'Ezer Weizmann, in an interview on Independence Day, called for an agreement to establish a Palestinian state.

[Shahal] Why should I go directly to the organizational solution, when I come and say that, first, we must solve the conflict?

[HA'ARETZ] With the PLO?

[Shahal] I am ready to speak with any Palestinian, based on four conditions: recognition of 242, Israel's right to existence, a halt to terrorism, and giving up the right to return within the framework of a general agreement.

[HA'ARETZ] 'Arafat meets most of these conditions.

[Shahal] He responded to most of the questions with stipulations. They speak of the existence of Israel and not on its right to exist.

[HA'ARETZ] And this has to prevent the start of negotiations, if they say 'its existence' or 'its right to exist'?

[Shahal] If this is a true test for designating intentions, then Israel must stand by the validity of these conditions.

[HA'ARETZ] Is it at all possible without the PLO?

[Shahal] In my opinion, there is no alternate leadership to one of these two camps: the PLO or HAMAS [Islamic Resistance Movement]. I said this in the cabinet, and an intelligence survey supports this evaluation.

[HA'ARETZ] Then what are the elections in the territories for?

[Shahal] If we were without the Likud, then I would do without them. I would establish the four conditions and meet with any Palestinian who meets them. But in Israeli politics, almost no one knows the mentality of the region. Most of them are people still living the period of World War II, the transfer, and the holocaust.

[HA'ARETZ] Picture Shim'on Peres or Moshe Shahal meeting with Yaser 'Arafat.

[Shahal] This type of grand geste does not exist with us. For this you need preparation. Many slogans have been

cultivated by the Labor Party over the years, and our hands are tied. Even Chich and Eli Landau from the Likud are more free to say things than those in the Labor Party. But, without specific talks on the Palestinian side, primarily on the issue of the right to exist and the right of return, I don't see the value of dramatic gestures.

[HA'ARETZ] Sit down with them and discuss this.

[Shahal] No political process is possible without the public's spiritual readiness, unless a national trauma were to occur.

[HA'ARETZ] This is an electoral consideration.

[Shahal] I am referring to public opinion. The public was ready to view Sadat as an acceptable leader, because for years they called for him to come to the negotiating table. The PLO, in the opinion of the Israeli public, is still in the phase preceding that. Proof is still needed to show that the change in them is truly a profound change. If such proof should exist, it would not be necessary to talk through an intermediary, and it would be possible to talk directly with the leadership. By the way, MAPAM [United Workers Party] are also talking about the need for some sort of preconditions.

[HA'ARETZ] So, is it the nation that is still not ready, or is it Moshe Shahal who is still not ready?

[Shahal] The nation is not ready. If they were to come to me, I would support the conditions that I mentioned, and I think that they are very plausible conditions.

[HA'ARETZ] Are your political views closer to Peres or Rabin?

[Shahal] This question offends me a little, and it deals with what we spoke of earlier. In all modesty, the time that I dedicated to reading material, a follow-up, to learning the problems, is such that I doubt whether there are many as prepared as I. My position has undergone development. If I held the position of one who makes decisions and implements them in the political realm, not merely a politician who makes declarations, I have no doubt that I would initiate a number of precedents. It is my dream to be a part of the political negotiations. Picture yourself getting up to speak in Cairo, and all of the media in the Arab world are broadcasting your words in Arabic. The change could have a dramatic impact. This alone would not solve essential problems, but it could result in an increase in trust. Because, all in all, to date, we have not had any real encounter with the Arab world on the basis of mutual respect and becoming acquainted with their mentality.

Once, I appeared before seven ministers in Egypt, and that sphinx, 'Abd-al-Majid?, looked at me. For 12 minutes, I thanked my hosts and praised Egypt in the proper Arab terms. And there are 300 words that express the name Egypt. Each one is significant. You don't say that you are a native of Iraq. You say: I was born between the two rivers. And I said to them: "Even in my youth Egypt was the center of culture," and I saw how the smile

spread over the face of 'Ismat 'Abd-al-Majid. And since that speech, we have done the "abrazo," the embrace with two kisses on the cheek, every time that we see each other.

Seven ministers stood in the street, next to the Israeli flag, Egyptians standing near by, and they parted from me with an embrace. Once I joked that there is no one else who knows the after-shave brands of all of the Egyptian ministers like I do. This was emotional. And once, Mubaraq put his hand over mine and said: with you I can speak on equal terms. And I freaked out. The President of Egypt calling the Israeli Minister of Energy an equal. Only you know us, he tells me. And then, he takes keys from his pocket and says to me: "Take whatever hotel you wish in Cairo, and leave the Taba." Mubaraq also told me: Take down my private phone number. He accompanied me as far as the car. The body guards were in shock. Shim'on Peres, when he was prime minister, wouldn't escort me to my car and would not accord to me this respect. And we, because of our stubbornness, lost a year and a half because of the Taba affair. History would have been different had it not been for that. When Shim'on Peres met with Mubaraq, it was already ten days before the rotation, and it was too late.

I also released the "Niyuta" with one telephone call. I called the Egyptian Oil Minister, Qandil, and Qandil went, in the middle of the night, sticking his neck out, to Mubaraq, and told him that Shahal wants the ship released. And Mubaraq issued a presidential order to release the "Niyuta." I said later in a government meeting: We are buying oil in Norway, Mexico, and Egypt. If an Israeli ship were stopped in Norway or Mexico, would someone be able to immediately reach the President of Mexico or the King of Norway? And here they were rushing to wage a war for the release of the ship.

Once, Qandil phoned me and asked me to come to Egypt immediately. I said that there is no El-Al flight today. Qandil said to me: Come to the Rafiah terminal by car and we will take care of you. They waited for me there, and gave me a tour of Yamit and El-'Arish. Qandil awaited me at El-'Arish to take me by helicopter to Cairo. Picture this: He came to take me from El-'Arish to Cairo. What Israeli minister would come to greet a guest minister from such a distance. And in the evening, he calls the hotel and asks if I could be ready at 8 p.m. without informing the guards. I immediately understood and promised him it would be so.

At precisely 8 p.m., he came to take me from the Heliopolis Sheraton in his car, and I, of course, guessed correctly - he came to take me straight to Mubaraq's house.

Believe me, if only we could think a little differently. Not at the expense of essential interests, but gestures can change so much. I was only Minister of Energy, but all of this proved to them that Israel is not so strange in this part of the world. I would go into a hotel in Cairo - I'm

telling you, there wasn't a single time that sheikhs from the Gulf states wouldn't get up and shake my hand. And, if I appeared on television, there would also be applause by the employees. Therefore, I come and say: the greatest oversight of the Israeli leadership has been the lack of understanding for the region in which we live.

[HA'ARETZ] And perhaps the greatest oversight is that you were not in a key position?

[Shahal] You don't have to convince me.

[HA'ARETZ] So, stop being Moshe Shahal for a moment and give me an non-evasive appraisal of where you will be in the coming years.

[Shahal] I think that, with the existing circumstances, I will have the possibility of leading the Labor Party to victory as one who leads it based on wide support.

[HA'ARETZ] Already in the coming elections?

[Shahal] That is definitely a possibility.

JORDAN

Book Review on Misconceptions About Political Islam

90AE0176A Amman AL-LIWA' in Arabic
27 Jun 90 p 19

[Review of "Political Islam and the Transformations of Contemporary Thought," by Ahmad Ibn-Yusuf: "West Launches Distorted and Erroneous Concepts To Impede Islamic Awakening"; name of reviewer not given]

[Text] "Haven't over five decades of torture and hiding the Islamic movement's presence been enough to correct the error, restore sense, and alter the method of slandering and denouncing Islamists? Are the demands of Islamic groups from Babel to Gabes unrealizable and an excessive burden?"

"The ruling elites in the Islamic countries sometimes encourage Islamic groups in an attempt to create a belief in their own legitimacy and authority to rule. The return has been to Islam, and not to a period of the systems, philosophies, and theses of contemporary thought. This is because Islam gives us three important political advantages firmly and deeply rooted in our existence and our human history."

Dr. Sa'd-al-Din Ibrahim says: "The third model—what is called politicized or political Islam—has also been greatly invigorated. It is what preoccupies people. It preoccupies the government, news bureaus, intelligence agencies, and the superpowers."

Dr. Hasan al-Turabi says: "Reports of the revolution of Islamic consciousness are being carried by the international information revolution."

Many relevant pronouncements bear upon the book we are about to introduce—"Political Islam and the Transformations of Contemporary Thought," by Ahmad Ibn-Yusuf of the Arab Muslim Youth Association in America. The author has studied the subject deeply and analyzed it carefully and thoroughly, so that the book encompasses all the positions and situations of Muslims. These the West deals with from its particular point of view. The book is a cry of warning and a serious call to a nation looking for the truth.

This book, "Political Islam and the Transformations of Contemporary Thought," deals with comprehensive generality with several themes bearing upon a single uproar that the international scene is witnessing. From the idea that the Islamic awakening is a periodic historical phenomenon the author moves to analyzing this proposition. He links it to the present condition of the Islamic community on the map of the universal struggle going on between many poles and in many new ways, both hidden to sight and visible. He then turns his attention to a series of analyses of real life both in the Muslim East with its phenomena and in the West with its cultures, beliefs, and religious or nonreligious points of departure in their interaction, intentions, and explanations of what is happening on the Arab Islamic scene. However many the aims and goals of the West may be, they do not exclude factors for destroying the revival and awakening, whether Islamic or other. There are also other themes that will be mentioned in the course of this reading of the book.

The author says: "The present review of the phenomenon of Western writing about Islam, reveals to us the degree of interest of official circles in the West in their attempt to fathom the Islamic phenomenon, classify its components, and formulate a method to combat it, prevent its spread, and find a means to contain it." He then deals with examples of first steps and the beginnings of the arousing of interest. The American political expert Robin Wright says, "The West must realize that it is too weak to confront this awakening militarily and that it would be better for the West to make peace with Islam."

James Bell, a political science professor, predicts that over the next 40 years mass Islam will be the most important ideological force in the world.

Growth of the Islamic Tide

The author of the book shows that there is a mixture of hostility fraught with innuendo ready to confront the Islamic renaissance. "This Arab, who was fast asleep for hundreds of years, has awoke and has begun to summon the world, saying, 'Here I am; I haven't died!'" (Albert Chambour, "The Alhambra of Granada")

He then states that those articles and studies sometimes contain an objective examination of events on which very fair comments and analyses are based, something that all the publications and studies of the Arabic press at home and abroad need.

Renewal for Period After Period

The collapse of the shah of Iran and its wake attracted deep interest and in time produced a tremendous outpouring of journalistic writings. The most extensive and profound of these were published in installments in 1987 and dealt with Islamic movements in Egypt, Indonesia, Morocco, Bahrain, and some of the African countries.

These were followed by an excellent study of the new pattern that the Islamic movement was adopting in its political dealing with ruling regimes.

Then there was a study asking the West to look again at the fundamentalist wave for change then sweeping the Islamic world (1987), a wave that could form a real threat for Western interests in the Islamic region.

The author says: "Without the slightest exaggeration, America and Europe witness a major media event every day reviewing, analyzing, or discussing this new phenomenon of Islamic fundamentalism, either in the form of television programs, films, newspaper reports and articles, books, special issues of scholarly magazines, conferences, meetings, or exhibitions."

The Muslims Are Coming, the West Is Very Wary

Before beginning to review the features of the Western attack on the phenomenon of the Islamic awakening, one must consider a number of questions that must be dealt with before one explores the contents of these Western studies and essays.

First and foremost, why all this renewed talk and extensive interest that the Western press is showing toward Islam? Why all this apparent pursuit of activities, gathering of information, and encouraging of meetings to discuss Islam and the Islamic world and to spread their poison by writing and warning about the Islamic renaissance?

Second, this Western activity has been characterized by intensified interest in the study of what is called political or militant Islam or Islamic fundamentalism. The author presents an example from the American scene: In 1980, American universities and specialized research and study centers witnessed 17 conferences and symposia on various aspects related to Islam. This interest was strengthened by the fact that the majority of oil-exporting countries are Islamic countries and by the fall of the shah's regime and calls for exporting the Islamic revolution in Iran. Other factors included the state of weakness and the social disintegration that swept over many of the Arab Islamic countries, in addition to the wave of Islamic revival that encompassed all the places where Muslims lived. In general, by the end of the seventies the Islamic revival movements formed the cornerstone of opposition ideological theses, which took a number of designations from them—Islamic revival, awakening, renewal, renaissance, fundamentalism, and even armed, political, and revolutionary Islam.

All this reflected important developments that occurred in the political and social structures of the Islamic world aimed at reshaping Muslims' lives so as to conform with the principles of Islam.

American Banks in the Pocket of Oil Sheikhs

In the eyes of the West, the Islamic revival is an increase of political activity in the name of the Islam from which it emerged.

The American press in its reports relies on incitement and alarmism. For example, the holding of hostages is an opening through which to bring in its biased definitions of Islam.

For the American, Islam is terrorism, bombing embassies, hijacking airplanes, and attacking civilians. Islam means oil kings and playboys. Some American newspaper headlines include: "American Banks in the Pocket of Oil Sheikhs," and "Westerners, Understand Your Civilization!"

The Western press concentrates on portraying Islamic movements as petrified, extremist, reactionary groups hostile to modernization.

A split exists in the minds of the leaders of the Western and American press. They justify linking religious belief to a political system among themselves, while on the level of other countries they call such linking backwardness and reaction.

The West and the Islamic Awakening

"There is an extraordinary danger besetting us all. Our common aim here is to prevent Islamic fundamentalism from overwhelming the entire region." (Jacques Chirac in a 1986 interview with THE WASHINGTON TIMES).

Some Western observers think that the characteristics of the Islamic awakening can be summarized as a return to fundamentals, fanaticism, and extremism. This confirms their displeasure with the awakening, because they see it from a closed point of view.

Western specialists' readings and analyses explaining the phenomenon of the awakening have carried a number of suppositions. There is the supposition that the ruling elite in the Islamic countries encourages the emergence of Islamic groups in order to use them to reconcile the people to the government or as a tactic to divert people's attention from their problems, as happened under al-Sadat and Habib Bourguiba. An Islamic identity means resistance to foreign penetration and opposition to the West's cultural hegemony, because Islam for the Arabs means the glorious past and an inheritance full of victories and conquests. Islam is the heritage of the Arabs: the Prophet was an Arab; the Koran is in the language of the Arabs; the direction toward which Muslims pray lies in the country of the Arabs. Islam provides a general feeling without class conflict or racism and attempts to unite people around a better alternative.

All these things taken together or separately are unpalatable to the West, its culture, its ideologies, and its systems, and are, therefore, unpalatable to its press and its widely and rapidly disseminated international information media.

KUWAIT

Government Reports Final Statistics on Manakh Crash

90AE0081A Kuwait AL-QABAS in Arabic
19 May 90 pp 1, 19

[Article by Susan Safawi: "AL-QABAS Discloses Latest Manakh Crisis Figures Before File Was Closed"]

[Excerpts] Barrak al-Marzuq, assistant undersecretary of state for finance in charge of the Deferred Stock Trading Liquidation Office, said that the office was getting ready to lower the curtain on the Manakh crisis and to retire its files. He added that the total sum needed for all those place under receivership, which was listed in the financial positions of all cases under investigation and used as a basis for evaluating the dinar, is 12,368,695,348 Kuwaiti dinars and that 312 cases with assets, based on their financial positions valued at 8,456,369,272 dinars, have been referred to the Stock Trading Settlement Commission; 222 cases have been dropped; 70 cases have been declared insolvent; and procedures are under way to declare three other cases insolvent as well. Furthermore, six debtors have been referred to the criminal court for suspicious dealings and about 17 debtors have been placed under the liquidation office's receivership, eight of which have fled the country.

Barrak al-Marzuq added that the sum of money that triggered the crisis amounted to 26,290,562,290 dinars, which dropped to 18,435,705,322 dinars when computed in accordance with Law No 100, and the total sum needed to settle the crisis, following claim adjustments, would be 12,368,695,348 dinars.

The total value of bonds the Settlement Commission has paid out is 1,726,498,063 dinars.

Al-Marzuq disclosed that many cases in which criminal action has been initiated are still under investigation by the general prosecutor's office after the liquidation office charged the defendants with concealing and smuggling money.

Al-Marzuq explained that the office sought the help of Interpol and Kuwaiti embassies to go after the defendants' assets abroad. [passage omitted]

AL-QABAS has reopened the files with the competent sides in an effort to document them and find out whether the Manakh crisis is over, as the officials have been saying, or whether it is still with us and its aftereffects are still outstretched.

Now that the officials at the Deferred Stock Trading Liquidation Office have put their final figures on the table, we have found out that, in the first 4 months of the crisis, the board of arbitration referred to the prosecution 71 debtors whose total assets made up 85 percent of the total value of the crisis handed down 11,306 rulings valued at 6,545,299,462 dinars against debtors placed under receivership; and concluded 5230 deferred stock trading settlements valued at 5,148,437,862 dinars.

It also rendered judgement in 2,885 deferred stock trading litigations valued at 1,796,416,375 dinars and 1,486 judgements certifying the indebtedness of traders who have been put under receivership in the amount of 8,637,996,046 dinars.

The board also ratified the 264 settlements the commission reached with the debtors, bringing to 21,171 the total number of judgements, valued at 22,128,169,745 dinars.

The settlement commission received 312 cases with assets, based on their financial positions, valued at 8,456,369,272 dinars which, after adjustment, dropped to 1,777,467,765 dinars.

The board also dropped 222 cases, declared 70 cases insolvent and initiated proceedings to declare three other cases insolvent.

Six cases were referred to the criminal court on suspicious dealings charges and 17 debtors were put under the liquidation office's receivership, eight of whom have fled the country.

LEBANON

Possible Solutions to Conflict Presented

90AE0135A Paris AL-FURSAN in Arabic
23 Jun 90 pp 24-25

[Article by Karim Bitar: "Lebanon: 1,000-Mile Step in Direction of Solution"]

[Text] The past few weeks have witnessed in Lebanon official political movements which have strengthened the Lebanese citizens' hope for peace and security.

The first results have been reflected in President Harawi's meeting with Patriarch Sufayr and the papal nuncio and in the announcement of a Vatican initiative to end the war and strengthen the legitimate Lebanese Government.

The past few days in Lebanon have brought significant political developments in the direction of strengthening the legitimate government and speeding up implementation of the al-Ta'if accord. The most significant of these developments has been the visit paid by Maronite Patriarch Nasrallah Sufayr to West Beirut and his meeting with President Ilyas Harawi, Chamber of Deputies Speaker Husayn al-Husayni, and Prime Minister

Salim al-Huss successively. This initiative, within whose context the first meeting of its kind has taken place between President Harawi and Patriarch Sufayr, has been interpreted as an open and direct recognition of the legitimacy of the president's election and of the al-Ta'if accord, especially since the initiative has come as a reflection of the spiritual leaderships' will. In the latest Bkirki summit, this leadership emphasized the need to unite the efforts of all the Lebanese in order to "keep Lebanon and its mainstays on the paths of peace and coexistence, to denounce continuation of the war in all parts of Lebanon, and to let the government shoulder its responsibilities for security and for reviving institutional activities."

Vatican's Role

This movement has been coupled with the Vatican's open support, as proven by the fact that Patriarch Sufayr took Papal Nuncio (Pablo Poanti) along with him to West Beirut where the nuncio took part in the meetings with the president of the republic, with the prime minister, and with the Chamber of Deputies speaker. On the following day, he visited the spiritual leaderships and explained to them the dimensions of his new 5-point initiative which calls for establishing a permanent truce in the eastern areas, for reopening the schools, for releasing all war prisoners, for ending the propaganda campaigns, and for suspending all military operations, provided that this constitutes a prelude to the comprehensive solution of the Lebanese crisis and to dealing with the al-Ta'if agreement according to democratic bases and rules.

This initiative derives its main substance from the message which Pope John Paul II addressed to the Lebanese people via the Bkirki spiritual summit. In it, the Pope stresses that the Lebanese people cannot "remain the hostage and victim of national, regional, or international political calculations. Moreover, no political plan can justify the fearful violence and the use of weapons which will never solve Lebanon's problems." He also urges the Lebanese to "surpass the divisions and to entrench the sincere dialogue which alone can bolster and embody the national unity that is indispensable to the survival of a common homeland."

The responses to this initiative confirm that the two parties to the conflict in the eastern areas agree to abide by the solution plan proposed by the papal nuncio. The Lebanese Forces command goes beyond this partial settlement in the eastern areas to announce in a clear position that it is prepared to unify the conflict area immediately, to adhere to and abide by free political action, and to hand over this area's affairs to the legitimate government which must spread its authority over all parts of the national soil.

If General 'Awn is demanding, on his part, reexamination of the al-Ta'if accord, then the information available on the general's latest positions indicates that he has decided to seek normalization and that he has become

convinced, it seems, to employ political means now that the military methods have failed to settle any current national problem. He has begun reexamining his past positions regarding the relationship with the Arab countries that support the al-Ta'if accord and that work to implement it. France, which has resumed its efforts, is trying to encourage General 'Awn to surpass the al-Ta'if complex by persuading him that the accord can be amended internally by the Lebanese people themselves and by their legitimate institutions when security is established and when the institutions perform their future tasks in a normal climate.

Arab Movement

It is evident that the Vatican initiative and the French efforts are founded on the basis of Arab consensus on the plan which was drafted by the Tripartite Committee and through which the committee has underlined its determination to work for a solution in East Beirut by persuading the two parties to the conflict to hand over matters to the legitimate Lebanese Government and by establishing an Arab-international fund to rebuild Lebanon. The Arab tour made by President Harawi and Prime Minister al-Huss has demonstrated Egypt's, Libya's, and Tunisia's determination to support the legitimate Lebanese Government's effort to spread its authority over all Lebanese territories. The Egyptian leadership has stressed that it supports the legitimate government and Lebanon's unity and that it is prepared to employ its capabilities to settle the Lebanese crisis. In its effort to make its movement successful, Egypt is wagering on the good relations it has restored with all the Arab countries and on the channels of communication it has with Israel and with the major powers, especially with the European countries and the United States. Cairo sources assert that the Egyptian leadership has actually initiated contacts with Washington in order that Washington may put the influence it enjoys to use and urge Israel to withdraw from the occupied border strip in South Lebanon and to implement resolution No 425. During President Harawi's visit to Cairo, the Egyptian leadership arranged a meeting between the president and two U.S. ambassadors to Lebanon, namely ex-Ambassador John (McCarthy) and new Ambassador Ryan Crocker. The meeting discussed what the Lebanese Government wants from the U.S. administration in connection with pressuring Israel and with contributing to the army's armament and to the efforts to rebuild what the war has destroyed in Lebanon.

The fact is that the given facts currently existing in the Lebanese arena flow in the direction of bolstering the positions of the legitimate leadership which managed to complete the cabinet formation when Ministers George Sa'adah and Michel Sasin backed down on their decision to freeze their membership in the national unity cabinet and assumed their ministerial duties officially. This is in addition to the change that has developed in the positions of the parties to the conflict in the eastern areas as a result of the drain they have suffered and because they have, in light of the field experience, become convinced

that the military solution is futile and that it is impossible to settle the matter by force.

Sources close to Lebanon's presidency and premiership say that the legitimate government has secured near national consensus over its program to establish security, to spread the government authority, to begin rebuilding, and to develop the work of the political and constitutional system's institutions. This represents a fundamental requirement for implementing the other terms included in the al-Ta'if accord. However, the safety of the reconstruction and reform process requires that the Arab and international commitments be crystallized promptly and that support for the al-Ta'if accord be transformed into a tangible reality that is reflected in compelling the countries that aid the warring militias to stop this aid immediately and in curbing the escalated aggression to which Yitzhak Shamir's government may resort in order to implement its expansionist and settlement-oriented schemes and to divert world attention from the method it follows to extinguish the intifadah [uprising] in the occupied Palestinian territories.

The attainment of these two goals must be coupled with delivery of the financial aid allocated by the Arab countries for Lebanon so that Lebanon may be able to rebuild its intrinsic capabilities, to rise from the abyss of the civil war, and to spread the state's authority over every inch of the national territories.

Summing up the current situation, an Arab diplomat has said that Lebanon is now standing at the threshold of salvation and is preparing to regain its health and its role in its Arab environment and to ensure implementation of the al-Ta'if accord in positive and coordinated steps whose early signs have begun to appear on the ground. But if these steps are to reach the safe shore successfully, stances and words have to be coupled with deeds. This is what the developments of the next few weeks will demonstrate.

Sa'adah Criticizes Vatican, France, Junblatt

90AE0162A London AL-SHARQ AL-AWSAT
in Arabic 12 Jul 90 p 5

[Interview with George Sa'adah, minister of post and telecommunications, by Shukri Nasrallah: "Minister George Sa'adah Tells AL-SHARQ AL-AWSAT, 'Failure of Vatican's Initiative Due To Flaw in Initiative; Junblatt's Campaign at Odds With Purpose of This Government';" in Paris; date of interview not specified]

[Text] Dr. George Sa'adah, Lebanon's minister of post and telecommunications, revealed that the two initiatives proposed by the Vatican and France failed to win the support of the Lebanese people and the consent of the Lebanese government. First of all, the initiatives failed because they made unacceptable objections to the formula in Lebanon. They failed also because they violated the agreement reached by the Lebanese. Minister Sa'adah said that a new initiative was in the works and that it combined elements of the Vatican's and

France's initiatives without contradicting the national reconciliation agreement. The president of the Phalangist Party and of the Lebanese Front said that the most important thing about the Arab initiative is that it opens the door to those who have not yet joined forces with the legitimate government.

In an interview with AL-SHARQ AL-AWSAT Minister George Sa'adah attacked Minister Walid Junblatt. Sa'adah said, "Junblatt wants to hold me accountable for certain disagreements he had with former president Amin al-Jumayyil even though he knows quite well that Amin al-Jumayyil's administration was not a Phalangist administration. Junblatt also knows that the Lebanese Forces organization is not a Phalangist organization." Sa'adah added that from now on he will not refrain from responding to attacks. He said that, if attacked, he will bring everything out in the open and he will mince no words.

Here is the text of the interview.

[Nasrallah] What happened to the mediation efforts that were being made for a political solution? What is the truth about the three new initiatives? It has been said that one of these initiatives was made by France and another was withdrawn by the Vatican. It has also been said that those who are concerned with this matter put together an initiative that is somewhere between these two initiatives.

[Sa'adah] The fact that the situation in Lebanon has reached the point that has been reached is regrettable. After being on the verge of having a final solution as a result of the National Reconciliation Agreement which we reached in al-Ta'if, the situation in Lebanon today is one that requires the intervention of many fraternal and friendly countries who are undertaking initiatives to save the country. Before that Lebanon and the Lebanese people had paid a high price with their security, their lives, and everything they had accomplished in their lives. Lebanon's infrastructure had also been destroyed. What we needed from these fraternal and friendly countries, which are devoting themselves today to finding solutions which may or may not serve Lebanon's interests, was assistance in rebuilding Lebanon. If those who wasted no time rejecting the reconciliation agreement had strengthened their resolve and moved beyond contrived demonstrations, we would have been enjoying security and stability, the foreign military presence in Lebanon would have been reduced, and we would have been devoting ourselves to rebuilding Lebanon.

But [let's talk about] the initiatives themselves. First, there is the Vatican's initiative which lacked clarity and confidentiality. It failed because disclosures showed that the Vatican's initiative contained clauses which were incompatible with the makeup of Lebanon and which did not take into account the agreement we had reached.

The suggestion, mentioned in the Vatican's initiative, to appoint General Aoun deputy prime minister contradicts the principle of distributing positions on a sectarian

and religious basis. The position of deputy prime minister goes to an orthodox Christian. Such a suggestion by the Vatican would put the orthodox and the Maronites in an embarrassing position and would cause some people to believe that the Maronites were striving to dominate the remaining Christian sects. That is why I personally was one of the first people to object to this suggestion.

In addition, the aforementioned initiative called for other things. Among the things it called for was that Gen. Aoun and army commander Gen. Emile Lahud agree on the person who is to be appointed minister of defense. That is amazing.

The other and more important reason why the Vatican's initiative failed lies in the suggestion which calls for the restoration of constitutional provisions which the government had referred to parliament so that the expanded Council of Ministers can reconsider them.

This means that everything which had been agreed to had become null and void. It means that the Council of Ministers would turn into a new body in which matters would be reconsidered. I don't know whether or not this would be in our interests, but I do know that it is against the interests of all of us.

The al-Ta'if Agreement was the product of prolonged discussions and a compromise. Each party conceded something so that all of us could agree on one thing. Reconsidering that agreement would open up sectarian sensibilities once again. Most groups found that the al-Ta'if Agreement did not meet all their demands. That is why the president, who had the consent of the speaker of parliament and the prime minister, thought that nothing which was agreed to was to be touched.

That is why I said that making the Vatican initiative public hurt that initiative. Had it remained confidential, holding talks about it would have been possible, and an agreement acceptable to everyone could have been reached. That was why France put forth a new, amended initiative. We believed that the Vatican initiative was the product of communications between the Vatican and a few other countries, chief among which was France. I don't know what the status of the French initiative is today, but based on what can be made public about it, it may be said that France's initiative disregarded the deputy prime minister's position.

In the French initiative the al-Ta'if Agreement remains the cornerstone of the process of building a new Lebanon. However, the French initiative left the door open to those who would go on record with objections to the reconciliation agreement. It were as though Gen. Aoun's objections had not been made forcefully enough to people and to institutions.

The French Initiative

[Nasrallah] Do you mean to say that the French initiative is the second initiative after the Vatican's? What is the third initiative then?

[Sa'adah] Because these two initiatives floundered, the Supreme Tripartite Arab Committee, taking all the pros and cons into account, considered the situation in its entirety. At the present time the committee is putting together an initiative that offers what the Vatican's and the French initiatives failed to offer. I believe that what the Arab Committee, which is familiar with all aspects of the situation, is proposing can lead to a positive outcome. Among the requirements which the aforementioned initiative calls for is a statement to be issued by the Council of Ministers calling upon everyone to recognize the legitimate government and the al-Ta'if Agreement. The initiative also asks that all those who respond to this appeal be considered affiliated with the peace process which is large enough for everyone. Other details about this initiative, except for those which were made public by Ambassador Lakhdar Ibrahim on behalf of the committee, should not be revealed.

The Story of the Campaigns

[Nasrallah] Since an agreement has been reached about expanding the government and including all parties in it, why is it that we don't see any understanding in the present government? What is the secret behind these campaigns which some ministers are waging against each other?

[Sa'adah] In this government, as in any other government, each minister expresses the opinion of his constituents. This is a normal matter under ordinary circumstances, but given what has happened and the circumstances which the country has been experiencing, Lebanon should have had two groups: the group which approved the al-Ta'if Agreement, and the group which opposed it.

The government which was formed on the basis of the al-Ta'if Agreement should have been made up of one group so that, instead of having two groups with members of one group opposing members of the other, the one group that is in government can oppose and confront the other group. Otherwise, agreements become absolutely pointless, and turning back to sensibilities and marginal disputes that are either old or new becomes unnecessary.

[Nasrallah] What about the campaigns, the accusations, and the excessive expenses? What about the hotel and what became of it? What is the true role of these things? Is this being done to undermine the government before it is expanded?

[Sa'adah] The incriminating campaigns which Minister Junblatt is leading against everyone astonished me, but the campaign he led against me astonished me even more. At first he waged a campaign against me because I had refused to join the government and it was his opinion that my position undermined the government's and, accordingly, the al-Ta'if Agreement. Then I declared my consent to taking part in the government, but, although everyone thought that my positive position would strengthen the government's position, Minister

Junblatt intensified his campaign against me, fabricating news which had no basis in fact. He stated, for example, that the participation of George Sa'adah and Michel Sasin in government cost the state 750 million pounds. That is why I raised that subject at the first meeting of the Council of Ministers, and I asked the government to issue a statement about Minister Junblatt's allegations. I did not wish to go into all the implications of that subject in Junblatt's absence. Instead, I said that I would bring it up again in his presence because it was not my custom to use someone's absence to malign him. I still can't understand how Minister Junblatt came up with this news report and how is it that my participation and that of Minister Sasin in the government cost the state these millions of pounds, or rather piasters. And that is why I promptly issued a statement in the media challenging Minister Junblatt to justify this news report.

I added that if these millions had been sent to us through him, then he should promptly deliver the money to us so we could return it to the state and give up claims to all amounts earmarked for that purpose. People's integrity does not belong to anyone, and he who fails to protect other people's integrity does not protect his own. It is very easy to make accusations, but it is impossible to prove these accusations when they are not true. If Minister Junblatt's positions are attributable to old political dealings which took place behind the scenes between him and former President Amin al-Jumayyil, then he knows that I had nothing whatsoever to do with his administration. I had nothing to do with it on the personal level or on the party level. Minister Junblatt knows that while I was estranged from the government and from the president, he cooperated with President al-Jumayyil in the government for many years, to say the least. When Minister Junblatt used to ride beside President al-Jumayyil in his private car as they travelled through the streets of Bikfaya and al-Na's, I was cooped up in the party's central offices considering how to ward off the blows that were being hurled against me and against the party by Amin al-Jumayyil and his group.

I Will Not Hold My Peace

[Nasrallah] Do you think there is something else behind the campaign?

[Sa'adah] I said it before and I say it again: I will not refrain from responding to any attacks or accusations that are made against me by Minister Junblatt or anyone else. I've had enough of this slander and incrimination. If someone thinks there is something crooked about my conduct, he should apply harsh measures to discipline me. The tables can be turned against those who make trumped-up charges against others. I myself do not live in a glass house, and I do not cast stones at others. I practice politics by staying away from sensitive and complicated issues and I do not become engaged in oneupmanship. Everything I do is above board, and I am always willing to shake hands with anyone who also does everything above board. I had and have nothing to do with the party's past disputes.

[Nasrallah] Is Minister Junblatt attacking you because he resents your affiliation with the party and your relationship with Amin al-Jumayyil's and the Lebanese Forces' administration?

[Sa'adah] Minister Junblatt and all the politicians in Lebanon know that Amin al-Jumayyil's administration was not a Phalangist administration. They also know that the Lebanese Forces are not Phalangist forces.

SYRIA

Lecturer Discusses Trade Balance Surplus

90AE0186A Damascus AL-THAWRAH
in Arabic 16 Jun 90 p 8

[Report on Lecture by Dr. Ratib al-Shallah on Trade Balance Surplus; "Tuesday's Economic Symposium; Is Improved Trade Balance Transient Development or Constant Condition"]

[Excerpt] [Passage omitted] In 1989, the big deficit suddenly turned into a big surplus. Whereas in 1988 the deficit had amounted to nearly 10 billion pounds and whereas the exports covered no more than 60 percent of the imports, the deficit turned into a balance surplus favoring us and the rate of export coverage of the imports rose from 60 percent to nearly 145 percent.

Dr. al-Shallah attributes this major trade balance transformation, which is still the subject of divergent opinions and viewpoints, to a number of influential factors, led by our increased oil production and exports, by the growth in the volume of our exports to the payment agreement countries, and by the measures taken by the government to promote exports.

Whereas in the early 1980's Syria imported oil and oil derivatives valued at more than eight billion Syrian pounds to meet local consumption, it was able in 1989 to realize a net income estimated at \$580 million. Inasmuch as the figure in itself constitutes a great accomplishment in the interest of our national economy and inasmuch as it bolsters our trade balance, this figure underlines the extreme significance of the development in the Syrian oil activity whose value exceeds this good figure.

Payment Agreements

The second direct factor contributing to the improved trade balance lies in our trade with the countries to which we are tied by payment agreements. These agreements are ordinarily concluded as a result of the two sides' wish to establish commercial cooperation and exchange, supported by friendship and goodwill, and on the grounds that this type of agreements includes the mechanism that guarantees the strengthening and boosting of the cooperation.

The statistics show the constant growth of the trade volume between us and the Soviet Union. In 1989, the

surplus in the trade balance with the Soviet Union amounted to more than 11 billion pounds in favor of Syria. This alone was enough to meet the entire deficit that had accrued in 1988, meaning that our 1989 exports to the Soviet Union constituted the decisive element in the change that has occurred in the entire trade balance.

Theoretically, it seems obvious that the large exports which are made within the framework of the payments agreement are commodity repayments for payable debts. The repayment of these debts via exports saves the indebted countries the need to find another resource to make the payments. Most payment agreements contain the mechanism for the repayment of debts exceeding a certain sum required to be repaid in cash. When the creditor in the payment agreements agrees to increase his imports from the indebted party, the former helps the latter reduce his debts and provides him with credit.

Ordinarily, the indebted country does not have a broad variety of goods and commodities. Therefore, when the creditor country increases its imports under this reality, it faces conflicting options and increasing prices and conditions, taking into account the weak domestic market in the indebted country and the fact that this market is influenced by any growth in the demand.

Under the circumstances of the special relations between Syria and the Soviet Union, the payments agreement gains a special background which distinguishes it from the ordinary relations and exchanges between countries. Studies conclude that debts emanating under the umbrella of this type of payments agreement are subject to a repayment method dictated by the spirit of friendship and by the desire to help on the part of a friendly country that takes into account a number of considerations and the circumstances of another friendly country shouldering defense, national, social, and economic burdens.

The ambiguity that accompanies payment agreements emanates ordinarily from the fact that such agreements pass through the divergent viewpoints held by the creditor and the debtor. Perhaps the divergence and disagreement grow greater the bigger is the debt volume and the longer it has been accumulating. Locally, exports emanating from payment agreements are assessed in the light of their benefits and demerits on the basis of the "added value." It is obvious that exporting a commodity or goods that are produced, processed, and packaged locally is totally different from exporting goods which are totally imported or nearly totally imported in free currency [presumably meaning reexport]. In these two types of exports lies the difference between beneficial exporting on the one hand and draining and harmful exporting on the other. The first type boosts the national production capabilities, promotes their technological development, bolsters economic development and internal construction activity, and opens new horizons for the creation of new spheres of work, for advancement, and for gaining ability. The second type boils down to exporting materials that are imported into the country with hard

currency, that brush past the country, and that offer nothing to enhance the capabilities and to develop production. Rather, this type of exports saddles the exporting country's foreign currency balance with a heavy burden and deprives the country of a significant portion of the currency needed to implement the development plans and service projects.

From the outset, the people concerned realized that dealing by way of payment agreements is based on a political decision that may be modified or abolished by a similar political decision. Based on this possibility, there has been apprehension or caution in creating industries or establishments requiring large capital and costly investments which may be damaged and squandered if any change occurs in the dealings based on payment agreements.

In the face of such a possibility and to avoid this type of pitfalls, a decree was issued requiring exporters to the payment agreement countries to export 20 percent of the same exports to the free currency countries. Since this decree was issued, it has been misunderstood by some of the country's executive agencies and by the exporters themselves even though its purpose is clear, namely to enrich the producer's and exporter's expertise and capabilities and to enhance his production capacity on competitive terms. It is absolutely not the decree's objective to penalize exporters to the payment agreement country. Rather, it is a measure dictated by the need to develop the foreign trade and to enter into numerous and varied markets.

Since early 1987, transactions with the Soviet Union have constituted high figures and have been concentrated in the second type of exports. Consequently, it was decided for the second time to require whoever exports to the payment agreement countries to export a certain percentage to the free currency countries. Application has been somewhat strict, whether in terms of the measure's provisions or in terms of the method of application itself. The 20 percent actually represent 80 percent of the value of exports to the agreement countries. This is a result of the big difference between the official dollar price (and the price of the accounting pound sterling) and the prevailing free dollar price. This difference has saddled the exporters with financial burdens and with marketing tasks for which they have not been prepared, especially since the figures have been high. Strict application has caused some exporters to be tardy in repaying their commitments and obligations and has, at times, led to violations and excesses.

Recently, exporters have been compelled to pay taxes due for their annual activities on the basis of the Ministry of Finance's estimates of the profit rates made on exports. They have also been compelled to obtain advance export permits which have to be at hand before export transactions are completed. It has been announced that this decree does not seek to halt or curtail exports to the Soviet Union but to regulate the volume and value of this activity.

The lecturer emphasized that he is confident that the authorities in charge will develop the ideal solution to regulate the export activity to the Soviet Union in a manner beneficial to the Syrian economy and not harmful to the interests of the numerous firms and establishments that have moved forcefully and rapidly along this path, that have, in part, provided work opportunities for large numbers of citizens, and that shoulder draining financial obligations. The structure, production, and tendency of some of these establishments rely on the Soviet markets, and it is unreasonable to ignore this fact.

The confusion developing in this area is due to the weak ability of the official authorities to control the type and volume of this trade. This inability emanates from a gap in the trade protocol which permits inflation of the volume of goods that may be exported and which does not focus on the types of commodities in which the added value represents an acceptable and commanding percentage for the Syrian side. It is to be noted here that the instructions issued by the government to implement the decree regulating export activity to the Soviet Union are numerous, vague, and conflicting. This indicates that there is no clear idea as to the conditions, mechanism, and pattern of this trade.

Government Measures

Government measures to boost exports are the third main reason for the realization of this trade balance surplus. These measures include raising the price set for foreign currency yielded by exports to a level that reflects more realistically the actual value of this currency and the actual cost of the exported commodities.

Clinging to the old currency price created a big difference between cost and yield and this led to an obvious stagnation in the official export activity.

The measures also include those intended to link imports and exports with the objective of providing the currency needed to import raw materials and manufacturing and production requirements by way of exports exclusively and without saddling the official resources with the burden of securing the currency needed for this purpose.

The measures further include the permit given the private sector to import some varieties that had been previously confined to the public sector.

Comments

After reviewing the reasons which enabled the trade balance to shift from loss to profit and which we have summed up briefly in the preceding lines, the lecturer touched on some points connected with the trade issue, such as the Syrian economy's structural makeup and trade with the Arab countries and western countries.

Despite the importance of what was said on the above points, we will postpone reviewing them until a future article and will confine our discussion to the trade

balance issue, which is the central idea in Dr. al-Shallah's lecture. We will content ourselves with discussing some of the conclusions Dr. al-Shallah has made regarding the other ideas contained in the lecture. Meanwhile, we stress anew that not reviewing these ideas and opinions does not at all mean slighting their value and significance.

We will begin first with the comment made by Dr. 'Isam Khuri who stressed at the outset his agreement with the lecturer regarding the factors that led to growth in the trade balance surplus and with the lecturer's assessment of the payment agreements and their positive and negative consequences. As for the main question with which the lecture is concerned, Dr. Khuri noted that the lecturer did not provide an answer to this question in his presentation and that he, Dr. Khuri, personally believes that the surplus is a transient surplus, at least in the coming phase. The reason is that the main element in this surplus' structure is the reality of the trade relations between Syrian exporters and the Soviets on the basis of the payment agreements. Therefore, this factor, not oil, is the main factor. Responding to this observation, Dr. al-Shallah, who believes that oil is the main factor, said that he has given the priority to oil primarily because oil meets the domestic consumption need which had previously required importing certain quantities of oil for large sums of money.

Dr. Khuri expressed the belief that in some of its aspects, the surplus is an administrative, not economic, surplus because the policies adopted to streamline consumption have focused on reducing imports. Moreover, the Syrian trade balance surplus is the officially declared legal surplus at a time when the black market role has grown, considering that a number of our needs are met through these markets. This means that the surplus in our trade balance is less than declared, if we take into account the tendencies of the unregulated imports which amount to a figure for which we can make no estimate. However, the negative effects of these imports on our economy and on the exchange value of our currency can be felt and evaluated.

The commentator agreed with the lecturer that the export policies impede the producer and exporter because the decrees adopted to promote export activities are ambiguous, confused, and lack coordination. Consequently, trade relations with the world have not yet been transformed into methodological relations. It is true that there are policies to promote exports and it is obvious that this is a trade activity that must be bolstered and supported.

However, export activities must be subjected to priorities. When the priorities were disregarded, certain goods were exported in such volume that it was no longer possible to meet the citizen's needs of those goods. Their prices rose and this acted as a factor which contributed to intensifying the currency inflation.

In his observations on the lecture, Dr. Ilyas Nijmah noted that the lecture underlined the exports side only, without paying attention to the other side of trade, namely imports, keeping in mind that the reason for the trade balance surplus has been the leap in the export figures. Dr. Nijmah wondered: Is it certain that we have a balanced policy which has allowed us to import all our needs and yet realize this surplus with superior exports?

Dr. Nijmah expressed the belief that the surplus was actually realized as a result of squeezing imports to the minimal limit possible, a fact which has deprived us of some production requirements and of some commodities that are essential for development.

As for the ability of our exports and goods to compete in foreign markets, our exports were made last year on ideal or generous terms because the Soviet markets needed those exports. But can we accomplish this in competitive markets and is the European market a promising market, as the lecture says? It is not truly so because this market has expanded to include 12 countries and it is tied to numerous countries by agreements, the least significant of which are the agreements the European market has with us. If technological progress can bridge the gap embodied in the cheap labor we have, then our exports to these countries will face a greater difficulty in the 1990's. Concluding, Dr. Nijmah expressed the belief that the lecture is in fact tantamount to opinions on exports, not on foreign trade. To what degree are we entitled to talk about a leap in our trade balance when a number of our commodities are exported to the outside world even though the domestic market needs them?

Some of those attending discussed the idea of the relationship of production with exports and of what we actually export: Is it surplus production or is it the very production which our markets need? Others stressed the need to pay attention to illegal imports which do not require permits. They also stressed the need to adhere to the percentage of export revenues allocated for the import of raw materials. Dr. Mustafa al-Dabbas, the session chairman, then offered some observations on the issue, pointing out that imports are made under all circumstances and that the export figures are exaggerated. He also noted that the absolute import volume has decreased in the past three years but that the decrease has been in the public sector imports which have dropped by 38 percent in two years whereas the private sector exports [as published] have risen by nearly 67 percent in the same period.

In contrast, the public sector's exports have dropped from 78 percent to 52 percent. If we exclude from these exports such raw materials as oil, cotton, and phosphate and then examine the percentages, we find that this sector's exports amounted to 44 percent in 1987 and to 19 percent only in 1989.

And Observations

The three main reasons with which Dr. al-Shallah explained the realization of a surplus in the Syrian trade

balance open a wide sphere for debating whether this surplus is a transient development or a constant characteristic. Without expressing an opinion in this regard, we can agree with some points expressed by the lecturer and the commentators regarding the importance of boosting domestic production so that the equilibrium in the trade balance may rely on increased exports and not reduced imports, especially imports that are essential and important for consumption or for development. But we disagree with the opinion that the European market is a promising market for numerous reasons, some of which were noted by Dr. Nijmah. These reasons also include Europe's political exploitation of trade with the Arab countries, especially with Syria. They further include the consequences emanating from the establishment of European unity, from rapprochement with Eastern Europe, and from the movement of labor from the southern European countries to the northern European countries. Before anything else, these reasons include the competitive capability of our goods in these markets. This is what leads us to disagree again with the lecturer on the issue of standards and measurements which he considers a part of the brain washing process aimed at the Arab consumer and intended to make this consumer withhold his confidence from Arab goods and transfer it to goods produced by the west so that these goods may monopolize the Arab markets. The aspect of disagreement here is not in the analysis but in the conclusion which requires us, regardless of the difference in our opinions, to adhere to international standards and measurements if we want our products to compete in the international markets.

There is a final point to which Dr. al-Shallah referred in his talk about the Syrian economy's structure when he expressed the belief that the big difference between the moderate prices which the farmer and the producer collects and the exorbitant prices which the consumer shoulders is due specifically to the final link in the distribution chain, considering that a large segment of retailers has appeared, selling from booths, on sidewalks, and from carts and imposing exorbitant prices on the consumer. Even though this point is beyond the framework we have set for this discussion, what has been said on it merits a deliberate pause, especially since the lecturer found it necessary to provide work opportunities for thousands of these (vendors). If we put aside the possibility of providing such opportunities, especially since most of these workers are a product of the weak production sectors, and ask about the basis on which the lecturer founded this conclusion, can we then answer by saying that he relied on studies that point out the prices of agricultural products in their various marketing stages?

We, on our part, do not have such a study available to us. However, we have numerous reasons that make us believe that the reason for the big difference between the price the producer collects and the price the consumer pays is not due to the final link but to preceding links and, most often, to the multiplicity of links in the first place.

REPUBLIC OF YEMEN

Parliament Deputies Interviewed on Unity Issues

90AE0113A Nicosia AL-HURRIYAH
in Arabic 17 Jun 90 pp 24-27

[Interview with six parliamentary deputies: "Will Debate Relieve the Nervous Tension?"; author, date, and place not given; first nine paragraphs are AL-HURRIYAH introduction]

[Text] Gentlemen smoking pipes and cigars, Southerners in jallabiyahs, tribesmen wearing their traditional daggers, Southern women in modern dress, bearded religious men—this is the strange mixture that makes up the Yemeni parliament that was formed by merging the northern Consultative Assembly and the southern People's Assembly, along with 31 deputies appointed by decree of the chairman of the Supreme Council to represent political forces that were previously kept out of politics.

The parliament's first session, which AL-HURRIYAH attended, was noisy. Disagreement began at once: How would the constitutionally mandated parliamentary oath be rendered and by whom?

Years of political exile, accumulated open and hidden conflicts, and prejudices sometimes make any step or vote a matter of bewildering conflict.

In a way, Yemen's parliament presents a strange panorama of the political and social forces in Yemen. At its extreme right is the fundamentalist tendency, which has acquired its popular weight from widespread religious feeling, from reliance on the border tribes that formed a quasi-official militia to oppose the advance of armed Marxism from the south, and from Saudi financial and political aid. These acquired their influential place in government and parliament at a time when the regime was involved in an armed confrontation with the south and was facing an unsuccessful attempted coup by Nasirists in San'a.

At the extreme left is the Marxist tendency, which was engaged in a guerrilla war against the central government. As the political reform accompanying unification began, this tendency undertook a serious review and worked to adapt to the new atmosphere of rapprochement. It put guns aside to embark upon its struggle politically within the relatively pluralistic atmosphere. This current is participating with Ba'athists and Nasirists in an opposition front to the San'a government.

In addition to representatives of tribes, technocrats, the army, and independent elements, there are two main blocs: representatives of the People's Conference, which previously formed the ruling party in the north, and representatives of the southern Socialist Party. The former represents a broad union of forces, including, besides tribal and religious representatives, enlightened

nationalist elements who have considered the party to be something like a broad parliament capable of development.

The Socialist Party took a step toward the north by making changes in its structure, its hegemony over internal life in the south, its overall policy, and even its intellectual principles. It affirmed the need to preserve the Islamic heritage and prevent its distortion. It espoused Islam as a source of ideas in order to placate the religious tendency that feared the entry of the Marxist south as a competing force. It also approved of political pluralism, freedom of political organization, and the abandonment of rigid axioms.

That political representation might include all political forces in the parliament, a bloc of 31 deputies was added. This bloc represents the southern opposition that used to exist in the south. Some of them are representatives or proteges of former President 'Ali Nasir Muhammad who formed new parties. There is also the northern opposition, which used to operate from the south in a broad front against the San'a government.

Most of the members of parliament I met consider the current parliamentary session to be a test period for the other forces—a period of testing the possibilities for dialogue and debate drawing influence from the power of grass-roots forces. Some consider this parliament to be a temporary result. They believe that the constitution is merely a common denominator of existing forces and will change as these forces change. They believe that every step will be subject to heated debate in this parliament of contradictories. However, no one—or so the statements appear—doubts the importance of this parliament or the need for democracy as an arena for interaction and influence. The following interviews with members of parliament reveal part of this broad panorama.

Yusuf al-Shahhari (Member of Parliamentary Leadership)—Conspiracy To Intensify

[Al-Shahhari] There were two events I never dreamed I would live to see: the fall of the imamate, and unification.

After eleven hundred years of government by imam, the fall of Imam Ahmad, with all his crimes and awe, seemed virtually impossible to me. Our people ended this terrible saga in '70, despite the conspiracy and the largesse that came from Saudi Arabia and the United States.

I never dreamed I would live to see these moments we are now experiencing together: that we would trample upon what Turkish and British imperialism had planned—I mean partition. At first it seemed like a jest, but the people grabbed it and turned it into something new, because unity is a historical fact: we are one people, one existence, and one culture.

[AL-HURRIYAH] Are you very confident about what will happen?

[Al-Shahhari] Quite the contrary, I believe the conspiracy will intensify. It will escalate and take vicious forms. It will begin with bribes and corruption and go as far as terrorism and assassinations. But no forces will be able to return us to where we were. The Yemeni people have imposed their will. If any forces hostile to the movement of life win a victory, their victory will be temporary. We have moved.

[AL-HURRIYAH] Unity appeared more serious when freedom of party life and a multiparty system were proposed along with it. Does this appear necessary?

[Al-Shahhari] Yes, let us try! So that our judgments about political party life will be objective, let us try it first. Even before that, it is a right that expresses the development of life and civilized values. It is a right that suits us, given our claim to a civilized background. I therefore say that the constitution must be respected. Second, I say that one must respect especially Article 39 of the constitution, which provides for freedom of political life.

[AL-HURRIYAH] Some people fear that party politics will lead to the tearing apart of society, as happened in Lebanon.

[Al-Shahhari] Why should we take Lebanon as an example? When was Lebanon a bad example? Have we forgotten the example that Lebanon has given Arab people in democracy and culture? Lebanon should be an example of the conspiracies of the big against the small. Lebanon was not a victim of party politics; it was a victim of sects and tribes. In this sense, it should be our model.

Shaykh 'Abd-al-Wahhab al-Ansi—Religion and Secularism

[AL-HURRIYAH] In the Consultative Assembly session preceding the merging of the northern and southern parliaments, you were one of the strongest opponents when unification and its constitution were approved. I want to ask you what points you will oppose in the coming period.

[Al-Ansi] We do not want to oppose merely to oppose. Opposition must take place within a clear and principled vision. It must also be flexible, taking account of new developments and differing interests. I think that the issue of the hour for everyone—all forces in the Yemeni arena—is to aim at creating the basic elements of democracy, because our society badly needs these elements. If all forces do not aim at creating these elements, democratic life will be unstable and might reach a dead end, God forbid.

An example of these elements is a functional professional cadre that places its energy at everyone's service without regard to affiliations. A party could come imbued with the spirit of tribalism and narrow partisanship that would substitute loyalty for ability. The interests of the people would then be disturbed, and a feeling

would arise that democracy had not brought any benefit as in the advanced countries. People would take a negative stand toward it. After a time, the army might use this popular discontent to assume power again and turn things back to the way they were.

[AL-HURRIYAH] Do you think that party politics are part of this democracy?

[Al-Ansi] A multiparty system is the child of democracy. There is no democracy without political pluralism. I have a reservation about pluralism—not a reservation, but a guarantee: that the nation's creed and religion should be respected. I want [political pluralism] to have popular dimensions. The problem of pluralism in our countries, unfortunately, is that it is at the top level. It has not interacted with the identity of the peoples to which it belongs. The people therefore lost their trust in it and it did not succeed.

[AL-HURRIYAH] The nation's creed, according to the constitution, is Islamic. However, there are secular political forces. How will you, as a religious member of parliament, deal with them?

[Al-Ansi] The secular forces on the Yemeni scene have not yet expressed their secularism in clear language and in its Western sense of antireligiousness. I think they realize that they would be badly defeated if they did. On the other hand, what people fear when Islam is brought up is the narrow understanding sometimes prevalent and sometimes propounded: that there cannot be differing opinions within Islam. That understanding is not true. The nature of the Islamic community is modest and in accord with the principles of consultation. The Islamic community lost a great deal when it abandoned consultation.

[AL-HURRIYAH] To return to the question, how will you behave toward a secularist who shares the benches of parliament with you?

[Al-Ansi] The Islamic creed never forbade debate with a secularist. On the contrary, we find wonderful examples of debate [in Islam]. For example, when it was God's will to create man in this life, the angels had an opinion. They said: "Wilt Thou set therein one who will do corruption there, and shed blood, while We proclaim Thy praise and call Thee Holy?" [Koran 2:30] God did not restrain them from this debate and did not chide them, although their duty was to obey and He was sovereign Lord. He debated with them, a sovereign ruler with a weak creature. This example quashes every argument, for there is none greater than God, even as there is no one purer than the angels. The prophets, too: they did not come with tanks, but with discussion and persuasion. The Koran often repeats the words, "He said to his people." For the Muslim, discussion is the only way to persuade. That is why the Koranic verse says: "There is no compulsion in religion." [Koran 2:256]

[AL-HURRIYAH] We would like to know where your reservations about the constitution lie—what particular section?

[Al-Ansi] As we know, the constitution was drafted under difficult conditions, beginning with a war between the two halves of the country. Disputes and attacks both hot and cold continued. The constitution took a long process. Perhaps it turned out to be more a place of refuge than of conviction—something to calm the debate, rather than to unify. The constitution was completed in 1981. By the standards of the time, it was a good achievement. But new developments from 1981 to the present had to take their place and have their impact upon the current constitution.

People have perhaps taken one side, the comments of the ulema of Yemen on this constitution. I want to say that the ulema have spoken only about the part about which they have knowledge, for in the constitution there are many parts—not only in Islamic shari'ah, but there are many expressions that do not express content about which we all agree. There are observations on the economic and social aspects. For example, the mode of separation of authorities. As you saw today in parliament, it permits the executives to be members of parliament. This is a violation of the permanent constitution that separates the branches of authority. There are also comments about the elections. The executive branch was given the right to supervise them, while the two legislative branches were excluded from them, contrary to what was contained in the Cairo agreement [that was made] so that we do not return to the disadvantages of executive body supervision, where [elections] usually end with 99.9 percent ratios, etc. There were comments on various aspects of the constitution, but these forces and personalities preferred to take these observations to the coming parliament, so that unification could take place on schedule without delay. Second, people should not enter into unity when they have differed about certain things. Third, the transition period provided by the constitution was short. What happened, however, was that the constitution was amended in an agreed upon place, Article 6, which deals with the transition period. It fixed it at six months for launching the constitution, six months for the plebiscite, and six months for elections. Uniting the two parliaments and lengthening the transition period to two and a half years are the amendments to the text of the constitution. As long as the door has been opened to amendment, the amendments should extend to all the observations, including those of the ulema, economists, sociologists, and politicians.

In any event, what happened as I see it is that there is no constitution or even a proposed constitution. My proof for this is that the agreements that accompanied the constitution provided that the constitution would be followed in matters not contrary to this agreement. In other words, the agreement has come to be above the constitution and controlling it. The other aspect is that this constitution did not come by plebiscite. The point is that unity should be achieved—well and good—but there

remains the issue of reforming the constitution in the interest of unity and basing it on sound and explicit principles.

[AL-HURRIYAH] One of the points you opposed was Article 33, prohibiting the use of cruel and inhuman methods of punishment. What was the reason for your misgivings?

[Al-Ansi] This article, as is the case with other articles, does not express what is intended, and thus gives an impression of doubtfulness and lack of confidence with varied interpretations. The language of the constitution should be comprehensive—comprehensive and exclusive: it should comprehend everything that is intended, while excluding all that is not intended.

Although we have heard nothing from officials to indicate that the intent of this article is to prohibit *hadd* punishments such as amputating the hand or death, the fact is that articles have appeared in some newspapers of what used to be called the southern half of the country trying to construe this article as forbidding the *hadd* punishments. These, however, were individual readings. [Others] on the other side tried to give it the same explanations. But as later became clear to us, it does not forbid the *hadd* punishments, only cruel methods of carrying out the *hadd* punishments.

[AL-HURRIYAH] For example?

[Al-Ansi] Using a dull knife when cutting off the hand, thus torturing the person being punished—contrary to Islam, which counsels that when you slaughter an animal, you should do it humanely. If this is the case for animals, how much more so for human beings!

[AL-HURRIYAH] Then you want the constitution to provide with sufficient clarity for the use of the *hadd* punishments.

[Al-Ansi] These are Koranic punishments about which there is no dispute.

Munajjid Qahtan al-Sha'bi—Existence of Opposition Is the Main Thing

[AL-HURRIYAH] What is your opinion about the present makeup of the parliament?

[Al-Sha'bi] Its makeup is not balanced, since it results from merging two parliaments—that of the south and that of the north. The remaining members, myself included, were appointed. However, perhaps after this parliament, a balanced makeup will come as a result of the elections.

[AL-HURRIYAH] What is your view about how the appointed members were chosen?

[Al-Sha'bi] I think it was a reasonable temporary deviation. Most of them were chosen from representatives of the southern opposition living in the north or of the northern opposition living in the south. They were

granted seats to participate officially in the parliament. I think this step was positive—maintaining the opposition as an opposition officially recognized by the state and represented in parliament.

[AL-HURRIYAH] As a member of parliament and of the opposition, what is the first point on which you will concentrate in your parliamentary activity?

[Al-Sha'bi] The first point on which we must concentrate is the application and preservation of the constitution.

[AL-HURRIYAH] In your view, what is the most contentious point in this constitution?

[Al-Sha'bi] There are many points about which there is disagreement.

Hasan al-Matari—Pluralism Exists

[AL-HURRIYAH] As a new member of parliament, did the chaos of the first session surprise you?

[Al-Matari] I think that give-and-take and heated discussion are part of the nature of any parliamentary activity, particularly at the beginning of a parliament's formation.

[AL-HURRIYAH] There are some who think that sharp confrontations will continue, since the current parliament was the result of merging two parliaments from two different systems.

[Al-Matari] Possibly, but they are not great difficulties. The southern People's Assembly was elected, as was the northern Consultative Assembly. It would be hard to begin with new elections now. They would take a long time, what with a census and the merging of governorates. We have before us a sufficient transitional period to test the experiment and found something new. The difficulties can be overcome by appealing to the unified state's constitution that will be worked out in detail among the brothers who are members.

[AL-HURRIYAH] Do you think that the multiparty system that has now begun to appear will help or hinder the work of this parliament?

[Al-Matari] Since we believe in democracy, the parliament must represent all the political forces in the country. The multiparty system to which you refer actually exists in the Socialist Party, the General People's Convention, and this parliament. There is thus no reason to be afraid of it, particularly if it is Yemeni in thought and origin and believes in the unity constitution.

Shafiqah Murshid—Women Worried

[AL-HURRIYAH] It sometimes seems that women in the south will be the greatest losers in the united country and its constitution.

[Murshid] Certainly there is serious anxiety, which found expression in the women's demonstrations in Aden. The reason for this fear is the thesis that says that women will give up some of the gains provided in the

1970 constitution, which provided full rights for women and their equality with men, and will give up the 1974 Family Law, which fixed family relations, which had been left to tribal custom or sheikhs.

[AL-HURRIYAH] How can these rights be absorbed into a new constitution that considers Islamic shari'ah to be a main source of the constitution?

[Murshid] First I want to make it clear that the sections that provided for equality in the 1970 constitution, as well as the Family Law, also rested on Islamic shari'ah, with the exception of one article: the principal of monogamy. Those who oppose these articles base themselves on a single Koranic verse that says: "Marry such women as seem good to you, two, three, and four." [Koran 4:3] They forget the other verse that says: "You will not be able to be equitable between your wives." [Koran 4:129] They have taken the first part and left the second. As everyone knows, Islam came under circumstances when female children were buried alive, when men used to marry more than ten women, and when women also used to marry more than one husband. Under such conditions, Islam limited marriage to four and demanded equity in marriage.

Despite the ambiguous formulas that the constitution of the united country provides, it contains provisions that can be considered beneficial to women. For example, Section 27 provides for equality without regard to sex. Although this section does not explicitly define women's equality, we can infer that there are only two sexes, of whom women are one. Section 5 provides for adherence to the International Declaration of Human Rights, which includes the rights of women. However, these two texts are poor and cloudy in comparison with southern law, which contained more than six sections for the benefit of women, guaranteeing them participation in all activities, and providing for state support of maternity and childhood. Thus the difference is great. We believe that the constitution is an expression of the balance of forces. The current constitution reflects them all, including women.

[AL-HURRIYAH] How will you embark on the battle of developing this little or maintaining it?

[Murshid] We consider this period one of struggle, more than of transition. If we have to make concessions for the goal of unity and the interests of the people, we shall do so within the limits of maintaining what exists. We shall not propose provocative things, but only things on which as many deputies as possible agree. But this battle is not the battle of women alone; it is the battle of all the democratic forces participating in the parliament—the battle of enlightened men against obscurantism.

[AL-HURRIYAH] But this battle of yours will confront a great difference between the law of the north and that of the south and will confront the fundamentalist tendency within the parliament.

[Murshid] Yes, the difference in laws will create some difficulties, particularly on the subject of polygamy. Some men will try to use the advantages of the northern law to marry more than one wife. But, as we said, the matter is left to our struggle and the support of the democratic forces. We will work to marginalize the forces of obscurantism through debate and persuasion. We can imagine the nature of the battle, but we will work to strengthen and develop what exists.

**Speaker of Parliament Dr. Yasin Sa'id Nu'man—
Parliament To Monitor Government**

[AL-HURRIYAH] As speaker elected by the overwhelming majority of deputies, what in your view are the assets for the parliamentary experiment in united Yemen and what are the guarantees for its continuance?

[Nu'man] The assets lie in the new democratic traditions that have begun to entrench themselves north and south. The Consultative Assembly in the north and the People's Assembly in south are signs of this. We shall try to rely on these assets and develop them by practice. I think that parliament will be a broad forum for the practice of democracy and the exchange of opinions. We face the tasks of strengthening the foundations of this practice. These include the fact that there are two sets of rules: one that was applied in the north and the other in the south. We will take the best parts of the two sets of rules. We will work to form specialized committees to carry out the tasks. We have more than 45 new laws before us to be discussed.

Doubtlessly, many disagreements will emerge in the course of work. We must not be afraid of disagreement—there is value in disagreement. Debate, disagreement, and voting will be the main tools guiding our work to preserve the united republic.

What are the guarantees that this parliament will endure? We believe that the people constitute the first guarantee for the importance and endurance of the parliament. There are also the democracy that the constitution provides and the multiparty system, which constitutes one of the forms of democratic practice. I believe the fact that representatives of the political forces were made participants in this parliament is a serious indication of its importance.

[AL-HURRIYAH] Do you believe that parliament can be an effective monitor of the government and the executive branch?

[Nu'man] That is what the constitution mandates, and we will carry out our duties on that basis. We will exercise our prerogatives without waiting for someone to give them to us. Speaking of democracy, we do not want to add corruption with its name. We will be real monitors, relying on the constitution, voting, and the welfare of the country.

Party Leaders Discuss Unity, Party Goals

90AE0100A London AL-MAJALLAH
in Arabic 29 May 90 pp 46-48

[Interviews with 'Abd-al-Malak 'Abd-al-Jalil al-Mikhlaifi, a member of the preparatory committee of the Nasirist Popular Unity Organization; 'Abduh Nu'man, the chairman of the preparatory committee of the Yemeni Unionist Grouping Organization; and Colonel Ahmad 'Abd-al-Rahman Qarhash, the spokesman for the Democratic September Organization, by Fadiyah al-Za'bi; in Aden, date not specified]

[Text] As in any country that resumes the experiment of party pluralism after an interruption, dozens of organizations emerged in Democratic Yemen immediately after the declaration of the abandonment of the one-party system and the adoption of the democratic experiment. Some of them are real, having a tangible presence that derives its legitimacy from a long event-filled history. Others are merely names having neither content nor leaders with active, popular bases.

It is no wonder that the more than 20 parties and organizations were proclaimed in democratic Yemen in recent months. This Arab state once witnessed extremely dynamic political activity, particularly before the exodus of British colonialism. Thus, by the mid-1960s, some 30 parties and political organizations existed in Yemen.

The earliest political power was the Aden Society, founded in 1948. It demanded concessions from British colonialism for Aden's population. Over the next 20 years, dozens of organizations appeared. Some had a local character, and some were an extension of national parties and forces that were active in the Arab arena in the 1950s. Among these forces were the Popular Conference Party, the National Union Party, the Association of the Sons of the South, the Progressive People's Party, the Independence Party, the United National Front, the Arab Progressive Liberals Party, the Democratic Liberals Party, the National Federation of Yemen, the Popular Democratic Union, the Socialist People's Party, the Muslim Brothers Movement, the Arab Socialist Ba'th Party, and the Arab Nationalists Movement.

As is well known, after independence, the National Front controlled the situation. Most of the previously mentioned parties disappeared during the armed revolution. In 1978, three organizations merged, namely the National Front, the Popular Vanguard Party (the Ba'th), and the Popular Democratic Union (communist). They formed the Yemeni Socialist Party, which witnessed a series of conflicts and struggles among its currents and various wings, the most recent being the events of January 1986.

In general, the new parties representing various inclinations that have emerged in democratic Yemen operate within the main currents that are well known in the Arab

arena, namely, the Muslim Brotherhood and the religious currents, the nationalist currents and trends, and the leftist and Marxist trends and currents.

In order to shed light on the political and party reality in democratic Yemen in the light of the opening and party pluralism, AL-MAJALLAH visited Aden and interviewed a number of symbols and leaders of these parties:

'Abd-al-Malak 'Abd-al-Jalil al-Mikhlafl, a member of the preparatory committee of the Nasirist Popular Unity Organization states: The Nasirist current has been in Yemen since the 1950s. Its goals in that period are clear. They were derived from interaction with the 23 July Movement in Egypt. This current has participated in changing the Yemeni reality, and in unleashing the September and October revolutions through its participation in different organizational frameworks that assumed a frontist character, such as the United National Front in the 1950s, the Organization of Liberal Officers, and the National Front in the south. These activities preceded the Nasirists' formation of an independent organizational apparatus in the 1960s.

Al-Mikhlafl indicates that before the organization adopted its most recent name, it underwent a number of experiments and adopted a number of names, including the Popular Organization of Revolution Forces in South Yemen, which participated in the armed struggle to expel British imperialism, the Yemeni Unity Vanguard, and the 13 June Popular Yemeni Forces Front.

He states that the organization announced its existence on 15 December of last year. However, on 1 March of this year, it changed its name to "The Nasirist Popular Unity Organization in Yemen." Al-Mikhlafl states that, after this date, it became urgent to cancel all previous names and forms under which the Nasirists had operated.

Al-Makhlafl states that the Nasirist Popular Unity Organization seeks the implementation of the Aden Agreement; the anchoring of peaceful life based on party and political pluralism; the peaceful rotation of power; the guarantee of freedom of thought, political action, and human rights; the achievement of Arab unity; and the confrontation of Zionism.

After al-Mikhlafl explains the secret circumstances under which they worked in the past, before the promulgation of the Parties Formation Law: "Our current activity is carried out openly. The newspapers publish our positions. We also distribute our statements to the public, and we do not hesitate to announce the names of the organization's leaders and the times and places of the meetings of its preparatory committee."

Regarding the organization's founders, al-Mikhlafl points to a group nicknamed the first squadron, which included 'Isa Muhammad Sayf, 'Abdallah al-Muja'li, Dr. Muhammad Fa'iq al-Aghbari, Hashim 'Ali 'Abid 'Abdallah al-'Ulaybi, Muhammad Ahmad al-'Afif, and 'Abduh Nu'man 'Ata. He states that the preparation committee,

which is preparing to hold a national convention next year, includes 'Abd-al-Qaddus al-Madwahi, 'Ali 'Abdallah Husayn, Dr. Muhammad Jamal, Dr. Fadl Abu-Ghanim, 'Abdallah al-Ashwal, 'Ali al-Yamani, 'Abd-al-'Aziz Muqbil, and Ahmad Tarbush.

Regarding his conception of pluralism in Yemen and whether all parties will be permitted to engage in activity regardless of their views, Dr. al-Mikhlafl states: "We believe in democracy in its different dimensions. We believe in the right of all national, political forces to exist. We do not believe that anyone has the right to allow or prevent the establishment of one or another party, except in accordance with national criteria and general rules on which all the people agree, and which form general values of society, the violation of which could lead to the shaking of social stability. By these values, we mean Islam, Arabism, the constitution, and the law. We are opposed to the establishment of parties on a tribal, sectarian, or regional basis. We are opposed to a party's rejection of religion, or its use of religion as a means to level the charge of heresy against the ideas of others, or to claim a monopoly on representing Islam."

The chairman of the preparatory committee of the Yemeni Unionist Grouping Organization, 'Abduh Nu'man, states that the organization bears the character of a party, because it combines independents from all trends, especially those who have adhered over the course of their combative, nationalist history to the motto of Yemen's unity, as well as people who have been meeting continuously since 1981, but were prevented by previous circumstances from declaring their political organization.

Regarding the goals of this grouping, he states: The goals were published as points in the founding communique issued on 3 January 1990, although the grouping had already begun to engage in activity to achieve these goals. The most important of these goals are: adherence to the draft unity constitution; the declaration of democratic freedoms, the foremost being party pluralism; protection of human rights; adherence to the covenant that was announced on account of the national alliance between the national political organizations, both the secret and the open; adherence to equality between all Yemenis, regardless of religion, gender, race, color, or political orientation; and the unequivocal protection of the integrity of the gains of the Yemeni people.

As for the founders of the party, Nu'man states: The committee presently leading the grouping until the convocation of the founding convention comprises chairman Muhammad 'Abduh Nu'man, and members 'Umar al-Jawi, Dr. 'Abd-al-Rahman 'Abdallah Ibrahim, Nasir al-Sa'id 'Abdallah, Husayn Salim Barba, 'Abd-al-Qadir Muhammad Hashim, 'Uthman 'Amirah, 'Abd-al-Rahman al-Hadrami, and Ahmad Shar'abi.

On his view of the pluralism problem and the possibility of permitting any party to operate regardless of its orientations, he states: "I would want to direct this

question to the political leadership in the country, which announced some time ago that it would permit pluralism."

The September Organization

The spokesman for the Democratic September Organization, Colonel Ahmad 'Abd-al-Rahman Qarhash, states that this organization was formed in 1957 under the name of the Liberal Officers Organization. Among its prominent military personalities at that time were Muhammad Mutahhar Zayd and 'Ali 'Abd-al-Mughanni, who was killed in 1962 by British agents.

He states: The leaders of this party engage in activities to prepare cadres to enter into the battle ground of political life with the rest of the political organizations and parties that abound in the Yemeni arena. The activity of this organization has assumed an open character in all of its meetings and statements.

He emphasizes that party pluralism must not be limited to a specific orientation, but must include all political forces.

President Salih Interviewed on Unity Issues

90AE0116A Paris AL-YAWM AL-SABI'
in Arabic 11 Jun 90 pp 10-11

[Article by Bashir al-Bakr in Sanaa: "Marshal 'Ali 'Abdallah Salih: Yemeni Unity Is in No Danger"]

[Text] Constructive fervor in the Republic of Yemen has multiplied several-fold since the union of the country's two segments. This is easy for the young republic as long as their is political support for the union structure, but the details are numerous and varied and touch all aspects of life in the two segments.

Marshal 'Ali 'Abdallah Salih, in his first press interview since he assumed the presidency of the Republic of Yemen, touched on these activities, emphasizing the wide horizon of the Yemeni people and their commitment to democracy. The Yemeni president also stressed the pressing need for a responsible stand to confront the challenges and dangers facing the Arabs.

Marshal 'Ali 'Abdallah al-Salih is the first president of the Republic of Yemen proclaimed last 22 May. He has, from his top position of leadership, played an important role in reinstituting the union and in turning over a new leaf in the contemporary history of Yemen by moving away from a stage of diversionary conflicts to one where all resources are mobilized in the battle for development.

Marshal 'Ali 'Abdallah Salih, 48 years old, assumed the presidency of the (formerly) northern sector on 17 Jul 87 after a series of military assignments.

AL-YAWM AL-SABI' has chronicled the quest for unity by Sanaa and Aden. Today, on the eve of the new parliamentary session scheduled for 12 Jun to debate the

government's platform and vote confidence in it, AL-YAWM AL-SABI' took to the Yemeni president a number of questions on the united country and the role of its institutions.

[AL-YAWM AL-SABI'] You are the first president of the united Republic of Yemen and you have the support of all the population from north to south. What promise do you have for that people?

[Salih] Any great national action must have a noble objective. The people of Yemen, having tasted the bitterness of partition, understand the significance of creating a modern country of Yemen that would recapture its historical civilization and glory and achieve for it people abundance, prosperity, happiness, and growth.

Our ambitions go far beyond national aspirations which represent only one step towards momentous accomplishments in all fields in order that Yemen may have strong economic, social, and cultural foundations and build on attain Arab and international positions of distinction. That can be accomplished only through the solidarity of all the people of Yemen and their generous potential. Responsibility for achieving this is great, and collective. We entertain great aspirations to build a prosperous and flourishing Yemen.

[AL-YAWM AL-SABI'] As you move to a new stage, how would you describe the first few days of unity as you lived them on the inside?

[Salih] The creation of the new Yemeni state could only be accomplished after completing the solid foundations that ensure consolidation and restructuring all agencies and systems. That forced us to devote our attention to a myriad of functions, and especially to the manner in which state agencies need to be developed in accordance with current objectives.

That is to say, we can overcome problems, if any, to keep them from obstructing the attainment of our people's objectives.

[AL-YAWM AL-SABI'] Unity implied the promise of expanded democratic practices. How can that be accomplished and maintained within the various agencies?

[Salih] Democracy is a way of life which people opt for. It is nothing new in our society, which has practiced [a brand of] it in accordance with its distinctive characteristics and values, therefore safeguarding it against detrimental infiltration.

The new Yemeni state has been careful to frame its structure from the constitution and the laws, as well from legislative and popular institutions.

We are very protective of our people's prerogative to exercise their legitimate political and democratic rights under those institutions. We are also very keen on safeguarding freedom of opinion and respect for dissenting viewpoints.

[Al-YAWM AL-SABI'] Is it going to be possible to absorb the opponents of unity?

[Salih] The country belongs to all and the Republic of Yemen absorbs all. It extends open arms to all benevolent national forces with loyalty to God, country, and the revolution.

[Al-YAWM AL-SABI'] When next December's constitutional plebescite has been successfully completed, is it your intention to expedite the stage of transition in line with your practice of accelerating the pace?

[Salih] Our only concern is establishing a united Republic of Yemen and that has already been accomplished thanks God. Anything else would be procedural, such as merging agencies and institutions, reassigning their personnel, and restructuring them in a manner that would ensure success in operations and productivity in order to accomplish all targeted objectives.

The length of the transition period therefore has no bearing as long as state affairs are structured in the requisite fashion.

[Al-YAWM AL-SABI'] You attended the Arab summit in Baghdad [in the name of] a unified Yemen. How did Arab leaders react to this union? What do you say to Arab help in overcoming [the union's] initial difficulties?

[Salih] You know about that first hand, I am sure. Our people have been extremely happy over united Yemen's participation in the Baghdad emergency summit. All our brethren, the Arab leaders, expressed blessings and warmly welcomed the creation of this united state. This is hoped to be a good omen and promises to be a vanguard for comprehensive Arab unity.

Yemen's participation in the summit was merely a discharge of that national duty that mandates our solidarity in order to stand united against the dangers that threaten our entire Arab nation.

You asked about overcoming our economic problems. We are striving for solutions in as much as our abilities and resources allow.

[Al-YAWM AL-SABI'] Did you discuss with the Arab brethren the possibility of urgent aid?

[Salih] The issues discussed at the summit were included in the agenda beforehand.

[Al-YAWM AL-SABI'] What do you want from the Arabs?

[Salih] More cooperation and integration.

[Al-YAWM AL-SABI'] How does the Presidential Council operate?

[Salih] It operates cohesively and harmoniously as a single team. It is a unified collective leadership.

[Al-YAWM AL-SABI'] It is deeply significant that you were keen to have Palestinian president Yasir 'Arafat attend unity celebrations. How would you view the adoption of a common Arab strategy towards Israeli rejection of the peace process and in face of the threat to Arab national security of heightened Jewish emigration to Israel?

[Salih] Our struggling brother Yasir 'Arafat has always been keen to share with his Yemeni brethren their celebrations marking the creation of the Republic of Yemen as a first step towards Arab unity to which our people from the Gulf to the ocean aspire.

The fact is, current Arab realities demand considerable caution and vigilance in order to face up to danger and steadfastly confront whatever challenges there are.

Our Palestinian people are subjected today to tragedies, pain, murder, dislocation, destruction, and devastation at the hands of the fascist Zionist system which is additionally imposing settlements on Arab lands. Those people urgently need a responsible Arab stand driven by common Arab vision and a unified strategy against all dangers and challenges.

[Al-YAWM AL-SABI'] You are a member of the Arab Cooperation Council. How do you see the role of Yemen, under existing Arab combinations, in bringing about Arab solidarity and rekindling joint Arab action?

[Salih] Arab councils include many Arab states. Yemen, as a founding member of the Arab Cooperation Council, works alongside its brethren in the quest for integration, solidarity, and the promotion of joint Arab action.

Popular Militia Issues Statement on Unity

*90AE0118A Amman AL-LIWA' in Arabic
30 May 90 p 18*

[Article: "Three Communiques by the Federation of Yemeni Populist Forces On Unity and the Dissolution of Two Intelligence Agencies"]

[Text] The secretariat general of the Federation of Yemeni Populist Forces issued three communiques on unity, the dissolution of the National Security and State Security intelligence agencies, political plurality, and justice in the united Republic of Yemen.

1. Today, as our people attain the union which we have always placed high on the list of our sacred goals, the Federation of Yemeni Populist Forces salutes all of our people, at home and abroad, and shares their joy at this great event that has united peoples of the same country, the same land, and the same history. This is a great step on the magnificent road to Arab and Islamic unity.

The Federation also commends and blesses the efforts exerted in that connection. It calls upon all Yemenis at home and abroad to safeguard this great accomplishment and to work individually and in groups for the

attainment of democracy, freedom, justice, and equality—basic to the perpetuation of the union and for bolstering it in face of skeptics and those who are displeased that a family has been reunited.

The union is a victory for the whole nation regardless of orientation or affiliation. It is a victory for the will of the many over the will of the few. It is a victory of the will of the nation over the will of the individual; over egotism and selfishness. It is a way to straighten the path and overcome passivity and obstruction.

Let us all walk united like a structure whose struts support each other in order that we may realize the people's aspirations for dignity, prosperity, sovereignty, freedom, democracy, justice, and equality; and in order that no one may suffer injustice or despotism.

Let there be no factionalism, division, or estrangement. Let there be no parochialism or sectarianism. Let there be no discrimination for reasons of religion, race, familial connections, or affiliation. Let there be only one people united into one nation.

Long live Yemen—Dear and Free.

2. The Federation of Yemeni Populist Forces, since its inception and throughout its long history of struggle, has always championed the people. It has advocated freedom, democracy, pluralism, and human rights and demanded the abolition of the infamous agencies of intelligence and despotism that inflicted harm upon the nation and corrupted the morals of many of its sons. The Federation welcomes the big positive step taken at the Ta'iz meeting of 13 May 90 to evacuate armed forces from Sanaa and Aden and to dissolve national security and state security agencies.

The Federation of Populist Forces, while it appreciates this as a step towards true democracy, demands that the resolution be expanded beyond the two cities to include all other towns in the provinces and governorates.

The Federation also emphasizes that any new agency entrusted with security must first and above all be dedicated to serve the citizen and protect his honor, life, property, and dignity, then serve the nation and protect it rather than repeating history by spying on citizens and harm and hurt them. The Federation also demands the evacuation of all garrisons from the various locations that have turned into dens for spying on citizens, harassing them, scaring and terrorizing them, breaching their honor and what they hold sacred, and shedding their blood as happened more than once. There can be no democracy in the shadow of terror, spying, suppressed freedoms, and violations of human rights.

The Federation of Yemeni Populist Forces takes this opportunity to reiterate that democracy, pluralism, freedom, and justice are objective requisites for the success of the union. The Federation also demands that

no restrictions or conditions be imposed on parties, groupings, or freedom of expression in order not to mutilate the anticipated democracy and in order to keep the enemies of freedom, democracy, and pluralism from finding an opportunity or an excuse to undermine the new trend.

There is neither substitution nor retreat from any step taken towards freedom, democracy, pluralism, unity, and justice—this nation's quest and its message to the world.

3. The unity of Yemen was one of the reasons for being and was a primary objective of the Federation of Yemeni Populist Forces. The Federation is therefore monitoring the union's progress in our country and looks forward to the day when it becomes a reality and the people, united in one nation, regains its natural place and historical stature.

The Federation, by virtue of its principles, supports every sound and positive step taken towards the union as the nation embarks on the road to unity, freedom, and progress based on its eternal traditional beliefs.

- Unity is an inalienable objective for which the nation strives regardless of leadership or type of government. Any step that brings it closer to that objective is a proper step that must be supported in the sense that it serves a national goal.
- The objective of this union is to serve the interests of Yemenis in a united nation. Such a union must therefore realize citizen interests because it, by its nature, is an expression of that interest while being at the same time a fulfillment of history.
- In order to accomplish that goal, organized political plurality is the means to accomplish and safeguard the interests not only of citizens but of the union itself. It therefore becomes part and parcel of the union objective itself, both by complementing it and guaranteeing it.
- Plurality, as all recent experiments proved, is the mainstay of democracy. There is no real "democracy" without "plurality," and there is no plurality without "freedoms" that safeguard human legitimate rights to free speech, work, political action, assembly, organizing, and real participation in decisions affecting life and destiny. There is no real freedom without "political justice" and no political justice without social justice that guarantees for the nation such basics as adequate food, education, health services, shelter, clothing, equality, and equal opportunity for all in education, government, and employments in all agencies of the government, the armed forces, and society without sectarianism, regionalism, racism or any of the other afflictions that ravage the nation and are encouraged by corrupt regimes.
- Judicial fairness—and there is no political or social justice without it—safeguards the rights of citizens and their social, political, and judicial freedoms, guaranteeing that they are subject only to the supremacy of the body of laws that governs both society and the regime.

That can be accomplished only with an honest and competent judicial system sanitized of corruption and graft. Such a system would be autonomous from political regimes and social pressure groups because it would stand above them all.

This is the vision with which, Thanks to God, we approach celebrations of the union which we must endeavor to found on the basis of those precepts and in their spirit.

Unity is an objective in itself, and achieving it is an accomplishment. These guarantees and objectives are essential for its permanence and maintenance. They are, at any rate, the nation's principles and objectives today and tomorrow as well as prior to the union and in its aftermath.

All national and populist forces must move in that direction with confidence, hope, and determination. God only helps those who help themselves.

BANGLADESH

Ershad Expected To Visit UAE in September

90AS0274A Dhaka THE BANGLADESH OBSERVER
in English 5 Jun 90 p 3

[Text] President Hussain Muhammad Ershad has been invited to visit the United Arab Emirates [UAE], according to a report received in Dhaka on Sunday, reports UNB.

The visit is expected to take place at a mutually convenient time in September this year.

The invitation was extended on Saturday when Moulana M.A. Mannan, MP, acting as the special envoy of the President, handed over a letter from President Ershad to UAE President Sheikh Zayed Bin Sultan Al-Nahyan.

The UAE President, during the meeting, enquired about President Ershad's health and hoped that the friendly relations between the two brotherly countries would be further strengthened in the coming days.

Chief of State Diwan Sheikh Suroor Ibne Mohammad Al-Nahyan, Information and Cultural Minister Sheikh Ahmed Ibne Hamed, Interior Minister Major Hamuda Ibne Ali, Minister for the Supreme Council Saeed Gabash were, among others, present during the meeting at the Presidential Palace.

Awami League Chief Rejects 1991 Presidential Poll

90AS0275A Dhaka THE BANGLADESH OBSERVER
in English 8 Jun 90 pp 1, 10

[Text] Awami League President Sheikh Hasina has rejected outright the presidential polls which the government plans to hold in May next year, reports UNB.

"People do not want presidential election but parliamentary polls under a neutral caretaker body for establishing a representative government," Hasina told a public meeting in Dhaka on Thursday.

The meeting in front of Awami League office was organised by the party to mark the historic June 7 when the six-point movement was launched in 1966.

The Awami League leader said President Ershad planned to hold the next presidential election with "pre-determined result." People will not accept such stage-managed election to prolong autocracy in the country, she added.

President Ershad announced May 26 that he will run for the presidency for a second term.

Criticising the government, she alleged it was deeply engaged in corruption, smuggling and anti-people activities.

Hasina called upon the people to observe countrywide half-day hartal on June 17 to mobilise opinion against the 'autocratic rule.'

The Awami League leader, without naming the party, was also critical of Bangladesh Nationalist Party (BNP). "Their politics is to resist Awami League and protect Ershad," she said.

Referring to the coming national budget, Hasina warned that people will not pay any new taxes. She asked the government to stop disinvestment and spendings in unproductive sectors.

The meeting was also addressed by Awami League leaders Abdul Mannan, Dr Kamal Hossain, Sheikh Abdul Aziz, Zillur Rahman, Qamruzzaman, Salauddin Yusuf, Begum Sajeda Chowdhury, Tofael Ahmed, Amir Hossain Amu, Mohammad Nasim, Mozaffar Hossain Paltu, and Obaidul Quader.

Communists Adopt Draft Document for Party Congress

90AS0273A Dhaka THE BANGLADESH OBSERVER
in English 5 Jun 90 p 12

[Text] The seven-day meeting of the Central Committee of the Communist Party of Bangladesh (CPB) ended in Dhaka Monday with the preparation of the draft document for the consideration of party Congress scheduled in October next, reports BSS.

Party sources said free and frank discussions were held during the deliberations for seven days on different national and international aspects involving party policies and activities. The draft document spelt out party's ultimate objective—creation of socialism and communist society.

Comrade Abul Kalam Azad and Comrade Korshedul Islam presided over the party proceedings for the seven days.

The draft document will be distributed for eliciting opinions and views before the Congress discusses it in October. Party units at different level will hold discussions on the draft from July 15.

The draft contains party's position and views on the prevailing political, social and economic conditions in the country and also refers to the current international scenario and how the party sees to these developments.

The Central Committee meeting expressed concern at the "economic crisis" facing the nation and said the common people could not bear the brunt of the economic mismanagement. The party called for "free and fair" polls and dissolution of Parliament. It stressed the need for intensifying the anti-government movement.

Paper Reports Asian Development Bank 1990 Document

Statistics on Economy

90AS0272A Dhaka THE BANGLADESH OBSERVER
in English 7 Jun 90 pp 1, 10

[Text] Despite its narrow resource base, high population growth and lack of well-developed infrastructure, Bangladesh made some headway in economic growth and poverty alleviation in the mid-1980s.

In the Asian Development Outlook, 1990, the Asian Development Bank [ADB] said in the early part of the decade, Bangladesh Government's adjustment programmes have resulted in improved macro-economic balances, a moderate rate of economic expansion and a modest degree of poverty alleviation.

The report said the country's economy continues to savings [as printed] have increased moderately over the years as a result of sustained inflows of remittances, the country remains overwhelmingly dependent on foreign resources the economy export base remains very narrow. Though non-traditional exports have grown rapidly in recent years, raw jute and jute products still account for about 30 percent of the total export earnings.

The ADB report said though the future transformation of the economy will have to be led by its industrial sector, major constraints to its growth are deficiencies in the health, skill and education status of the labour force. Finally, despite sporadic attempts at decentralisation and simplification of the procedures, the economy is still controlled by a bureaucracy where major economic decisions are concentrated in few centres of power and economic opportunities are lost due to lengthy delays in project implementation and in arriving at important decisions.

On the recent trend of the economy, the ADB report said, the economy as a whole has shown great resilience. This was evident in 1989 when in the face of extremely unfavourable circumstances, overall GDP [gross domestic product] 2.4 percent. Despite the natural calamities like devastating floods of 1988 and 1989 industrial output was well maintained in 1989, showing a growth of about 4.9 percent. The ADB report said the growth in the industrial sector was due to post flood construction activities, but the increase in manufacturing output was a modest 3.3 cent. [as printed]

The ratio of domestic saving to GDP decreased from 4 percent in 1987 to 2.5 percent in 1988. The national saving rate similarly declined from 6.9 percent of GDP in 1987 to 5.9 percent in 1988. In 1989, the domestic saving rate improved slightly to 2.7 percent of GDP. Remittances from Bangladeshis abroad however, pulled up the national saving rate to over 5 percent, the report adds.

Unemployment Rate High

Unemployment and under employment continue to remain high in Bangladesh. The rate improves slightly to about 33 percent in 1988 from 38 percent in mid-1985. Recent statistics suggested that 51 percent and 56 percent of rural and urban population respectively lived below poverty line in 1986. With declining economic growth, falling real usages in agricultural sector, and no radical improvement in the unemployment situation, the incidence of poverty might have increased in the period 1988-1989.

Recent fiscal policy effort has been largely oriented toward stabilisation and reduction of Budget deficit, but this has been achieved through restraints on development expenditure, according to the report.

Inflation during 1989 was estimated at 9 percent as against an increase of 9.8 percent in 1988. Continued slow growth and expansion and improvement of the public food distribution system were the main factors behind this low rate of inflation. The Government was relatively successful in containing the supply of broad money which increased by 16 percent in 1988 and 1989 respectively, the Asian Development Outlook, 1990 said.

Further Details Given

90AS0272B Dhaka THE BANGLADESH OBSERVER
in English 9 Jun 90 p 1

[Text] Bangladesh's Economy continues to remain weak in a number of important areas. Domestic resource mobilisation has not been made up to the mark. Domestic and national saving rates have remained depressed and the major share of investment has been borne out of foreign currency savings.

This was revealed in the Asian Development Outlook, 1990, a report just released by the Asian Development Bank (ADB). The ADB report said although the investment rate has not been particularly high, even this modest rate remains threatened by the possibility of future diversion of development funds to meet the exigencies of natural disasters.

The report said all these factors make the economy extremely vulnerable to external shocks even as they underscore the need for further comprehensive economic reforms. On the prospect of growth pattern in the country, the report said the economic growth of the country depends on how successfully Bangladesh could improve its agricultural output after the floods, the degree to which government policies encourage industrial growth and agricultural diversification and development in the market for major exports.

The ADB report predicted that the industrial output was likely to increase by 8.2 percent in 1990 and 8 percent in

1991. These projected growth rates reflect that the government will maintain its commitment to trade liberalisation through further rationalisation of tariff structure and elimination of quota restrictions.

The report, however, contended that the current expenditure will remain high in 1990 because of continuation of restoration work and it is not likely to decline significantly in 1991. The Government revenue, on the other hand, is likely to increase by about 10 percent of GDP [gross domestic product] as a result of tax reforms. A slight deficit in the overall budget deficit is envisaged for 1990 and 1991 because of large-scale infrastructure projects, the impact of the liberalisation programmes and the continued need to import foodgrains.

According to the ABD report, consumer prices are expected to rise by about 7.5 percent, which represent a slight declaration from the recent trend mainly because of improved domestic supply and substantial imports of foodgrains. The broad money supply will also grow at a similar rate in 1990 and 1991 as of 1989. The report said the steady increase in exports achieved in the recent past will be further reinforced in 1990 and 1991.

Import growth is likely to decline in 1990 but is expected to recover in 1991. Though the exports are expected to expand faster than imports, the external current account balance will deteriorate to some extent throughout 1990 and 1991. Given the expansion of exports, the ADB report said, the debt-service ratio will decline slightly in the next two years in spite of rise in payment situation in both the years.

INDIA

V. P. Singh Opens Conference on Panchayati Raj

46001630 Bombay THE TIMES OF INDIA
in English 12 Jun 90 pp 1, 7

[Excerpts] New Delhi, Jun 11. The Prime Minister, Mr V. P. Singh, in his inaugural address today at the two-day conference on panchayati raj, deviated from the written text to suggest that, like the poverty line, there should be an upper line for richness. "People should live above the poverty line and below the richness line," he said.

Pointing out that formal courts and conventional judicial procedures were too slow and complex to be of benefit to rural people, Mr V. P. Singh suggested the setting up of Nyaya panchayats to provide speedy and inexpensive justice to villagers.

He announced that, based on the consensus, a constitutional amendment bill would be introduced in the next session of Parliament. A larger set of issues, including the core provisions proposed for inclusion in the constitution and other aspects, such as social control and nyaya panchayats, had been specifically identified in the set of model guidelines on panchayati raj institutions. He expressed the hope that states would adopt these guidelines and incorporate them in their legislation.

He also said the government proposed to bring forward a constitution amendment bill to include a new provision dealing with urban local bodies.

The urban development minister, Mr Murasoli Maran, told the chief minister that the agenda for urban bodies was the same as for village panchayats—regular election through state election commissions, reservation of seats for women and persons belonging to the scheduled castes and scheduled tribes, and state finance commissions for periodic review of finances of local bodies.

Stressing the need for strengthening urban local bodies as effective instruments of local self-government, Mr Maran said the constitution should enable the states to bring about the necessary measures without in any way harming the federal character.

UNI & PTI add:

The Prime Minister said in many states the panchayati raj institutions had remained dormant, while in states like Karnataka, Maharashtra, Andhra Pradesh, West Bengal, Gujarat and Nagaland, these institutions had been revitalised in recent years to "suit the genius of the different states and regions".

Mr V. P. Singh said the government was keen on finding place for gram sabha, the primary source of democratic power in the villages, in the constitution.

"The gram sabha represents the very essence of the collective spirit of the people. Our laws must recognise this and give it a role that does justice to its character," Mr V. P. Singh said.

The government has proposed suitable provisions in the constitution to make fresh elections within specified period mandatory to the panchayati bodies if supercession becomes absolutely necessary, the Prime Minister said.

He asked the participants to deliberate the means by which control could be exercised by the gram sabha and panchayats over government departments and agencies.

The Prime Minister asked the chief ministers to consider involving the landless in the implementation of land reforms and said, "An on-the-spot enquiry of land records will be an effective step against benami transactions. We must incorporate correct information about actual cultivators in our land records".

He also suggested consideration of evolving "some mandatory provisions to involve the scheduled castes and scheduled tribes, the landless, in the effective implementation of land reforms".

The Prime Minister said the state governments need to throw the entire weight of their authority behind the actual cultivators of land, to ensure that justice is done to them.

He stressed the need for revamping the present judicial system and said it was necessary to evolve a simple system of justice without further delay available at the doorstep of the poor who could least afford to wait.

He called for checking the alienation of tribal land and said the present legal safeguards had failed to protect the right of Adivasis to their land.

"Our governments have made development an excuse for acquiring tribal land indiscriminately at ridiculously low prices", he said.

"A radical departure from the past is necessary to bring these issues to the forefront of strategy for rural development in the eighth plan", the Prime Minister added. [passages omitted]

The Haryana chief minister, Mr Banarsi Das Gupta, today expressed his support for holding free and fair elections to the panchayati raj institutions by the proposed state election commission.

IRAN

Yazdi, Others on Policies, Problems of Judicial System

90AS0183A Tehran RESALAT in Persian 26 Jun 90 p 5

[Text] Legal and Majles Department—Recently on the occasion of the tragic death anniversary of His Holiness Emam Khomeyni (May His Grave Be Sanctified) we had the opportunity to visit Ayatollah Yazdi, the respected chief of the judicial power. We asked his views on His Holiness Emam Khomeyni's (May God Be Pleased With Him) perspective on the judicial power, which was published for our dear readers in the special issue PEYK-E HEJRAN. As he commented and answered questions, he discussed the policies and problems of the judiciary. It was deemed appropriate to publish this portion of his remarks for the public during Justice Week. We now present Ayatollah Yazdi's remarks:

Ayatollah Yazdi began by declaring that speed and precision are the policy priorities of the judiciary. He said: After the passing of His Holiness Emam Khomeyni, under the Constitution and by order of the exalted leader, I received the honor to serve in this post. Based on the opinions and commands issued by the Imam and on their implications, I have always said and I say that speed and precision are the policy priorities of the judiciary. The people must not be kept waiting, and rights must not be lost. As the Imam said repeatedly, what is meant by speed, is that they go today, come tomorrow and leave here, and not go there. What is meant by precision is that no right should be lost because of speed. Every aspect of religious law must be considered. This has been the primary policy, and we have acted on this to an extent.

The chief of the judiciary discussed the centralization resulting from the revision of the Constitution. He said:

To implement the policy under discussion, we must have more resources than we have had in the past. Decision-making has now been centralized and this centralization did not exist in the past. Today if a judge is incompetent and if his incompetence is established, a decision can be made more easily. This was difficult to do in the past. During this same brief period, in dealing with judicial affairs, a number of judges were fired for incompetence under Article 164 of the Constitution, and they were told they could not work for the judiciary again. If their work was better and more worthy, however, they were encouraged. Of course, this encouragement has also been carried out to an extent, and we have given the necessary encouragement. We have recently set out to establish more precise guidelines and regulations for encouraging and punishing so that even if a judge is serving in the most remote part of the country and the details of his work are not available through the normal procedures, it will not go unnoticed if he is worthy of encouragement, and arrangements will be made so that an industrious, worthy, and deserving judge will be encouraged. While those who do little work and are unworthy and incompetent will be punished and investigated through the normal channels such as the police courts and the appropriate procedures. The rights of judges will be protected so that if they have to work irregular hours to deal with the rights of the people and do whatever can be done to work through a backlog, they will be paid overtime so they will work more with that overtime pay. Currently, using the Special Court Law, wherever this court has convened and the proceedings were carried out quickly, these matters were dealt with in a very short time. Therefore these investigations took place, and quickly, whether in executive affairs, which were known to the public, security matters, or economic affairs, and the final verdicts were issued. This policy of speed, precision, and organization in work was pursued for judges and workers, and leaves of absence, work hours, and comings and goings were controlled and organized. Therefore it must become clear who is organized and who, God forbid, is sometimes unorganized so that they can be treated according to their worthiness. Generally the judiciary cannot tolerate disorganization. Organization and precision, whether in judicial, administrative, service, or other affairs, can be achieved. In my view, to date these policies have been carried out and have even been successful, and the more we move ahead the more successful we will be.

Ayatollah Yazdi answered a question about the project to make fiche records on the work of judges. He said: This is a relatively good project, because when any judge issues a verdict, if it is protested he sends it to the Supreme Court for enforcement or rejection. These verdicts definitely come to the court from various judges. A fiche is to be prepared for a judge during the review and confirmation or rejection. In time it would be possible to know how many of his verdicts have been accepted and how many have been rejected, and therefore with these fiches it would be possible to know a judge's practical competence. A judge came to me and

submitted statistics on his work. While I was happy with the high figures on his closed cases, I was also surprised. I was quite happy that a judge would be this industrious. I even decided that encouragement should be given to him. I contacted the chief justice of the Supreme Court and gave him the judge's name. He asked to see his file. When they brought the file, I noticed that the figure was high in terms of quantity, but was very deficient and weak in terms of quality. For example, 70 percent of his verdicts were reversed, meaning that they were objectionable, undocumented, deficient, and unenforceable. In contrast, there is another judge who does not have a such high statistic on closed cases, but who has not had one decision reversed, meaning that his precedents and reasoning were correct and they were confirmed and enforced. This work is one of the jobs that can be considered a responsibility of the Supreme Court. When the court studies, rejects, and confirms, that very rejection and confirmation can show a judge's situation. Of course, we are working to establish guidelines so we will be in a position to review all the judges. So that after an evaluation at the end of the year we will know the status of a judge's work situation; we will know what kind of work has been done by a judge who has worked in the judiciary for five years; we will know about the kind, value, and importance of his work. It will be possible to investigate his judicial power, his judicial perception, and other characteristics that can be evaluated.

The chief of the judiciary emphasized that it is necessary in the judiciary for work to be done on time and that backlogs be prevented, but in view of all the prevailing conditions, even though we have taken extended steps, we are not satisfied. He discussed the problems of the judiciary and added: These problems include insufficient manpower, insufficient working judges, insufficient resources and tools in the face of the growing population, and the growth of specific crimes.

Even if we utilize all existing capacity, incoming cases will still outnumber the closed cases. To bring work up-to-date is in itself a problem; where at one point the statistics sometimes show that less work is being done, and bringing work up-to-date is not sufficient. Our criteria is the entire country. I said in one of my Friday prayer sermons that in one ten-month national statistic there were more than 1,020,000 new cases that were completed in about that period of time, but in many places the new cases were very many more. For example, statistics from a relatively average province, where fortunately there were no counterrevolutionary problems, that is, there were no counterrevolutionary actions against the revolution so that the revolutionary court in that province did not have to hear revolutionary issues, and there was not even one counterrevolutionary case, and the people had and have high support for the ruling apparatus and the government of the Islamic Republic [sentence as published]. In that same province, however, in 1358 [21 March 1979-20 March 1980] there were 25,387 new cases, and more than 23,000 of those were tried and closed. In a province where there was not even

one counterrevolutionary case, in a single year 2,000 cases were left uncompleted. There are independent courts in a number of the cities of this province, and no public prosecutor. It has places faced with the problem of a manpower shortage, and there are problems of this nature, or, for example, a judge goes to two or three other cities to hear cases. God willing, the problems will gradually be overcome.

Continuing, Mr. Yazdi added: The general policy is speed, precision, and timely work; the third concern is a very heavy one, and we have not yet been able to take a hopeful step in this area due to the problems that have been mentioned.

The chief of the judiciary then gave some statistics and figures on the work of the judiciary. He said: The national statistics on opened, closed, and unresolved cases in the military court for the year 1367 [21 March 1988-20 March 1989] are: of 67,566 opened cases in addition to 24,497 outstanding cases, 75,390 cases were closed leaving 16,000 cases unresolved at the end of the year. For the same reasons I gave, some units were unable to close their cases. In the Administrative Justice Court, the statistics on cases closed in 1367 were 1,231 cases in the month of Mehr [23 September-22 October 1988], 2,517 in Aban [23 October-21 November 1988], 1,866 in Azar [22 November-20 December 1988], 2,317 in Dey [21 December 1988-20 January 1989], 2,526 in Bahman [21 January-19 February 1989], for a total of 10,457 cases. In the first six months of 1367 [20 March-22 September 1988] the figure was quite low, and there was a relative increase in 1368 [21 March 1989-20 March 1990]. Statistics on the Administrative Justice Court relative to some other units are interesting. The work of the Tehran first penal courts during the first 11 months of 1368 [20 March 1989-19 February 1990] follows: Outstanding cases at the beginning of the year, 5,836; cases opened to the end of Bahman [19 February], 11,519; and total cases closed by the end of Bahman 1368, 11,347. The penal courts generally had more problems and require more time. Of course in terms of wages, they took a lot of time and some of them are more complex. The statistics on the second penal courts during the first 11 months of 1368 are as follows: Unresolved cases during the eleven months, 18,261; cases opened by the end of Bahman, 219,593; cases closed by the end of Bahman, 220,493; cases unresolved, 17,361. The volume of work in the second penal courts is high in my view. In the first penal courts 11,347 cases were tried and closed, while in the second penal courts decisions were handed down for 220,493 cases. This is just the volume of work for Tehran. Across the country, with these weak facilities and resources in various dimensions, how can high statistics be given? For example we do not have faxes with which to contact the general managers or be contacted by them. Of course I praise and thank the respected minister of post, telegraph, and telephone, Mr. Gharazi, for he has declared every kind of cooperation with us, and he has made preparations to equip our provinces to enable us to make contact more easily and

then in turn to have contact with us. I mention these things as examples to show you that the volume of work is high. With regard to our third policy, bringing work up-to-date, we will be able to achieve that easily and soon. Of course we are not unhappy, but we are not very happy either. We hope, God willing, gradually, with coordination and cooperation between the Majles and the government, and the special favor that the exalted leader shows to the judicial power, that we will gradually move towards success in bringing the work up-to-date, especially if changes are made in the system and the quality of investigation is changed and the time gap is removed; this certainly requires changes in existing law, and we are also pursuing this issue. God willing, if the law in the Majles called the General Courts Law and some others are approved, we expect it will help us with this matter.

Health of the Society, the Health of the Judge

The judiciary system, because of its role in control, has great influence in society. This extraordinary influence extends to the point that it is even connected with the lives and property of the people, because of the work's sensitivity and the power and high scope of the judicial apparatus, which it has obtained from the law. The masses are trying to protect their evil and bad elements from the point of view of this system. Among the current human societies now mingled together and where conditions breeding crime, sin, and disorganization have also grown, people are trying to justify their mistakes and deviations and to obstruct the establishment of justice in some way. It is not easy to "fool the law" without being close to those who implement it. People whose jobs are to protect justice and the rights of the public; to uproot the elements of corruption, destruction, and lawlessness; those who hold judicial appointments, are seriously endangered, because they are subject to corruption, and this danger manifests itself in the form of "compressed potential." As is unfortunately evident, although very rare, some judges accept large sums of money in the most unfortunate and ugly form of bribes from persons being tried, and in this way the clearest human principles are disregarded. With the study of the roots of "multiple pockets" among judges, the following factors can be identified:

(A) Lack of piety and the lack of ethical growth: Accepting money from individuals and then portraying the truth as false and the false as truth is the result of impiety. This lack of divine piety is more often seen among those who do not know religious thought, and the lack of high ethical perfection and the lack of belief in the next life and the Day of Judgement can also add to it.

(B) Lack of occupational belief: Individuals have not yet understood what the judiciary and its responsibilities are. If this is understood, a judge will act justly to restore rights to the oppressed and take rights away from the oppressors, and will realize that judgment is delegated by God and his Prophet, and that the successors to the

Prophet of God (Peace Be Upon Him) are in the judiciary. It is also significant to note that judicial authority is not to aid the oppressor, but to support the oppressed.

(C) The lack of comforts and constrained living conditions: In issuing his verdict in specific situations, the judge is constantly faced with people making proposals who are willing to pay bribes to bypass justice and thwart the implementation of divine commands. On the other hand, a judge who has forgotten his position and who is living in harsh and difficult circumstances will be tempted and sometimes, to overcome this deficiency, he is obliged to accept and can more easily submit. Of course this happens when the conditions in the first two paragraphs are met.

It is incumbent upon the judiciary to deal with financial and survival conditions and grant "suitable" social standing to an important "link" in the judicial chain. Keeping the judge in sound condition and out of danger will guarantee the present and future health of society, and if the judicial community does not have sound working conditions, all parts of society will be exposed to a disease and to the epidemic of sabotage. If the probabilities and contingencies listed above occur, the following multifaceted factors may be expected:

(1) Loss of public confidence in the judiciary: People in society will not feel it is desirable to go to the judicial centers to obtain their rights, and will be chronically pessimistic.

(2) Lack of credibility for the laws: On the other hand, if those implementing the laws do not act in a desirable way, and if the people develop a negative attitude towards such executives, this will lead to a lack of credibility for the laws enacted by the legislative power, because no matter how good the laws are, if they are not implemented they will not be credible.

(3) Criminal belief in fleeing from justice: Then those who intend to commit crimes will do so easily, because they will be confident that they can divert judicial opinion to their own advantage.

(4) The spread of crime and destruction in two dimensions: (a) Administrative: The administrative offices will think that they are favored in their dealings with authorities and will think they have rights, and they will do their work easily when those "rights" are paid and (b) Social: corruption and destruction will breed among the masses and they will commit petty and major crimes in various instances.

(5) Shaking the health of society: The lack of mutual confidence among the masses and a feeling of no confidence that destroys the health and purity of society due to ignoring the laws and not implementing justice.

(6) Greater poverty among the deprived: Those who have the financial means will be able to pay out some of their capital and control society's production, economy, and business, and they will live in comfort and ease. On

the other hand, those who lack such resources and capital are forced to live in poverty, and every moment increases the depth of this "poverty."

(7) Foreign domination of our culture: When the people are disappointed with the government and the ruling apparatus they become pessimistic that the way will be opened for the growth of foreign culture and its domination over various aspects of society. In this way it will easily divert society from its main course and direct it on its own desired path, and the elements of rule in the form of economic and cultural domination will take shape.

With the hope that the sanctity of judicial appointments, whose teachings have been mentioned, will be well preserved, and that this sanctity will not be destroyed on various pretexts, it is a critical responsibility of the government and the Majles to deal with the comfort and financial welfare of judges by preparing suitable and urgent bills and plans to improve the lives of judges and make efforts to destroy the roots of these kinds of abnormalities, so that the environment for corruption in this critical matter will be eliminated.

Above commentary by Mahmud Kikha [as published]

Court Clients Want Reform of Law Increasing Court Costs

Legal and Majles Department—Under Note 17 of the Five-Year Plan, the general costs of legal procedures and justice in the judicial and legal courts have been increased tenfold. In this regard, to learn about the way this law is being implemented, we talked with a number of people and with an official of the special lower civil courts.

Ms M. 'Atta'i told our correspondent in this regard: My husband is an addict; he was arrested about three years ago for buying and selling heroin and sentenced to ten years in prison. With my two small children, I have been living with my parents for three years, and they too are financially indigent. When I went to the special civil courts they told me I would have to pay 25,000 rials court costs. I told them I did not have it and that my husband is also in prison.

I returned home and obtained a local affidavit to the effect that I am not able to pay these costs, and I have now come here to give that to these gentlemen so they will not take this money from me. Continuing her comments, this woman told our correspondent: Tell the officials and the government insiders that oppressed people such as myself are coming and going in this place and that they cannot pay such costs. If you force them, they might even turn to fornication to obtain this money.

Mr. B. Hoseyni, who said he is a worker, said: My monthly wage is 3,000 rials. How can I pay 2,500 rials of that as court costs? God knows I cannot even live a third of the month on this wage, and with two children, because of the problems I have, I want to divorce my wife, and now I am

faced with another problem, which is this court cost, and I don't know how or where I will get it.

An attorney also told our correspondent: If court costs were increased to reduce the number of divorces, that is certainly a mistake, because if someone cannot continue married life due to other problems, he will assuredly try through any means possible to obtain these funds. We must therefore look for the real root of the problem and then take steps to cure this pain.

A woman who declined to identify herself said: I am the widow of a martyr and for various reasons I want to divorce my second husband. My second husband left me and is engaged in ugly and inhumane activities. I have thus come here to obtain the rights for myself and my children. They say I must pay 25,000 rials in court costs, and I don't know how or from whom I will get this money, for we have now been facing economic problems managing our lives for some time, and in this time when there are many economic problems in society and inflation is causing problems in life, how can I and my two children even make a living, much less pay court costs like this?

I therefore ask the officials, the government insiders, and the Majles deputies to sit and reconsider this matter, to explore its various aspects, and try to take measures to help the oppressed people.

The general manager of the special civil court, continuing this interview with our correspondent, said: Those who come here all have pain, and they are actually consulting a physician to have their pain treated. Therefore, action must be taken in such a way that their problems will be solved. In my view, increasing court costs does not help the pain of the people, rather it adds to their problems.

I will give you an example. Several days ago a woman came here asking for justice. When I told her she would have to pay 25,000 rials court costs, her external and psychological state changed. She swore that she did not even have the money to go back home, how could she pay this amount?

Or another day a woman said to me after I had told her the court costs: God is my witness, it is almost noon now, and neither I nor my children have eaten since yesterday because of poverty. How can I pay the money you are asking for? Perhaps you want me to turn to fornication to solve my problems.

I therefore say that increasing court costs cannot decrease the divorce statistics and this is a mistake, because one of the main reasons for divorce is financial poverty. Therefore this increase in costs is not a primary gauge for decreasing divorce statistics, because about 80 to 90 percent of those who come here are from the deprived and poor classes of society, who do not have that kind of money. Of course they obtain these costs in any way possible, but it must be noted that some women

will turn to religiously unlawful methods to do so, and this could cause a bigger problem.

My advice therefore is that the experts and insiders sit down to discuss and reconsider this law.

Commentary on Moscow's Anti-Islamic Attitude

90AS0244A Tehran KAYHAN INTERNATIONAL
in English 27 Jun 90 p 4

[Text] It is natural for any revolution, particularly the Islamic revolution of Iran which created great developments in the region and the world in general, to face numerous difficulties and be unable to cope with unwanted problems in short term.

For this reason, the Islamic Republic of Iran despite accomplishing outstanding political victories in the domestic and foreign arenas, as well as military triumphs, is faced with economic problems imposed by global arrogance.

The role played by the West, led by the United States is too clear in this respect. But the question is that what the East gains from countering the Islamic Revolution and harming its reputation?

With the coming to power of the new administration in the Soviet Union and after witnessing the defeat of the arrogant political system by the Islamic revolution, the Russians opted for a reconciliation with Iran.

But after the uprisings in the Muslim republics of the Soviet Union they were once again panicked and launched attacks on Islam claiming the religion did not possess social values and the liability to administer a society. The attempt aimed at discouraging Muslims from embracing pure Islam and on the other hand covering up the deficiencies of Marxism.

In a recent commentary this month, radio Moscow spoke about Iran's economic lifeline which it said was under the government's control. The Soviet commentator, Yuri Andriev said that without fundamental changes it would be unlikely to bring about a change in the national economy which he said had been greatly affected by deep divisions, among the authorities.

Disregarding the plight of Soviets over the past 70 years, the radio Moscow commentator gave an unfair analysis of the economic situation in Iran and inspired by the Soviet leaders, found the root of the problem in the nationalization of the affairs. This is while in Iran, as admitted by Andriev himself, not all the affairs are under the government's control and at least 20 percent of the industries are run by the private sector.

To make it clear, in an Islamic society the economic affairs are neither fully controlled by the state nor by the private sector. It is rather a mixed economy which as stipulated in the Constitution of the Islamic Republic of Iran is run by the government, the cooperatives and the private sector.

But over the past decade when a war was imposed on the Iranian nation, the government had to take control of many affairs in a bid to provide political and economic security. After the war, however, the situation was different. There was no more need for the government's unneeded intervention in certain affairs. Instead it decided to delegate the economic affairs to the people themselves and undertake the supervision of the situation itself.

The Soviet analyst however overlooked these points and instead tried to portray the new policy as a change in strategy. By exaggerating the differences of views between the two currents in Iran regarding the implementation of economic policies, he also attempted to introduce them as principled and basic differences. He also cunningly tried to say that the government's present policies were opposed to the principles set by the late leader of the Islamic revolution, Imam Khomeini.

Are the Soviets following the example of the West in countering Islam and in checking the growing trend of Islamisation in their Muslim republics?

PAKISTAN

Article Calls for Revamping of Intelligence Services

90AS0240A Lahore THE NATION in English
8 Jul 90 p 6

[Article by Mushahid Hussain]

[Text] In recent days, both of the country's premier Intelligence organisations have been in the news, and interestingly the activities of both have been highlighted in the context of domestic politics. The National Assembly has admitted a privilege motion moved by an Opposition member against the alleged efforts of the ISI [Inter-Services Intelligence] to keep tabs on him, the first such instance in Pakistan's history. And another important Opposition leader, the IJI [Islamic Jamhoori Ittehad] Parliamentary Chief, Chaudhry Shujaat Hussain, has accused the IB [Intelligence Bureau] of spending Rs 80 million on influencing loyalties of members of Parliament during the crucial days last October when a motion of no-confidence was tabled against Prime Minister Benazir Bhutto. He has also accused the IB of spending much of its budget on keeping track of those politicians who oppose the present government.

Whatever the truth or otherwise of these allegations, the role of Intelligence in Pakistan does not change with the change of government. Both military as well as civilian governments find Intelligence a handy tool to pursue their political opponents. Some can perhaps justifiably argue that the very nature of Intelligence, a covert, secretive body digging up information most of which is unpalatable, condemns it to a role that is at variance with democratic professions and practices. Others can also attribute the use of Intelligence by the present

government to the insecurity of a weak, civilian government that has a relationship of mutual distrust with other components in the power structure, who, in its perception, have been trying to destabilise it.

However, the real reason for the excessive reliance on Intelligence is because governments are condemned to repeat mistakes of their predecessors. All governments in Pakistan without exception, have used Intelligence to wiretap the Opposition, for dirty trick operations and for a host of other political purposes, since they invariably assume that governmental interest and the national interest are synonymous. The misuse of Intelligence is, of course, not just a bane of authoritarian society. Even in a democratic country like India, one of the first things when Prime Minister V.P. Singh came to power, was to accuse RAW [Research and Analysis Wing (Intelligence Agency)] of all sorts of illegalities, including disinformation against the Opposition, and in one of his first measures, he proposed the establishment of a National Security Council to collate and oversee all Intelligence operations. An important underlying purpose of V.P. Singh's proposal for an NSC [National Service Corps] was to clip the wings of RAW.

Similarly, although this may now be forgotten even by the government, when Prime Minister Benazir Bhutto took office, one of her first acts just after 4 weeks in Islamabad was to set up a high-level committee to reorganise Pakistan's Intelligence set-up. Headed by Air Chief Marshal (Retd.) Zulfikar Ali Khan, who is now Ambassador in Washington, the committee was entrusted with proposing long-term measures to revamp the various Intelligence Organisations in Pakistan. Regrettably, like other steps which have been steeped in ad hocism, nothing much seems to have come out of the report. According to what was published in the national and international media when the report was formally submitted to the Prime Minister in May 1989, the report had apparently made some useful recommendations which, had these been implemented, would have gone a long way in strengthening the work of Pakistani Intelligence Organisations. The Intelligence Reorganisation Committee was, for instance, said to have recommended the establishment of a National Security Council, to be headed by the Prime Minister as well as a new body called the Joint Intelligence Committee, as a permanent body staffed by a small secretariat and headed by a Chairman who need not be professionally an Intelligence man. It was envisaged that such a body would perform two key functions, namely, coordinate work of all Intelligence Organisations in Pakistan and function as a crisis-management group whenever situations required.

According to other reports, the Committee was also said to have proposed the setting up of a Joint Intelligence Training Academy for integrated training of all Intelligence services in Pakistan, rather than separate training schools as is the case at present. And it was said to have also recommended a specialised National Intelligence Service, similar, say, to the Foreign Service or the Police, to provide officers for all the Intelligence Organisations

in Pakistan. Sadly, none of these recommendations were ever implemented and even in the case of the removal of Heads of Intelligence Organisations, the purpose seemed more to effect a change of face, not reorganisation of the Intelligence apparatus.

The government should have one rule of thumb. No Intelligence Organisation has ever "saved" a government or a ruler in Pakistan. Perhaps, a brief look at the Intelligence track record in Pakistan would be instructive:

- Intelligence was never able to forewarn Ayub Khan that his Generals were readying to dump him in 1969;
- The Intelligence assessment fed to Yahya Khan was not even remotely accurate as to what the 1970 results would be;
- Intelligence was never able to tell Mohammad Khan Junejo what General Zia had in store for him when he returned from a "triumphant" foreign tour on 29 May 1988;
- Intelligence was never able to know before-hand that General Zia was to be assassinated in the company of his best foreign friend—the American Ambassador—and his closest military confidante—General Akhtar Abdur Rahman—and that too within the confines of his "core constituency," the Army, on 17 August 1988;
- The Intelligence was never able to gauge the popular mood in rural Sindh in the November 1988 elections, thereby upsetting all official projections as to the eventual outcome;
- The Intelligence was never able to inform Benazir Bhutto that the no-confidence move was in the offing in November 1988 or that the MQM [Muhajir Qaumi Movement] had decided to ditch the PPP [Pakistan People's Party] even earlier;
- Even when it comes to external events, the Intelligence performance is hardly better. Two examples will suffice: The Tanai coup had already collapsed in Kabul when the Intelligence was feeding the government tall tales of victory and even tentative lists were said to have been drawn up as to which Cabinet Minister would like to land in Kabul with the first flight amidst all this "glory"! And as regards Kashmir, a senior Intelligence official privately admitted that "we were wrong in predicting events there."

Regarding Intelligence, there are two aspects which the government needs to discard. First, the government must change the colonial concept of "doing politics" via Intelligence Bodies, particularly, the Intelligence Bureau. In this police-dominated body, where officers interchange from field work in the districts to staff positions in the IB, they are well aware of the situation on the ground, a knowledge which is backed by their interaction and rapport with the rural elites, most of whom are also part of the political system. These contacts often stand the IB officers in good stead as useful "sources." However, this *jor tor* (wheeling dealing) approach in politics may have been of use during colonial times or in the early years after independence, not any more. Now

political processes have become more complex and politics cannot be reduced to a simple understanding of a power-play among prominent individual members of the elite. Second, the government should not overly rely on sophisticated, hi-tech instruments for collection of Intelligence, as now seems to be the case. If computers or wiretaps could predict upheavals or other important events, then there would have been no Revolution in Iran since the combined strength of the CIA [Central Intelligence Agency] and Savak [Iranian Security and Intelligence Organization] were monitoring the Shah's opposition.

It is now generally recognised that 60 percent of good Intelligence can be gleaned from published sources. A careful reading of the Pakistani Press by any government functionary in October 1989 would have indicated that some move by the opposition was in the works given the frequency of meetings among the Opposition leadership. If the government does not heed some of the lessons learnt by its predecessors, mostly after the event, when the government had been toppled, the present government too will be trapped in a vicious circle of dependence on the Intelligence, whose functioning in Pakistan has been immortalised and best exemplified by the following story: When the Communist Party of Pakistan was banned in 1954, the Intelligence launched a general crackdown on Communists. They raided the house of a person who was reputed to be a Communist and asked him point blank: "Are you a Communist"? He quickly retorted: "No, I am anti-Communist." The Intelligence man promptly responded: "I don't care what kind of Communist you are, anti or something else, as long as you are one!"

Economic Commentary Recommends Privatization Over Disinvestment

90AS0240B Lahore THE NATION in English
7 Jul 90 p 4

[Article by Anjum Ibrahim]

[Text] The joke is on Ms Bhutto and her special advisor on Finance Mr V.A. Jaffery. Both were so successful in confusing disinvestment with privatisation that the employees union of the Muslim Commercial Bank [MCB] has spent lakhs of rupees in advertisements appealing to the Prime Minister 'to annul the unjust, unfair and cruel decision' to privatise the Bank. Their slogan is: 'Don't turn a prestigious financial institution into a snake bar.' Their threat is to take further strike action. Already as per the advertisement: 'MCBs 13,000 workers have denounced the decision of its privatisation by observing nation-wide strike.'

So what is the essential difference between disinvestment and privatisation? The commonality is that both policies are applicable to a publicly owned corporation but here the similarity ends. Whereas privatisation constitutes an exact break up of the total assets of the company followed by the sale of these assets on the open

market with a view to abandoning the bureaucratic management in favour of private entrepreneurs no such thing exist for disinvestment. The later policy option is adopted for the sake of mobilising capital from the private sector with no intention of handing over control.

It is essentially decided to disinvest for three reasons: (a) when the national treasury is bankrupt and is unable to mobilise resources it has to rely on the partial sale of its assets through a non-inflationary policy like outright sale instead of an inflationary one like deficit finance. Pakistan has a bankrupt economy and is also experiencing very high inflation rates through largely the heavy reliance placed on internal borrowing. Hence disinvestment was the only way out; (b) If heavy reliance is placed on foreign aid then a country has to conform to IMF conditionalities which specify the adoption of privatisation policies so that expenditure can be equated with revenue. Such a state is apparent in Pakistan. However, privatisation would have caused several problems for the government, the most obvious one being the complaints voiced by the MCB employees union which indicate clearly that private ownership would take away the privileges enjoyed by the employees under state ownership. These privileges are inclusive of job security (irrespective of the actual output of the worker) through the inability of the management to fire people; and possible entry through nepotism or bribery. In other words once you are in there is no reason to assume that you will ever be kicked out whether your output is zero or not. Another normal occurrence in state controlled organisations is over-staffing. Consequently if MCB really was being privatised then the 13,000 workers of its unions would be afraid for their jobs. That they are scared nevertheless shows that they really believe MCB is being privatised; and (c) the government cannot put up for sale assets of a loss making corporation. If it did no one would be interested in buying.

Disinvestment as a policy was started under General Zia's rule to help appease the IMF and to raise the resource base of the government. Ms Bhutto considered it a viable option and proceeded to incorporate it in her policy documents. What she failed to realise was that while IMF was shrewd enough to realise that she was propagating disinvestment instead of privatisation and were reasonably satisfied that some change in the right direction was being initiated, the people, or more specifically the workers of the corporations targetted for disinvestment, may not realise the difference. That this indeed is the case is obvious from the MCB advertisements. That the crisis can be quickly resolved through explaining the difference to them is equally obvious. Whether Ms Bhutto or V.A. Jaffery, both high on euphoria regarding what they call 'privatisation' plans for the economy will actually correct the misconception of the MCB employees is highly suspect; because then they will have to admit exactly what they were doing; confusing deliberately between privatisation and disinvestment.

While disinvestment is undertaken for the purpose of increasing revenue without changing the status quo privatisation is undertaken for widely different reasons. The principal reason being that the government feels that state sector is inefficient and if efficiency is to increase together with output, and by inference the total national wealth, then control has to be handed over to the private sector whose over-riding economic consideration is the maximisation of profit. With this consideration comes related measures like hiring on ability and not on who the candidate knows; firing of excess staff that raises the costs without raising productivity; and linking increased wages with increased productivity. Furthermore it is generally acknowledged that the private sector pays higher salaries—but they pay only to those who are qualified and have the necessary experience. Thus while the competent should have no fear of privatisation the incompetent do. And since higher salaries invariably imply lower staff numbers this consideration, by itself, can only save unions and make them to be virulently anti-privatisation.

While the socialist in each one of us would lament the handing over of public corporations to the private sector yet the pragmatist in us would no doubt express satisfaction over such a proposal. If Pakistan can increase the existing output of its public corporations through privatisation and via the government's role, actually distribute wealth more evenly through larger public injections in the deficient sectors like education, health, population planning and availability of clean drinking water then this policy is infinitely preferable to the policy of disinvestment.

No discussion on privatisation can ignore Thatcherite England. According to Oliver Letwin in his book "Privatising the World": "Old-fashioned private enterprise often conformed reasonably closely to the Marxist picture of a few capitalists owning the means of production, and a large number of wage earners producing profits for those capitalists. Privatisation—on the Thatcherite model—has not been a return to that situation. Instead, the privatisers in Britain have stolen the clothes of the socialists by selling shares to the masses and the employees. And Ms Bhutto has been attempting to model her own disinvestment plan, as much as is possible, on the British pattern. She has made repeated statements that shares will be available to the employees, at lower than cost, and they are targetted for the small investor.

Unfortunately though there are a few snags in the applicability of such measures in Pakistan. Firstly is the fact that labour has always asked for higher wages and does not understand, or wish to, the implications on him if he is a shareholder in the company he works for. Education can change this faulty logic but education is a long term process and its effects would be visible only after a time lag. And secondly in Pakistan it is always the large investors, in both the private and the public sectors, who

purchase such shares and not the small investor. In other words wealth is concentrated further in a few hands instead of being disseminated through a large number of small investors in the market for buying shares of public corporations. But then does this imply that disinvestment is preferable in Pakistan given our unique socio-economic pattern? The answer is a vehement no. To explain this answer it is necessary to look at our bureaucratic set-up. Corruption within this set-up is very high. There are open allegations against for example the tax officials in the country; and yet despite high-powered anti-corruption committees the level of corruption has not been brought down. Any one who has to deal with bureaucrats either goes armed with references or with money; the poor, not having recourse to either have serious problems. No public corporation is immune. Even WAPDA [Water and Power Development Authority]'s Chairman has to admit that the meter readers in his organisation are corrupt, Muhib ul Haq, General Zia's Chief Financial expert, openly stated that only half the budgetary allocations meant for government departments and corporations actually reach them—the rest are just made to disappear by our bureaucrats. Thus the motivation of a typical bureaucrat is highly suspect in this country. Would it not be a better option to privatise, lower the absolute number of government employees and increase productivity at the same time.

The task before Ms Bhutto is clear. Of course privatisation is an unpopular decision especially where the employees are concerned but the Prime Minister has already been made to take more unpopular decisions by the IMF. She has raised the price of oil under five counts which has dramatically increased the price of transportation and electricity—effects of which are trickling down to the rest of the economy as industrial products, including essentials like clothing, are increasing in price in response to an increase in their costs of production. Her lowering of subsidies are likely to increase the prices of food essentials. Her budgetary policies vis-a-vis the industrial sector has also evolved into an impasse. Consequently the decision to privatise will not be as unpopular a decision as those mentioned above.

SRI LANKA

ENDLF Condemns Dissolution of North-East Provincial Council

90AS0241B Colombo *THE ISLAND* in English
9 Jul 90 p 1

[Text] The Eelam National Democratic Liberation Front (ENDLF) in a statement yesterday condemning the dissolution of the North-East Provincial Council [N.E.P.C.] said that it was the demand of "fascist LTTE [Liberation Tigers of Tamil Eelam]" which was not a party in the council and of some communal elements. It was a move against the will and aspirations of the Tamil-speaking people, the statement said.

The statement runs as follows:

"The Eelam National Democratic Liberation Front (ENDLF) was shocked over the Government's announcement that the N.E.P.C. was dissolved. We condemn and oppose this decision.

"While inviting parties like the JVP [Jatika Vimukthi Peramuna?] to join the democratic mainstream of politics, the President has dissolved the democratically elected N.E.P.C. Hence we are inclined to think that whether the government would only patronize undemocratic and unpopular elements.

"The ENDLF believes that dissolving the N.E.P.C. was against the will and aspirations of the Tamil speaking people.

"This was a demand of the fascist LTTE, which was not a party in the N.E.P.C. It was a demand of some communal elements too. It was not surprising the parties and groups which were not in the N.E.P.C. to demand for its dissolution.

"By dissolving the N.E.P.C., the Government has fulfilled a demand of the fascist LTTE. It is against the proclamation of the President that the N.E.P.C. would not be dissolved until the disarming of the LTTE.

"The LTTE is a ruthless movement which has done nothing to win the legitimate rights of the Tamil speaking people. Although they could not do anything to the upliftment of the common man they were successful in killing most of the popular Tamil leaders who believed in democracy. Today the LTTE has inflicted a war on the North-East people and pushed them into disaster. It is evident that they don't have neither a political programme to the solution of the ethnic conflict nor fire power to fight back.

"The ENDLF believes that permitting the LTTE to continue its fascist activities would spell danger to the Tamil speaking people and hence it must be completely routed.

SAARC: Regional Economic Cooperation Said Vital

90AS0241A Colombo *THE ISLAND in English*
9 Jul 90 p 6

[Text] The peninsula war and conflicts which raged elsewhere on the island took our attention away from a historic declaration made in London last Friday by leaders of the countries of the North Atlantic Treaty Organisation. It can be considered a very significant development in the closing stages of the Cold War where the outlines of the strategies for a future united Europe stretching from the Urals to the Atlantic and across to

North America have been outlined. The end of the Cold War which for 40 years affected the people of the remotest parts of the globe and the emergence of a powerful stable European community is bound to have its impact on entire humanity. The economic and geopolitical implications have yet to be predicted.

Even though the short term and long term effects of developments in Europe on the rest of the world are not yet known, they could be of particular relevance to South Asian countries because it demonstrates that nations or groups of nations which have been bitterly opposed to each other with wide ideological differences and economic disparities can come together in a short time for mutual interest. For 40 years NATO and Warsaw Pact countries have been piling up deadly nuclear armouries which could have annihilated each other as well as entire humanity. But in a period of less than four years, the 40 years of mutual recriminations and suspicions have been cast aside for the common good of the people. The developments in Europe are of particular significance to us South Asians in that they took place in a blinding flash of four years.

The South Asian Association for Regional Cooperation (SAARC) is only five years old. Even though it is not a long period of time for the seven nations to settle differences it has to be admitted that the progress has been snail paced or no progress made at all. The inability even to decide on a venue for a summit has resulted in the cancellation of the 1989 Summit and now after much bickering for seven months it has been finally agreed to hold the next Summit in Male.

But holding summit meetings is not the primary objective of the association. The objective is for regional cooperation, especially economic cooperation. Regional economic cooperation is today no more a political platitude or abstruse economic theory. It may appear to be so for most of us South Asians but it is becoming a vital issue for the survival of nations. While there may have been many reasons for moving towards integration of Western and Eastern Europe, the basic motivation is economic.

To those in Asia, the seven member Association of South East Asian Nations (ASEAN) is a powerful demonstration of what can be achieved by regional cooperation. Now there are moves afoot for greater regional cooperation with formation of new organisations such as APEC—Asia Pacific Economic Cooperation which hopes to bring together Australia, New Zealand, the Pacific islands together with ASEAN and even the United States and Canada. At international conferences such as the recent annual sessions of the Economic and Social Cooperation for Asia and the Pacific (ESCAP), world leaders stressed that regional cooperation was now becoming a matter for survival.

Thus when SAARC members meet in November in Male it should not mean a meeting where the traditional lip service is paid to regional cooperation and thereafter the leaders go back home to once again hurl verbal missiles at each other from their capitals.

Wide differences do exist between SAARC countries. The asymmetry of the organisation, India being bigger than all the six nations put together, makes it altogether

a different regional organisation. It also houses the poorest quarter of humanity on Earth.

The differences are great but much can be achieved through regional cooperation. For example when Mr Rajiv Gandhi diverted more of India's tea into the domestic market on the eve of the last Indian general election, prices of Sri Lankan tea reached record heights. SAARC should be an organisation for economic cooperation, not regional confrontation.

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