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JPRS-NEA-87-069

25 JUNE 1987

NEAR EAST & SOUTH ASIA

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EGYPT

NEAR EAST

CLUB OF PARIS CREDITORS REACH AGREEMENT

NC222020 Cairo MENA in Arabic 1800 GMT 22 May 87

[Text] Paris, 22 May (MENA)--In a statement issued in Paris today, representatives of several creditor countries praised Egypt's effective efforts at economic reform, speaking highly of the financial reform program which had been prepared by Egypt and approved by the IMF. The statement, which was issued after the minutes of a meeting between Egypt and its creditors was signed, says in part that the representatives of the creditor countries will submit to their respective governments a recommendation for a more convenient rescheduling of Egypt's debts.

After the signing of the document, Dr Salah Hamid, governor of the Egyptian Central Bank, praised the role of President Husni Mubarak and other members of the Government in bringing about the rescheduling. Dr Hamid added that a program for rescheduling the Egyptian debts through the Club of Paris has been signed which will give the economy breathing space and time to revive itself. Rescheduling will encompass a ten year term, five of them as a grace period and five for repayment.

Dr Hamid mentioned that Egypt must now hold separate talks with each creditor country in order to reach bilateral agreements defining the volume of the debt involved [as received] and the interest rate applicable in every case, because, he added, each of these nations has its own constitutional and legal demands. He said he thought these exchanges would be over in three months.

The minutes from the two day session between Egypt and its 18 creditor countries were signed at the Club of Paris today. The session was moderated by (Denis Samuel Lance), head of the International Affairs Department at the French Ministry of Economy and Trade [title as received].

Egypt's delegation to the talks, in which the IMF and the World Bank were also represented, was led by Dr Salah Hamid. The delegation will leave Paris tomorrow, Saturday, for Cairo, following a stay of several days in France.

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IRAQI WRITER REVIEWS SYRIAN-IRANIAN TIES

JN151842 Baghdad AL-'IRAQ in Arabic 13 May 87 pp 3, 9

[By Dr 'Ali Sabti Muhammad]

[Text] Since the 23 February 1966 setback [the military coup which brought the Regional Command of the Ba'th Party to power in Syria] the Syrian regime has been assuming the task of implementing conspiratorial roles which are serious in their results. The roles of that suspect regime are linked to one another in a continuous chain and have been backed by more than one international force. Hafiz al-Asad has played a major role in implementing them since he was appointed defense minister after the February setback. His role intensified when he succeeded through a coup in overthrowing his own partners in the setback and monopolizing this role.

Thus the Iran-Iraq War came as an opportunity which the Syrian regime exploited to carry out its serious, conspiratorial, and suspect role against the future of Arab unity action and Arab solidarity. In this study we will discuss the treasonous alliance relations linking the Syrian and Iranian regimes, the reasons leading to their establishment, and the future awaiting them. We will shed light on the treasonous role being played by the setback regime in Damascus against the Ba'th revolution in Iraq and its holy war against the Iranian enemy which is allied with imperialism and Zionism.

Syria occupies a special place among the states which have established ties of cooperation and alliance with Tehran. As far as the Iranian regime is concerned, Syria is not a mere partner and ally, but a major factor in the equation of the war between Iran and Iraq.

Relations between the Syrian and Iranian regimes date back to a time before the change which brought Khomeyni to power in February 1979. When the political situation in Iran showed signs in 1978 of the inevitable fall of the shah, Hafiz al-Asad as usual seized the opportunity and suggested that Khomeyni leave Iraq and come to Syria to stay in an attempt to benefit from the coming new change in Iran and to serve his plans in the region within the framework of the role set for him internationally.

When the change took place and Khomeyni assumed power, the Syrian and Iranian regimes began to build special relations between them in political, economic, and military fields. When the Iran-Iraq War broke out, these relations developed into an unholy alliance with a common objective, namely, hostility to the lofty revolution in Arab Iraq. The Syrian and Iranian regimes were given the basic role of fighting this revolution.

The clear coordination began between Syria and Iran on all levels. The main objective of this coordination is to pounce on the Ba'th revolution in Iraq and to divide this country into small sectarian states linked to international forces which share roles in the inflamed Middle East region.

Syrian-Iranian relations have been active on a political level since Khomeyni's arrival. The exchange of visits between officials of both countries and the statements made by them indicate the character of this relationship and the common ground on which it stands.

At a press conference in Damascus in October 1979, Saqad Tabataba'i, who was a deputy prime minister and an official spokesman of the Iranian Government and who was arrested in the FRG on drug-dealing charges, said: President Hafiz al-Asad expressed Syria's readiness before, during, and after the victory of the Iranian revolution to give great help and aid to this revolution.

During the fabricated farce of the hostage crisis between the United States and Iran, the Syrian regime sent Brigadier General Muhammad al-Khuli, chief of Syrian Air Force Intelligence, to Tehran with a message of support and backing from the Syrian foreign minister to his Iranian counterpart in addition to his main mission of making secret deals between the Syrian and Iranian regimes on the level of intelligence and security cooperation.

In April 1980, the then Iranian Foreign Minister Sadeq Qotbzadeh announced at a press conference in Damascus that relations between Syria and the Iranian Islamic revolution as well as the friendship dominating these relations were not established after the victory of the revolution in Iran and were not just normal relations.

In a commentary on the talks held by Qotbzadeh with Syrian officials, Damascus radio described the so-called Iranian revolution as a great feat not only for the Iranian people but also for the region and the entire world.

When the Iranians embarked on their aggression against Iraq on 4 September 1980, the Syrian and Iranian regimes met on common ground out of their realization of their possible advantage in reinforcing their relations on all levels.

During a visit to Damascus in November 1980, Hashemi Rafsanjani said: We harbor love and appreciation for the Syrian people and their leader President Hafiz al-Asad.

'Abd al-Halim Khaddam announced his regime's support for Iran in its war with Iraq when he said that Syria supported the Iranian revolution and that this was not a tactical or a short-term stand, but a firm, principled one. Our stand will always be with the Iranian revolution in its just conflict with the aggression, Khaddam said. Thus, Khaddam described the Iraqi defense of Arab sovereignty as an aggression against the so-called Iranian revolution.

Hence, the vile Syrian stand got closer to the Iranian aggression against Iraq.

On 25 December 1980, former Iranian President Mohammad Ali Rajai said in a statement to a SANA correspondent in Tehran that Iran's relations with Syria were deep-rooted, not new. These relations were crystallized particularly after the war, Rajai said.

Therefore, Syrian-Iranian relations took the practical form of an alliance at the outbreak of the aggression. These relations became vicious when Hafiz al-Asad pretended that he wanted to embark on mediation to end the war in 1981 out of regard for the feelings of the Arab Gulf regimes. However, 1982 showed a common determination by the two allies to strengthen their alliance.

The bilateral alliance assumed broader dimensions in 1983 when the Syrian and Iranian regimes reached an agreement to proclaim their alliance in its new form in a declaration that was issued at the end of the two regime's foreign ministers' meeting in Damascus 26-27 Rabi' Awwal, 1403 Hegira, a declaration which explicitly referred to the Syrian regime's support for Iran in its aggression against Iraq with all the results that such an agreement entails in the military, political, and diplomatic fields.

On 23 March 1984 and at the request of King Fahd ibn 'Abd al-'Aziz, Hafiz al-Asad sent his deputy Khaddam to Tehran in an attempt to put an end to the Iranian attacks against oil tankers. However, upon the Syrian envoy's arrival in Tehran, he announced that Syria had supported and would continue to support Iran and that the purpose of his visit was just to prevent any expansion of this war.

At the end of 1986, Hafiz al-Asad sent an oral message to Khamene'i conveyed by Mohsen Rafiqdust informing his Iranian ally that his regime would continue to support Iran as long as the war had not ended, the Iraqi regime had not been toppled, and Iraq had not been liberated.

It is worth mentioning in this respect that throughout the years of the war, the Syrian regime has been resorting to flimsy excuses to justify its relations with Tehran to the Syrian people and the Arab countries. The president of the Syrian regime has repeatedly stated that Syria would not permit Iran to occupy Arab territory and that Syria would be forced to change its stand if Iran crosses Iraq's international borders. We shall not go into further detail, but suffice it to say that these false slogans

were clearly exposed when the Iranian forces occupied the Al-Faw triangle. When Hafiz al-Asad was asked by the press at the recent Islamic summit in Kuwait what had happened to the slogans he had been raising, he impudently replied that the war had its ups and downs and that it was still raging.

Forms of Syrian-Iranian Cooperation

The Syrian stand is known for its total bias to the Iranian regime against Iraq. In their statements, Syrian officials always try to blame Iraq for the war and for starting it while they ignore the Iranian acts of aggression and the Iranian officials' hostile statements about Iraq, the Arab Gulf countries, and the Arab nation's civilization and history. The Syrian regime also overlooks the coordination and cooperation between the Iranian regime and the Zionist entity since the early days of the war despite the Iranian and Zionist officials' admission of this cooperation. The Syrian denial of arms relations between Iran and the Zionist entity was uttered by the head of the Syrian regime. Commenting on this issue in 1981, Hafiz al-Asad said: With respect to Iran's dealings with Israel, the Iranians have categorically denied this, and one must use one's judgment on such matters and not be swept along by statements and campaigns that seek specific objectives and lack objectivity. It would be easy for us to say that had there been a relationship between the Iranian regime and the Zionist entity there would not have been a relationship between Syria and Iran. However, al-Asad's credibility was greatly undermined when he said that his relationship with Tehran could not have lasted if Iran had had relations with the Zionist entity when the entire world became aware of the Zionist role in the Irangate scandal. The world now has to admit that such relations do exist.

Nevertheless, the Syrian regime's impudence has reached such heights that it cannot be believed by the Arab intellect. Syrian Foreign Minister Faruq al-Shar' began defending Iranian-Zionist relations in a bid to justify them in harmony with the true Syrian role in the bargain and in plotting against the nation and its steadfast shield, Iraq. Al-Shar' told AL-HAWADITH magazine (talk about Iran's relationship with Israel is the largest blow dealt to the human mind. Had this relationship really existed, the Iranian revolution's credibility would have reached bottom. Providing Iran with weapons (and here comes the insolent justification) is a major responsibility stemming from the Iran-Iraq War which placed Tehran in an embarrassing position and before a difficult and painful option, especially after the weapons-exporting countries boycotted it. This prompted the Iranian officials to receive payment for the loans the shah had earlier granted to some countries in the form of weapons and military equipment. We do not deny or conceal this, but we also ask: Should Iran give up these funds? If so, how can it get weapons to defend itself amid the siege being imposed on it?)

Thus, the Syrian Machiavellianism lies in defending itself in this situation which embarrassed its ally and rising in its defense using the principle of the end justifies the means. The Syrian-Iranian alliance has manifested itself in various forms of joint cooperation during the war on all levels, particularly in diplomacy, armament, economic security, tourism, and other areas that have been promoted.

On the diplomatic level, Syrian diplomacy has clearly supported Iranian diplomacy in Arab and international forums and in the Nonaligned Movement and the ICO against the Arab and international resolutions which dealt with the possibility of ending the Iran-Iraq War.

On the level of military cooperation, it is well known that cooperation in this area was "secret" before the war, but became public after the war and grew with the continuation of the war. Military cooperation between Iran and Syria has taken the following forms:

1. The Syrian regime supplied Iran with weapons and military equipment from the first days of the war and after former Iranian President Abu Al-Hasan Bani-Sadr's envoy visited Damascus. This arms shipment was urgently delivered via a third country. It basically reinforced the Iranian antiaircraft defenses. Later, well-informed press reports said large quantities of weapons and ammunition were daily transported to Tehran on Iranian military transport aircraft.

Iraq was forced to sever its relations with the Syrian regime and withdraw its recognition of it following the disclosure of arms relations between Damascus and Tehran on 12 October 1980 because the Syrian regime had betrayed the Arab cause and allied itself with a foreigner against a sisterly Arab country which had links with Syria according to the Arab League Charter and the Collective Arab Defense Pact.

2. Ammunition and hardware supplies were not the only form of regular assistance the Syrian regime gave the Iranians. Syria got in touch with arms merchants, concluded arms deals on behalf of Iran, and blocked weapons transactions between suppliers and Iraq.

3. The Syrian regime helped the Iranian military with expertise and advisers. Coordination in this field got under way after a clandestine meeting in early March 1981 between Iranian and Syrian Army officers in Latakia.

4. The Syrian regime supplied the Iranian regime with vital intelligence about Iraq's oil, economic, industrial, and military facilities which the Iranians used in implementing their aggressive plans.

5. The Syrian regime did not limit itself to giving advice and intelligence to Iran, but allowed hostile Iranian aircraft to take off from Syrian bases to strike at Iraqi military and economic targets, as happened in the Iranian air attack on the Al-Walid base near the Syrian border.

Agreement on this type of assistance was reached after a secret visit to Damascus in 1981 by Iran's then Defense Minister Vakkuri. A captured Iranian pilot admitted that he had made a fueling stop at a Syrian airfield before striking at Iraqi targets.

6. At present the two sides are cooperating in military training. A camp is being built to give military training to so-called revolutionary guards in the Zabadani plain in the Nab' Baradah region, 40 km from Damascus, before they are sent to Lebanon or to the warfronts with Iraq. Portraits of Khomeyni are visible at the camp as are Iranian flags.

On the security front: Syrian intelligence services gave military training to Iranians deported by Iraq and used them in acts of sabotage in Iraq. Furthermore, Syrian authorities stepped up their ties with saboteurs in northern Iraq and gave them all kinds of assistance, including running their training camps. In concert with the Iranian regime, the Syrian regime set up training camps for groups linked with Iran, including the Al-Sayyidah Zaynab camp, 10 km from Damascus, and another two near the Syrian border--Shaykh 'Abdallah and Al-Daraki camps in the Al-Biqa'.

On the economic front: Mounting bilateral economic cooperation was crowned with a trade protocol and oil agreement in March 1982. Under the 10-year agreements, Syria pledged to supply Iran with phosphates, barley, lentils, glass, and textiles in exchange for Iranian petroleum. The oil pact provided for the Syrian refinery to receive between 7 and 8 million tons of Iranian crude annually as of April 1982 for 1 year, renewable for 10 years.

To show the importance of the agreements and protocols, Velayati said: The trade and oil agreement reached between Syria and Iran is considered one of the largest agreements of its kind in the Third World countries, particularly in the Islamic countries.

Following this development in economic relations between the two regimes--a development which reflects the political will behind it--the Syrian regime in 1982 decided to close the border with Iraq and prevented the flow of Iraqi oil across Syrian territory in a cheap deal according to which it will obtain 1 million tons of oil free for 10 years. Thus, the Syrian regime declared a new and serious stage in the Syrian-Iranian alliance against the revolution in Iraq. This new stage is shown by Syrian participation in the Iranian war efforts and actual participation in the economic siege imposed on Iraq.

Just as the Syrian-Iranian economic cooperation included the exchange of Iranian oil for a Syrian role in the economic siege imposed on Iraq, it also included other areas such as the agreement on cooperation in the overland transportation of international oil, which the so-called Iranian Shura Council endorsed in 1985, as well as many other agreements in various fields.

The Causes of the Syrian Alliance with Iran

It is well known that the Syrian regime condemned the 1975 agreement between Iraq and Iran when it was concluded and accused Iraq of relinquishing Arab rights. When Iraq demanded its rights, the Hafiz al-Asad regime found many reasons to seek an alliance with Iran against Iraq. The most prominent of these reasons were the following:

1. The traditional hostility Hafiz al-Asad harbors for the revolution in Iraq and for its historic leadership which constitutes a serious threat to the future of the Syrian regime, which has reneged on the principles of the Arab Socialist Ba'th Party that have flourished in the Iraqi July revolution.
 2. The Syrian alliance with Iran completes Hafiz al-Asad's conspiracy against the pan-Arab working charter reached between Iraq and Syria in 1979.
 3. The Syrian regime is suffering from Arab isolation as a result of its terrorist policy in the Arab arena. This prompted the Syrian regime to search for an ally that would participate in its schemes to blackmail the brothers and create problems in the Arab arena. This ally had to agree with the Syrian regime's objectives and intentions. The Iranian regime was the best all and the war was the best opportunity to further blackmail the brothers.
 4. The alliance stems from an international decision supported by the big powers which 20 years ago decided not to allow the implementation of a Syrian-Iraqi unity decision. These powers authorized Hafiz al-Asad to carry out this decision. Al-Asad found in the Iran-Iraq War and in the Syrian alliance with Iran an important tool to deepen Syrian-Iraqi differences and widen the official and popular gap between Iraq and Syria as a result of the psychological barrier produced by the Syrian-Iranian alliance.
- This international decision, one of whose parties has played a major role in changing the state of affairs in Iran, has tasked the two regimes with a role in the region consisting of cooperating to implement the colonialist scheme that has been prepared for the region to transform it into an area of continuous conflicts and sectarian statelets that will legitimize the Israeli role in the region in the not-too-distant future.
5. Iran has found that its alliance with Syria will greatly enable it to move out of its isolation on the local and international level and secures for it an ally which is capable of supplying it with weapons and spare parts. It also was certain that it could, through Syria, impose its presence in the Lebanese arena, and this has actually taken place. Iran also believed that all this would help it promote the idea of the universality of the Khomeyniite call and to export the so-called Islamic revolution.
 6. One of the most important reasons that has made the Iranian and Syrian regimes see eye to eye is the identical roles they have been entrusted to play

in the region with respect to the liquidation of the Palestinian cause and the facilitation of the erosion of the Palestinian people's national militant determination. Perhaps Iraq constitutes a basic Arab force that opposes the attempts to liquidate the Palestinian cause, thus giving the Syrian-Iranian alliance the justifications it needs from the first day of the Iranian aggression against Iraq.

The Future of the Syrian-Iranian Alliance

In view of the fact that Syrian-Iranian relations are a mixture of "objective" and subjective factors and governed by transitory moves and implementation steps, they are not expected to last long despite their connection to factors which have nothing to do with the intrinsic will of the two allies. The basic difference is inherent in the political structures and configurations of the two regimes and in their being at cross-purposes in many of the domestic and foreign working arenas despite their convergence on their actions toward Iraq, which constitutes the major reason for their unholy alliance. For example, the Iranian foreign minister informed the Iranian Majlis when the latter was discussing the ratification of the agreement that was signed with Syria in 1984 that Syria has basic differences with Iraq and that Iran, according to the Iranian minister, must seize this opportunity to keep Syria on this sound course!

Therefore, the following factors and causes will positively and negatively dictate the future of these relations, provided that the countries in the region have the power to extricate themselves from the constraints that have been imposed by the big powers:

1. Syrian-Iranian relations are experiencing economic problems dealing with trade and the method of repaying loans. This negatively reflects on the development of the alliance between Damascus and Tehran. The Syrian regime is heavily in debt with Iran, debts which have accumulated because of the Syrian regime's failure to pay them following Iran's supplies of oil to it and its failure to reschedule these oil debts to Iran. Recent data shows that Syria's oil debts to Iran up to the end of 1986 totaled \$2 to \$3 billion.

As these debts were not settled, the Iranian regime hesitated to supply the Syrian regime with its oil needs. Syria received only 17 percent of the overall quantity agreed upon in the 1986 contract. This reflects a clear political confusion in the two regimes' relations. The economic crisis from which Syrian-Iranian relations suffered was reflected in the confidence level between the two regimes. The seeds of suspicion began to work on both sides and reflected negatively on their political and military alliance. The elements of suspicion on the Iranian side are apparently reaching the high echelons of the regime. This fact is reflected in the following analysis of Syrian-Iranian relations as stated by Khamen'i upon meeting with some Iranian journalists on 15 May 1986. He said:

"Whenever we asked Damascus in the past 5 years to fulfill its commitments to Iran either by paying its debt installments or by providing us with more offensive weapons, the Syrian regime instructed its news media to write about the possibility of normalizing relations with Baghdad. Every time this happened we were first forced to withdraw our demands to prevent them from accepting plans for mediation between Syria and Iraq. We would then pay a bribe so they would stand with us. In 1985 we handed them Shaykh Sa'id Sha'ban, our ally in Tripoli, after receiving information about an imminent meeting between Syrian and Iraqi officials in Riyadh. We agreed to postpone the repayment of their debts for another 9 months. At the beginning of this year (1986) we saw al-Asad and [King] Husayn hand in hand, so we told the Syrians we were ready to give them a new grace period to settle their debts. But the Syrians asked for the head of Hizballah in Lebanon and for the resumption of oil shipments to them. They also asked for a 4-year period after which Syria could draw up a timetable to pay its debts. This time we rejected their request and sent them a document with Hojjat ol-Eslam Mohammad Hasan Akhtari, our new ambassador in Damascus. The documents consisted of five points on the future of our relationship with Damascus. If Damascus agreed to these points, we would be ready to continue our alliance with Syria. Otherwise, a one-sided love could not last."

2. A sharp contradiction in the Syrian-Iranian alliance relations is occurring in Lebanon and is seriously overshadowing the future of this alliance. Thus, the Syrian regime played a dangerous game which began to burn its fingers in Lebanon. In 1982, following the Zionist invasion of Lebanon and the Palestinian resistance's departure from Beirut, the Syrian regime allowed hundreds of the so-called Iranian revolutionary guards to be stationed in Ba'labakk and Al-Biq'a. It also allowed the Iranians to reinforce Hizballah's weapons and extend effective aid to it at the expense of the balance of power among the warring factions in the Lebanese arena.

3. Of late, signs of the cross-purposes have manifested themselves in the Lebanese arena because of the mounting strength of Iranian-sponsored groups, especially Hizballah. The Iran-backed sectarian groups are advocating the establishment of an Islamic republic modeled on the Iranian republic and ruled by Khomeyni, which runs counter to Syrian policies in Lebanon and is even at cross-purposes with them. These groups have of late become something of an impediment to the Syrian forces' freedom of action. The Syrian deployment in West Beirut under the pretext of peacekeeping, terminating factional fighting, and disarming the militias stopped at the perimeter of the southern suburb, the Hizballah stronghold. Nor did Syrian deployment affect the Iranian Embassy neighborhood.

An attack by the Syrian forces on a Hizballah barracks in which 23 members of the group were killed angered Iran. Memorial services were held and the incident was labeled a conspiracy against the Islamic revolution in Lebanon. Montazeri issued a vigorously anti-Syrian statement; some saw noisy demonstrations to protest the incident; and (Ahmad Janti), a

member of both the so-called Consultative Council and the Council of Experts declared that Hizballah members were treacherously martyred because they were fighting the United States, France, and Britain. Zanjani said: "We know full well about the Syrian plan and imperialist plans;" Muhtashemi, a former Iranian interior minister, called the Syrian deployment in West Beirut a conspiracy plotted by the major and reactionary powers. When the two met in Damascus, al-Asad reassured Mohtashemi that Syria had no intention of disarming the pro-Iranian Hizballah and emphasized the killing of the 23 Hizballah members by the Syrian soldiers was not a premeditated act.

But the temporary settlements between the Khomeyniites in Lebanon and the Syrian regime will not last long; the situation is likely to explode any minute and inevitably affect Syrian-Iranian relations because the Iran of Khomeyni has unlimited ambitions, especially under the kind of circumstances the Arab nation is experiencing. Iranian news media have often attacked Syrian policies in Lebanon, calling them hostile and part of a war on Islam, with this campaign intensifying every time there were signs of Syrian-Iraqi rapprochement.

4. Officials of the two regimes are becoming mutually skeptical. Syria has received word that Khomeyni, having failed in his endeavors to dominate Iraq, now seeks to extend his control and influence to Syria, a fact borne out by Iranian behavior in Lebanon and the behavior of Iranian tourists.

This matter places a big question mark on the future of the Syrian-Iranian alliance, particularly since this is accompanied by Iranian opposition to the Syrian policy toward Lebanese fundamentalists and even toward the Muslim brothers in Syria in light of the bases on which the religious factional movements are unanimous.

5. It is known that the Syrian regime enjoys cordial relations with the USSR. Undoubtedly, any positive change in the Soviet stand toward Iraq will sooner or later cast its shadow on the Syrian stand after the Soviets have seen the features of Iranian links with the United States and the Zionist entity through the Irangate scandal, and after they have become certain that most of their cards in the Iranian arena were burned.

6. The Syrian regime is now suffering from Arab isolation even in the club of steadfastness and confrontation with which Syria is affiliated because the Syrian regime went too far in its alliance with the Iranian regime.

On the popular level, Syrian public opinion, even important circles within the Syrian authorities have begun to fidget and to announce their opposition to the regime's policy of alliance with Iran personally sponsored by Hafiz al-Asad.

If terrorism has greatly curbed the factor of internal popular pressure on the regime, the exacerbation of the economic and political crisis in Syria and the exposure of the scandal of the U.S.-Zionist arms deal with Iran will push the internal situation in Syria toward conflagration. This matter is not absent from the mind of the president of that regime, who is directly drawing up the future of relations with Iran, not intending to sacrifice them in defiance of Baghdad and its historic Arab leadership.

7. The Syrian regime's policy is opportunist and low. This policy can veer 180 degrees at any time if there are danger signs in the accounts of the Syrian regime which officially and popularly proved to be wagering on a losing horse.

8. The strategic settlement of the battle in Iraq's favor and the losing wagers on the results of this battle, the last of which was the failure of the year of decisiveness, will certainly be a decisive factor in advancing the breakup of the alliance of the two suspect regimes in Damascus and Tehran.

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CSO: 4400/219

ISRAEL

NEAR EAST

DATA ON ARAB POPULATION GROWTH IN TERRITORIES

TA180713 Jerusalem THE JERUSALEM POST in English 18 May 87 p 1

[Report by economic correspondent Avi Temkin]

[Text] The Arab population in the West Bank and Gaza Strip will grow to between 1.9 million and 2.4 million in the next 15 years, according to a Central Bureau of Statistics forecast released yesterday. The bureau estimated that the annual rate of population growth would be 2.2 to 3.5 percent, depending on the level of emigration.

By the end of 1985, there were 1.34 million people in the territories.

A spokesman for the bureau said yesterday that the fertility rate in the West Bank was expected to drop from 6.5 births per woman in 1983-87 to 5 per women in 2002; in Gaza, the fertility rate will decline from 7.2 to 5.7 births per woman. Life expectancy is forecast to rise from 63 to 69 years during that time.

By the year 2002, the bureau projected, there would be between 1.1 million and 1.4 million Palestinians in the West Bank compared with 800,000 in 1985. In Gaza, the population will reach between 800,000 and 1 million, compared with 525,000 at the end of 1985.

The number of children up to age 15 in the West Bank and Gaza will reach 860,000.

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CSO: 4400/217

REPORT OUTLINES WEST BANK DEMOGRAPHIC DATA

TA290920 Tel Aviv HA'ARETZ in Hebrew 29 May 87 p A3

[Report by Nadav Shragay]

[Text] At the end of 1986 the permanent population in the settlements in Judaea and Samaria (including the Jordan Rift Valley) totaled 60,500. This is revealed in a World Zionist Federation Settlement Department report.

According to the data published in the report, at the end of 1986 there were 118 settlements and 21 paramilitary outposts, a total of 139 settlement sites in Judaea, Samaria, and the Jordan Rift Valley.

A total of 13,500 housing units were occupied at that time, while 1,042 apartments were listed as "vacant for immediate occupancy" and 2,821 apartments were in the process of being constructed.

The largest settlements are Ari'el (6,500 people), Ma'ale Addumim (12,400), 'Immanu'el (4,000), Giv'at Ze'ev (3,900), and Qiryat Arba' (4,440).

The reports notes "neglect and lack of basic awareness of the importance of the roads in the regional and national context, to allow that population that wants quality of life to spread into important areas."

The report recommends building highways to connect the population centers with the periphery in Judaea and Samaria and continuing to buy up land.

The report also recommends putting a stop to the population of areas in which its importance is negative.

The scale of the educational establishment in Judaea and Samaria is as follows: There are 406 second grade classes in 48 schools. Only 27 percent of the schools are intermediate or high schools. Most students get this service outside the area.

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CSO: 4400/220

ISRAEL

NEAR EAST

PALESTINIAN LAWYERS HOLD NEWS CONFERENCE

TA252011 Jerusalem Domestic Service in English 1700 GMT 25 May 87

[Text] Palestinian attorneys held a news conference today to discuss 20 years of Israeli rule in Judaea, Samaria, and Gaza. The attorneys, representing the legal rights group Law in the Service of Man, said military authorities have placed heavy restrictions on political and union organizing, but have allowed a large measure of public expression as compared to Arab regimes. That assertion was condemned by one prominent Palestinian journalist, who repeatedly interrupted the news conference in Jerusalem. Steve Rodan reports:

[Begin recording] [Rodan] The attorneys gave a picture of increasing Israeli restrictions on the nearly 1.5 million Palestinians in the territories, including denying entry to Palestinians living abroad as well as the banning of political activity. But the attorneys stressed that the picture is not totally bleak. They said that under Israeli rule the freedom for Palestinians to express themselves has increased to a level far greater than that of other Arab countries. Raja' Shihadah:

[Shihadah] It is not a perfect situation, but I think in all fairness one has to say that there is a larger measure of freedom of expression than was the case before and this is certainly a positive development because it helps people speak about rather than keep things to themselves, and speaking about things can only make people articulate and grasp things better.

[Rodan] One Palestinian journalist, Ziyad Abu Zayy interrupted the news conference several times to protest the view of the attorneys. At one point he shouted: Did you come here to criticize the Arab regimes? Is this what you came for?

The panel of lawyers sat quietly and changed the subject. Later the lawyers said that their organization is trying to promote a campaign to encourage democracy and self-expression within the Palestinian community. [end recording]

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CSO: 4400/220

HA'ARETZ ON LEBANESE 'SCORCHED EARTH'

TA271032 Tel Aviv HA'ARETZ in Hebrew 27 Apr 87 p 9

[Commentary by Re'uven Pedhatzur: "Just Not Scorched Earth"]

[Text] "Remember! If there is no calm in Qiryat Shemona and Nahariyya, the residents of Al-nabatiyan, Tyre, and the entire area will be unable to live in quiet and calm on their land. It is up to you! Drive the terrorists away from your areas, and things will be better for you." This is how the leaflets that "fell from heaven" onto the heads of the inhabitants of the Shi'ite villages on the border of the security strip at the end of last week were phrased. The thousands of leaflets that were dropped from air force planes may have illustrated more than anything else the distress in which Israel's security policy in southern Lebanon has found itself.

In fact the leaflets are warning the Shi'ite population of what Defense Minister Yitzhaq Rabin has already in the past called "scorched earth": The IDF will react to terrorist attacks against targets and citizens in Israel by attacking southern Lebanese villages along the security strip border, thus creating a situation in which the lives of the inhabitants "will not be worth living." They will be forced to abandon their villages, which will become scorched earth.

Thus, some 2 years after the IDF redeployment in southern Lebanon and the creation of the security strip, Israel, with no great pleasure, is admitting that one of the ways to guard the "security of the north" is a hard-hitting threat to use military force against Lebanese civilians. Of course this is not the entire picture, and the security strip has an important role to play in keeping the peace in the north. There is no doubt that the security policy based on the foundations of the security strip has so far proved itself. However, the latest developments in southern Lebanon are creating a strange and dangerous situation. However irrational this sounds, Israel's military moves in southern Lebanon could be dictated by the accidental angle at which a single katyusha launcher is placed 15 or 20 km inside Lebanese territory.

As long as the katyusha rockets hit empty fields or orchards, we can content ourselves with warnings and leaflets. But what will happen if such a rocket falls on the main street of Qiryat Shemona or Nahariyya and claims a death toll? It is doubtful whether in such a case, the defense establishment will also content itself with a warning or a routine air force mission to "bomb terrorist targets."

In any event of a fatal katyusha strike one can assume that the Israeli military reaction will be based on the principles of the leaflet scattered through the skies of southern Lebanon last Thursday. A wide-scale operation that would hit the inhabitants of the villages north of the security strip very severely would accelerate even further the process of radicalization of the Shi'ite population there, drag Amal into carrying out further terrorist attacks against the IDF, and increase its strength and the southern inhabitants' support for Hizballah. These are precisely the moves that those responsible for Israeli policy in Lebanon are trying to prevent. However, the majority of the Shi'ites in southern Lebanon are now going through an irreversible process.

While the long-range Israeli ambition is to rely on the control of moderate Shi'ites in the southern area with a tacit agreement on the rules of the game in the area, in actual fact there is an ever-widening gap between Israel and the leaders of the Shi'ite community. The continuation of retaliatory attacks by the Shi'ites and the South Lebanese Army [SLA] is driving even further away any possibility of an Israeli dialogue with the Amal moderates. The Shi'ites regard the SLA as a military branch of the IDF. None of the explanations and excuses will help. When General Lahd's artillery shells fall on Yatar, Tibnin, (Tibnit), or Al-nabatiyah, the Shi'ite inhabitants of these villages are convinced that this was done on orders by Israel.

Therefore the latest developments are pushing the Shi'ite inhabitants into the arms of the extremists of the sect. Experience has already proved that the inhabitants who threw rice at IDF soldiers in June 1982 are the same ones who planted roadside bombs about a year later. In view of what is happening in the area, it seems that Shi'ite radicalization is unavoidable. A clear indication of this is the fact that all Israeli attempts to speak with the moderates among the Amal people prove futile.

And thus Israel's defense policy in Lebanon is confronting a trap. The tendency is to let Amal take control of the south. However, not only is there nobody to talk to in the Amal leadership, there is also no alternative to continuing to fight those plotting against the security strip, and these, of course, include Amal members. According to this view, the Amal organization is not an enemy and should not be turned into one, but a continuation of the current policy will end up by actually causing Amal to describe Israel as its enemy.

To all these complications we must add the Syrian activity and the fortification of the military infrastructure of the Palestinian organizations in the south, particularly in the Trye and Sidon refugee camps. The Syrians' entry into the Beirut area and their commando soldiers' deployment as far as Sidon greatly eased the pressure on Amal in its fight with the Palestinians. Amal can now send many of its fighters to the south and entrust them with the mission of the military struggle to "ground" the security strip. The Syrians are helping the Shi'ite fighters in their military operations against the security strip, particularly by supplying weapons and intelligence.

Senior military sources claim that it is precisely now, when it seems that Amal is at its peak and there is a great potential for it to be dragged into extremism, that the defense establishment must increase its attempts to find a path to the organization's leaders. This is not simple, and the Shi'ites willingness to talk is minimal.

The public in Israel must understand that the almost certain failure to reach an understanding and agreement with Amal means one thing: Israel will remain in southern Lebanon for a long time--a very long time. In fact, there is nobody today who can point to the final date of the Israeli military involvement in Lebanon. It only remains to hope that the military policymakers will not heed the advice of Refa'el Eytan, the chief of staff during the Lebanon war, and will avoid expanding the area of the "North Bank" which is under the practical control of Israel.

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CSO: 4400/217

HERZOG ON 'OTHER GERMANY,' AUSTRIA, WORLD JEWISH CONGRESS

AU261835 Vienna PROFIL in German Nr 21/25 May 87 pp 54-56

[Interview with Israeli President Hayim Herzog by PROFIL reporter Peter Sichrovsky; date and place not given]

[Excerpts] PROFIL: You have always been one of those Israeli politicians who speak of the other Germany. If you think back to your visit, what is this other Germany today?

Herzog: This other Germany is a democratic European country, a very industrious people with politicians who have led them out of their past and have made Germany one of the most important countries in the world; with a democratic system and free elections. But they also feel free concerning the discussion of the past. This is particularly evident if one thinks of the younger generations. In contrast to many others, the Germans do not expect us Jews to forget. All major parties recognize their responsibility toward Israel. Thus today there is this other Germany.

PROFIL: What is your impression of Richard von Weizsaecker?

Herzog: I think today we are good friends. I was very impressed with him when he visited Israel. This visit paved the way for my visit to Germany. But I doubt very much that it would have been possible for me to visit Germany without a man of Richard von Weizsaecker's character.

PROFIL: Richard von Weizsaecker was a young officer during the war. Like the Austrian president. Would you accept an invitation by the Austrian president?

Herzog: No questions about Mr Waldheim, please.

PROFIL: To put it differently: Did you ever have any difficulties during your visit to Germany with regard to the past of various politicians?

Herzog: Not when they openly admitted it and convinced me that they are now participating in building a new democracy.

PROFIL: If you look at Germany's development after 1945, do you see a contrast to Austria concerning the building of a new democratic society?

Herzog: Obviously, Austria is also a democracy, just like Germany. But I must admit that I do not know the details of Austria's history after 1945 very well.

PROFIL: What do you think about the theory that Austria was a victim of Hitlerite fascism? The Germans built their new society on the statement: We were guilty.

Herzog: There is this difference in the two states' attitude toward the entire problem. If I look back on Germany's development, from Adenauer to Brandt and Weizsaecker, then there is this attitude: We are responsible! And we will do our best to build a future where something like that can never happen again. And this also seems to have an effect on the following generations. Today in Germany we have the largest number of twined cities all over the world. And the largest amount of exchange of youth groups.

PROFIL: When was the last youth group from Austria in Israel?

Herzog: I do not know. I have never seen any. This is what I want to say. I do not observe the events that I see in Germany in Austria. At least with regard to these activities the difference between the two states is impressive. The mayors of Jerusalem and Tel Aviv were even invited to Berlin's 750th anniversary celebrations. Our orchestras, our theaters are there. It is an open and honest relationship. Without forgetting the past--quite the contrary. We do not forget, and we do not forgive; but we want a new future.

PROFIL: How is this in Austria's case?

Herzog: When I think of my personal experience, I must say that I have not seen any of this in Austria. Of course, a ballet was here, and there are totally normal relations. But I have never seen this commitment to building a joint future on the basis of the past, without pushing it aside.

PROFIL: Do you expect this from Austria?

Herzog: If I look at the tragedy of the Jews in Austria, I would say this would be absolutely natural. I get the impression that the people in Austria are not really aware of how deep the emotions about the Holocaust are in the people in Israel. And how much the thoughts and actions of the Israelis are still influenced by it.

PROFIL: Why do you think this is so in Austria?

Herzog: I do not know. To be honest, the current discussion about Austria is an opportunity for me to deal more closely with this country.

PROFIL: What would you advise the Jews who live in Germany and Austria today to do? Should they stay or emigrate?

Herzog: As president of Israel I am, of course, in favor of their coming to our country. This is the purpose of our state. But I tell this to all Jews in the world.

PROFIL: Does this mean that the Jews in Austria should not interfere in politics and should not act against anti-Semitism, but should leave the country?

Herzog: No, I did not mean this. All over the world Jews should fight against anti-Semitism and stand up for their rights. No matter where in the world and who acts against them. For us, it is a matter of course to support Jews in other countries when they are attacked--even though the inhabitants of the other country often do not understand this.

PROFIL: How do you assess Kreisky's political work in retrospect?

Herzog: We must be very grateful to Kreisky for his help in winning the release of captured soldiers. Concerning his role as a politician, however, I have never entirely understood his actions. I do not understand his preference for shady figures such as al-Qadhdhafi and 'Arafat, the founder of international terrorism. I am sure that--looking at the present situation--his interventions have not helped anybody and have not improved the political situation. I think it is much rather a psychological problem of Kreisky to try to be close to certain people. He certainly is a fascinating intellectual personality, but I have never been able to understand him.

PROFIL: Do you think that the problems which Austria has at present could be a result of Kreisky's policy?

Herzog: I would not agree with this formulation, but I think that Kreisky missed a historic chance. If I look at what German politicians, who were active at the same time as he was, did to improve the relations with Israel and with the Jews in general, I miss these activities in Kreisky's case. He could have started this dialogue. And he could have participated in working for a present--with regard to Israel's relations with Austria--which we would like to see today.

PROFIL: How important do you consider the World Jewish Congress for the life of the Jews in the world?

Herzog: The World Jewish Congress is an organization that was founded by Nahum Goldmann, who is dealing with Jewish issues all over the world. Many Jewish communities are members, but they still work independently. It is an organization like many others, the Zionists, for instance. There is no hierarchy of importance among these organizations. But all this has nothing to do with the State of Israel. Israel decides independently and without being influenced.

PROFIL: If one looks at political decisions taken over the past few weeks in the United States, Canada, and in other countries, is the influence of the World Jewish Congress not stronger than that of other Jewish organizations?

Herzog: No, this is absolute nonsense. The World Jewish Congress represents Jewish communities. There is no question of more or less important organizations. The World Jewish Congress is not, as many believe, the representation of world Jewry. We consider ourselves representatives of the Jews in the world. But we also feel responsible for the Jews in all countries.

PROFIL: Nevertheless, there are people, including many politicians, who again and again say that the World Jewish Congress is exerting pressure on Israeli and other foreign politicians.

Herzog: None of the numerous Jewish organizations exerts pressure. But in my view, the Jewish organizations all over the world have the right and the duty to express their opinion on various questions of foreign and domestic policy. This applies, in particular, to a situation which is linked with anti-Semitism or the Holocaust. But you must also understand that in the end it is the State of Israel that makes its decision. And it also has to pay the price for its decisions. Sometimes it pays with human lives. Well, there is intensive discussion among the Jews in the world but the decisions are made here.

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CSO: 4400/220

MAJORITY FAVORS INTERNATIONAL CONFERENCE

TA151337 Tel Aviv YEDI'OT AHARONOT in Hebrew 15 May 87 p 1

[Text] The majority of the public, in figures ranging between 52 and 64 percent, have expressed views favoring Israel's participation in the international conference, against the dissolution of the Unity Government, and against early elections.

These findings emerge from a public opinion poll conducted this week, between 10-13 May, for the YEDI'OT AHARONOT Editorial Board. The poll covered 1,093 people who were interviewed personally, according to a representative sample of the Jewish population.

Question: Are you for or against our participation in an international conference, under the conditions and in the format publicized recently?

<u>In favor</u>	<u>Against</u>	<u>No opinion</u>
52	43	5

Question: Do you justify/not justify early elections against the background of the dispute over the conference issue?

<u>Justify</u>	<u>Do not justify</u>	<u>No opinion</u>
37	59	4

Should the Unity Government be maintained or dissolved?

<u>Maintained</u>	<u>Dissolved</u>	<u>No opinion</u>
64	34	2

Elections forecast: As part of the above poll, the public's voting trends were also examined. The results show that over the past month there have been only minimal changes compared with the previous 2 months. The only thing that can be indicated is a slight improvement in favor of the large parties (Labor: 46 seats; Likud: 37 seats), and a slight decrease for the Tehiya (from 8 to 7) and the Citizens Rights Movement (from 6 to 5). There is no change regarding the other parties.

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CSO: 4400/217

POLL SHOWS INCREASE IN PERES' POPULARITY

TA061102 Tel Aviv HA'ARETZ in Hebrew 6 May 87 p 1

[Text] The prestige of Prime Minister Yitzhaq Shamir and that of Defense Minister Yitzhaq Rabin have dropped considerably. The prestige of Foreign Minister Shim'on Peres has somewhat recovered and that of Finance Minister Moshe Nisim continues to rise. These are the findings of a nationwide public opinion poll conducted by the PORI Institute at the request of HA'ARETZ in the 3d week of April.

Only 26.1 percent are now satisfied with Yitzhaq Shamir as prime minister. This is the lowest figure noted for people satisfied with Mr Shamir in all his years as prime minister and also as foreign minister. During the first 2 years of his term in office as foreign minister (1981-1982) about 50 percent were satisfied with Yitzhaq Shamir, and in 1983-1986 about 40 percent were pleased with him.

During the week the poll was conducted, after Defense Minister Yitzhaq Rabin's statements on the settlement issue, his popularity dropped to 52.6 percent. This, too, is the lowest figure noted for people pleased with Yitzhaq Rabin in all his years as defense minister. In 1984-1985 his prestige stood at about 60 percent, and in 1986 it even reached 70 percent and more.

The figures for those pleased with Shim'on Peres as foreign minister have now reached 51.5 percent, compared with the nadir of 47.7 percent noted for him in March (HA'ARETZ 24 March 1987).

The figures for people pleased with Moshe Nisim as finance minister have risen by 6.5 percent, from 33.8 percent in March to 40.3 percent at present.

The poll covered a representative sample of 1,200 men and women who were privately interviewed throughout Israel.

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CSO: 4400/217

MAY POLL SHOWS SLIGHT CHANGES FROM APRIL

TA291604 Tel Aviv DAVAR in Hebrew 29 May 87 p 2

[Text] Despite the period of crisis, the government's public image improved slightly last month. This emerges from the public opinion poll conducted for DAVAR by the Smith Institute from 11 to 18 May on a representative sample of 1,200 Jews throughout the country.

The public's assessment of the government's handling of all subjects, except security matters, was higher than in April.

"Is the government succeeding or not succeeding in the following spheres?" (The figures indicate the percentage of people who replied that the government is successful or mostly successful.)

	<u>Sep 86</u>	<u>Jan 87</u>	<u>Apr 87</u>	<u>May 87</u>
<u>Subject</u>	<u>Poll</u>	<u>Poll</u>	<u>Poll</u>	<u>Poll</u>
Economy	73	42	42	57
Social	37	30	25	32
Security	72	65	64	57
Foreign Affairs	72	59	41	46
General opinion of the Government	63	47	32	34

The most significant increase occurred in the economics sphere: From 42 percent who thought the government was successful in its handling of this area in April to 57 percent in May. This phenomenon also caused an increase in the social sphere. A slight increase was registered in the public's view of the government's handling of foreign affairs (from 41 percent to 46 percent), but in the field of security, the downward trend continues--presumably as a result of the terrorist attacks in Judea and Samaria. A very slight increase in the overall opinion of the government was registered: From 32 percent in April to 34 percent in this poll.

In retrospect it can be said that since the rotation there has been a significant deterioration in the public's assessment of the government. The data of the May poll indicate that this deterioration might have stopped and that a certain improvement may be starting.

The area of highest esteem is economics and it appears that the public believes we are in a reasonable economic state and progressing in the right direction.

No great changes occurred in the public's assessment of government members in the past month. The public's opinion of the senior Alignment ministers continues to drop while the Likud ministers have "revived" somewhat from the low assessment they were given in April (immediately following the Herut convention).

"How, in your opinion, are the following ministers fulfilling their jobs?"
(The results indicate the percentage of those who answered well or very well.)

	<u>Sep 86</u>	<u>Jan 87</u>	<u>Apr 87</u>	<u>May 87</u>
Minister:	<u>Poll</u>	<u>Poll</u>	<u>Poll</u>	<u>Poll</u>
Yitzhaq Shamir	55	47	36	39
Shim'on Peres	77	67	62	58
Yitzhaq Rabin	71	74	64	54
David Levi	46	49	27	33
Ari'el Sharon	33	35	31	35
Moshe Nisim	42	36	45	49
Moshe Arens	--	--	42	38
Yitzhaq Navon	--	--	--	51

The data show that the public assessment of Peres and Rabin continues to decrease while its evaluation of most of the Likud ministers has increased slightly. Nevertheless, the percentage gained by the three senior Alignment ministers--Peres, Rabin, and Navon--is still much higher than that of the three senior Likud ministers--Shamir, Levi, and Sharon.

In retrospect, the public's assessment of all the senior ministers since the rotation is lower, except for Sharon whose percentage remained more or less stable, and Nisim, whose assessment by the public has increased. The public's view of Sharon has consistently remained quite low, while Nisim is more popular now than he was in September 1986.

In general, the public's assessment of the government in May was very similar to what it was in April. In the public's eyes, the government is not very successful. Most of the senior ministers "lost" public esteem, although the Alignment ministers gained better ratings than the Likud ministers. Support for the Alignment is 14 percent higher than for the Likud, which is a slightly smaller difference than the one registered in April. The public, however, is still not interested in early elections.

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CSO: 4400/220

PROCEDURE FOR CALLING EARLY ELECTIONS DETAILED

Jerusalem THE JERUSALEM POST in English 13 May 87 p 4

[Article by Dvorah Getzler]

[Text]

Israelis are all too used to political crises and to headlines proclaiming the imminent end of a government. But compared with other countries a multiplicity of parties and coalition governments — such as Italy and France — Israel has a record of relatively stable parliaments. While Knessets seldom last their full four-year term, they don't fall far short of it.

The procedure for calling an election is well-defined in Basic Law: the Knesset and Basic Law: the Government. A new Knesset, the law says, is to be elected every four years in the Hebrew month of Heshvan, which fall in October/November.

But the Knesset may also pass a law to dissolve itself and thus call elections ahead of time. A private member's bill to do just this by the Citizens Rights Movement's Shulamit Aloni, is ready for submission, at any time, since it has already waited the statutory two-month period after having been tabled.

A dissolution bill can also be submitted by the government, which has a distinct advantage over private members in that it can speed the legislative process to push through all three readings within 24 hours. But it would normally give the Knesset at least 48-hours' notice before presenting such a measure.

In theory, an early dissolution bill needs no more than a simple majority of members present in the chamber when the vote is called in order to become law. But in practice, voting on such legislation is usually the

occasion for recalling MKs from wherever they may be scattered.

Whether the Knesset dissolves at the end of its appointed four-year term or as a result of an early dissolution law, no new government may be formed before elections are held.

The Knesset may also give the governments its marching orders by voting no confidence in its functioning. That move may not necessarily be followed by elections, since the president of the state is empowered to approach the heads of other parties and ask them whether they are willing and able to form a government that can win majority Knesset support.

The government, for its part, may end its own term of office in one of three ways. It can resign en bloc. Its premier can resign. Or it may come to an end on the death of the premier.

None of these events necessarily implies that elections are to be held, since again the president may entrust the formation of a new government to the outgoing premier, to another leader of the party in power, or to the leader of another major party. And, as experience has often shown, negotiations with possible coalition partners can be drawn out.

Except where the Knesset votes to dissolve itself and hold early elections, the calling of elections turns the government in power into a transition government which is, in effect, a government besieged: no minister may resign, and no new members may be co-opted.

The bill dissolving the Knesset – in the event of early elections – includes within its provisions the date of the elections. And most Israelis doubtless wish they could be held as rapidly as in England, for example, where Prime Minister Margaret Thatcher has announced that the country will go to the polls in three weeks.

But two laws may affect the timing of elections. One relates to the list of those barred from being elected – this includes the president, the chief rabbis, judges of secular and rabbinical courts, the state comptroller, the chief of general staff, rabbis and clerics or another faiths who are employed in those capacities, and senior civil servants and army officers.

At present, the law provides that these people must have left their jobs 100 days before the elections, a provision which could prove inconvenient to politicians wanting to coopt them to their electoral lists.

But, as a senior Knesset source pointed out, this is an easily changed provision, if only on an ad hoc basis, and precedents for such changes exist.

A senior source at the Knesset connected Israel's prolonged run-up to elections with the extreme politicization of society. But moves are afoot to reduce the length of the campaign and anchor the change in law.

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CSO: 4400/213

ELDAR ON SHAMIR 'INTRANSIGENCE'

TA171218 Tel Aviv HA'ARETZ in Hebrew 17 May 87 p 9

[Commentary by 'Aqiva Eldar: "The Human Side of Peace"]

[Text] Over the past few years Yitzhaq Shamir has played a decisive role in many talks, even more than the two sessions Shim'on Peres held with King Husayn. But Peres knew how to use the intransigent positions of the foreign minister, who later became prime minister, to exrricate far-reaching concessions from the king, which were given expression in the agreement of mid-April. Peres used the tried and tested form of manipulation in which he played the role of the good boy and Shamir--without knowing it--played the bad boy. Husayn understood that Peres was not alone but that an agreement made without Shamir's agreement would be worthless. Therefore he condescended to incorporate both open and classified clauses in the framework agreement in order to make things easier for Shamir, and this in fact led to the sharp turn in contacts with Jordan.

According to Peres' prediction, this turn was to have led also to a change in the position of the prime minister and the Likud. However, when it was his turn to take into account the neighboring king's positions-obligations as Peres put them to him, Shamir's reaction was an absolute and final "no." During the days preceding the discussion in the Inner Cabinet, I asked one of Shamir's confidants why he did not ask Peres to anchor in formal Cabinet decisions all Shults' and his own explanations that the "opening" would last for 1 day and that Israel would not sit down beside the PLO or attend an opening to which the Soviet Union was invited before renewing relations and opening its gates to a certain number of Jews.

The answer was short: "He has lost confidence in Peres." And the explanation was: Shamir feels that Peres led him astray over the Tabah affair. After all, he let him introduce numerous clauses that would guarantee that, together with the arbitration, the ambassador would be sent tack to Tel Aviv, the commercial and tourism agreements would be implemented, and compensation would be arranged for the families of those murdered in Ra's al-burqa'. Shamir believes that apart from raising Muhammad Basyuni from the rank of attache to that of ambassador, not one item from the agreement has been kept. In his view, Peres worked hand in hand with the Egyptians to lead him astray. Now the prime minister is determined, the confidant said, not to let Peres twist him round his little finger together with his friends the Arabs and the Americans.

In fact a human-psychological process was at work here, which Peres, drunk with the sensation of authoring history, was not sufficiently aware of: Unhappily for Shamir, he followed to the premiership one of the most charismatic Israeli leaders ever. For his first year in office Shamir was overshadowed by Menahem Begin with his great achievement, peace with Egypt, and his miserable failure, the Lebanon war. Then along came Shim'on Peres to take his place, and within 2 years he almost completely stops the daily bereavements in Lebanon, strikes a blow at inflation, and even brings the Egyptian ambassador back to Tel Aviv. Shamir watched the headlines enviously and without pleasure followed Peres on the planes that took him on his trips of peace and public relations to Washington, Cairo, [word indistinct], and the capitals of Europe.

And now Shamir is prime minister again and nothing has changed. President Mubarak again invites Peres to talks in Egypt, and Peres again snatches the fruits of fame out of his hands (the visit to the United States). Then Ambassador Thomas Pickering made things worse one bright day by placing on the table of the Israeli prime minister the document summing up the agreements between the Israeli foreign minister and the Jordanian king, with U.S. mediation. This was too much for Shamir. It emerged that Peres had taken Defense Minister Yitzhaq Rabin along with him so that he should hear from King Husayn himself about his willingness to ban the rejectionist PLO from the negotiations and greatly restrict the role of the conference plenum. It seems that even if Pickering had placed on Shamir's table a document in which Husayn stated willingness to give up all the territories, the prime minister would have found fault with it.

The final document is the product of protracted negotiations in the course of which the sides bargained over every subclause. Peres went to Shamir every now and then in order to update him on the details and Shamir, from skepticism mingled with intransigence, did not show any great interest in them. Peres believed that the completion of the document would remove the skepticism and, with it, the intransigence. However, then, when it emerged that something had really happened in the Middle East, it also emerged publicly that it had happened far away from Shamir's eyes. Nobody would believe that the prime minister did not want to know any more. The Likud ministers, who had also not been included in matters, stood as one man to the right of their leader against "dictates" and complained of their shared insult.

For many months Peres maneuvered as mediator between two negotiating partners until he became worn out and stumped. He agreed with Husayn that only the first two of the agreement's clauses would be publicized when the invitations were sent to the participants in the conference. Because of obvious pressures on Husayn from the Arab world it was agreed that the third clause, which contains eight points guaranteeing Israel against a "genuine" conference with the participation of the "original" PLO, would remain classified until the end of the process. Shamir, who knew the conditions, was scrupulous about the secrecy and, on the basis of the two clauses that were leaked, was able to claim there was not a mention of these guarantees in the document and Peres was forced to bit his lips.

Matters would have been different if Husayn had gotten into the royal plane and taken off for Jerusalem. Peres very much needs something dramatic to capture

the public's eyes and ears, more than a document half of which is secret and the other half of which is deliberately vague. Shamir even managed to foil Shultz' visit, which had been intended to provide the process with impetus, and he pushed the Alignment from negotiations with King Husayn to a position of inferiority in the bargaining with Rabbi 'Ovadya Yosef. For more than 2 years Peres waited for Husayn until there was a document; now it is Husayn's turn to be patient. If, despite the expected pressures, he adheres to the agreement until elections in Israel-- and this could take a long time--this would be the best Alignment election campaign material ever.

/12232

CSO: 4400/217

FOREIGN MINISTRY STAFF 'VULNERABLE' TO EXPLOITATION, INJUSTICE

Jerusalem THE JERUSALEM POST in English 8 May 87 p 8

[Text]

THERE WAS a time when Israeli diplomats abroad used to be proud of the fact that they were the only 100 per cent unionized group in their international profession. Pride in this "achievement," however, has become somewhat muted over the years. Their membership as a distinct branch in the Histadrut Civil Service Union has done little to aid them to achieve better labour conditions at home. To people outside the profession, the very term "labour" in relation to diplomats more often than not evokes a wry or cynical smile. The diplomat is highly stereotyped in the public eye: a species that lives off the fat of the land, in a rarified world of cocktail parties and dinners attended by the great and glamorous. That such people face a struggle for better wages, conditions and rights appears to be phantasmagoric.

For a brief initial period the founders and highest ranked officials of the Ministry for Foreign Affairs were inherited from the leadership of local and world Zionist parties; it has since been the scene of fierce controversy over the induction and promotion of staff. Its unique character as a source of exotic and "titled" appointments abroad has always attracted many more applicants for admission than it needed and, in consequence, has engendered greater competition for entry than any other government ministry. Furthermore, within the ministry, the constant striving to reach the apex of the pyramid – the ambassadors, ministers and consuls-general –

has been responsible for more impatience and excessive ambition than in any other sector of the civil service.

Against such a background it is surprising that such a degree of unionization ever took place and that a staff committee, elected each year by all the ministry's employees, could function on their behalf. Its existence from the earliest days of the ministry can be attributed to the long period of Labour Party government and the fact that its portfolio always went to one of the party leaders.

Moreover, the only organized party branch among the staff was that of Labour, and, as a bloc, it dominated all staff committee elections.

In theory, other political parties could have established branches among the staff and nominated candidates; or, given a sufficient number of qualifying signatures, independents could also have competed. However, as is customary on the Israel political scene, with its coalition governments, the ministries are divided between them, and their staffs tend to reflect the politics of the ministers in charge. Hence, until the advent of a government coalition not dominated by Labour, and a foreign minister not of that party, both the executive and staff committee of the Foreign Ministry were of the same party. This produced ambivalent labour relations between them.

WHAT THEN happened to Israel's earliest aspirations to establish an "objective" and "non-political" civil service? In its first flush of idealism limited attempts were made to achieve such a goal as far as the middle and lower staff echelons were concerned. In those halcyon days job vacancies were even advertised, and examinations to choose applicants were held under the auspices of the Civil Service Commission.

In fact, I must have been one of the last people of my generation to have entered the Foreign Ministry under this prescribed procedure. Already, "objectivity" was cynically being defined as follows: "If two candidates emerge successfully with an equal number of points, the party man will get the appointment; if the party man has a much lower number the non-party man will get it. If he is from another party, he will not have been invited to sit for the examination." Fortunately, in 1955, I was still a non-party man (although my background had been Hashomer Hatza'ir), which "proved" the "objectivity" of my appointment.

The coalition government hierarchy, however, did not have things all its own way, even though at the highest levels the party ministers were able to introduce their own men into their ministries. The Civil Service Union, in response to pressure from the staff committees, took up the struggle for more objective procedures in appointments, and for greater safeguards to protect those already employed from being displaced or from the installation of newcomers above them, thus blocking their road to promotion. As a result of this protracted struggle, an agreement, known as the *Taksheer*, was drawn up between the Civil Service Commission and the Civil Service Union. It required that before a ministry sought candidates for its vacancies outside the Civil Service, it was obliged to seek them first within its own staff; and that outside candidates for postings be invited by public tender to participate in a Civil Service examination.

The Foreign Ministry, however, chose to ignore this agreement on the grounds that it was different from all other ministries; that the nature of its tasks and therefore the means of choosing its employees or

promoting them had to be singular and unique. Even conceding the logic of this argument, more than one alternative was open to the ministry whereby, in conformity with the principles of the *Taksheer*, special standards and requirements could have been set for its examination and selection of outside candidates, as well as a special interview system to ensure suitable personality requirements.

The ministry's management, however, at that time under the direction of Golda Meir as minister, and of Ya'acov Nitzan as her assistant director-general responsible for personnel, preferred their own system of political and personal *protektzia* for the induction and promotion of staff.

The ministry's executive and its appointments committee, they claimed, had exclusive rights, and they rejected any "interference" on the part of the staff committee. It was at that stage that I was elected, in the early 1960s, to chairmanship of the ministry's staff committee. As a result there began a fierce struggle between executive and committee, and, in fact, between two institutions of the same Labour Party within the ministry.

THE FIRST sharp clash occurred over the appointment of a first secretary to our embassy in Mexico. By this time the staff committee had already made it clear that the *Taksheer* was the basis of its position. An announcement was posted by the executive on the notice-board inviting members of the staff to apply for the vacancy.

This was only a "cover-up," however, as staff committee "intelligence" had learned that an agreement had already been signed with an outsider to fill the job and only awaited "security clearance" for ratification. The enraged staff committee threatened the first strike of diplomats in Israel's history and delivered an ultimatum with a set deadline. A quarter of an hour before it expired, the executive surrendered. The posting was filled by the transfer of one of our diplomats abroad to Mexico City.

The struggle between executive and staff committee spilled over into the Labour Party, the Civil Service Union and the press. Although the

committee won a number of "battles," it could not win the "war." The Labour Party hierarchies of the Histadrut, its own Jerusalem branch and the Jerusalem section of the Civil Service Union, manifested more solidarity with the Labour Party executive of the Foreign Ministry than with its staff committee. Asher Yadlin, then the Civil Service Union boss in Tel Aviv, unsuccessfully attempted to persuade the committee to abandon its struggle.

Reuven Barkatt, then secretary-general of the Labour Party, explained that although our struggle was both correct and just, he could not support us because of "the balance of forces within the Labour Party." By this he meant that he could not embarrass the "Old Guard" at a time it had to contend with opposition forces within the party. Golda Meir, the minister, was one of the prominent members of the "Old Guard." A representative of the Jerusalem central branch of the party put it to me even more crudely: "When it comes to elections, Golda Meir will bring in more votes than your staff committee."

Nevertheless, despite the attitude of party officialdom, which ranged from "understanding" to outright hostility – and even on one occasion attempted to induce my committee by "concessions" to get rid of its chairman – Foreign Ministry employees stuck to their guns. When the Foreign Ministry Labour Party branch leadership, in obvious collusion with the ministry's executive, nominated "safe" candidates for its list in the following election year, they were countered by an independent list that included party members. This was the first time such a "revolt" had occurred – years before the advent of Rafi – and the independent list I headed won decisively.

The ministry executive now realized that concessions had to be made. It undertook to observe the *Taksheer* and agreed that if and when exceptional appointments had to be made, this would be in consultation with the staff committee. However, this did not apply to ambassadors who were proposed by the executive's appointments committee but were subject to cabinet approval. The exceptions represented two categories: individuals from outside the ministry who would

be sought by public tender, employed only by contract during the posting and not be automatically inducted into the permanent staff afterwards. Such exceptions would occur only if the ministry failed to find suitable candidates from within for the given postings.

The second exception referred to political appointments. These, the staff committee conceded, could not be entirely avoided, owing to the nature of Israel's political structure and its form of government. But to protect the professionalism and morale of its ministry, the staff committee demanded that such political appointments be held to a minimum. Agreement was subsequently reached that that minimum should not exceed 15 out of a total of some 400 abroad. The present staff committee is attempting to reduce this number even further.

THIS agreement was reached in the mid-1960s, and a struggle around its implementation continued over the next decade. It grew even more complicated when the Likud, for the first time, became the dominant government coalition partner and appointed its own foreign minister. Meanwhile, however, the Foreign Ministry embarked on a new and far-reaching method of staff induction, which ultimately will not only ensure the evolution of a foreign service whose diplomats will both be fairly and objectively engaged, but also be characterized by the requisite high standards essential to represent Israel.

This system of cadets (*mit-machim*) is based upon the employment after examination of university graduates whose academic backgrounds have been outstanding in such fields as the Middle East, political science, international relations, economics, international law, etc. The annual intake of such cadets is at the bottom of the ministry's diplomatic ladder, but after two years they will obtain their first postings abroad. Over the years the result will be a highly qualified service right up through the ranks. Each year, out of 800 candidates, 24 are selected by examination for cadetship.

A struggle still continues for the choice appointments, particularly between the professionals who have invested years of experience in their

upward climb and the political appointees from without. A present example of this is the controversy over the appointment of an ambassador to Washington. Following "Iran-gate" and the Pollard affair, it seems obvious that a professional should be appointed whose experience and skills would be essential in undoing some of the damage and improving relations. To date, however, such highly qualified professionals from within the ministry have been passed over and, instead, proposals made by the minister and prime minister have been of an outside political nature. Apart from the question of aptitude, each such outsider choice does incalculable harm to the morale of the ministry's professional staff.

Although the Washington posting has been highly publicized, it is but one of many examples of the problem of professional versus political appointments. This problem is, of course, not unique to Israel. The U.S. foreign service, for example, appoints a percentage of its ambassadors from among persons who have been generous in their financial support of the ruling party. In Israel, not financial contributions but rewards for political services, and even personal *protektzia*, are the considerations. Israel, moreover, not only appoints unprofessional ambassadors from its parties, but also consuls-general, consuls, and even information personnel.

Nor is resentment among the ministry's staff or declining morale the only consequence of outside political appointments, not a few of which have been clearly mistaken. Sufficient examples exist of diplomatic inexperience and incapability. This is particularly true since the Likud became a governmental factor. More recently, after the minis-

try's takeover by its present minister, the situation has been further exacerbated.

The appointment of two directors-general from without, above the highly qualified professional staff, is being sharply criticized as a source of confusion, as undermining and dividing authority, and as a slap in the face to the ministry's seasoned and more competent executives.

THE MOOD in the ministry has also been embittered by the long and unsuccessful struggle over wages and conditions of work at home. Job for job, diplomats earn less than their equivalents in the Ministry of Defence and, on reaching mandatory retirement age, their pensions are smaller.

In essence, the Foreign Ministry staff is more vulnerable to injustice and exploitation than any other branch of the Civil Service. While others whose essential services to the public are obvious and directly important, and therefore strike action on their part can be an effective instrument of struggle, such is not the case with the employees of the Foreign Ministry. The public is neither aware of their problems nor does it care. A resort to strike action would either be ignored or be a source of cynical amusement among a public to whom the diplomatic service represents a source of high living and enrichment. Little do they know how hard its personnel work abroad and how great is their struggle to fulfil their responsibilities with budgets and allowances which only too often leave them out of pocket. Yet even this "great wealth" is counted against them when they return home and are expected to function with less than a living wage.

/13046

CSO: 4400/213

IDF INTELLIGENCE CHIEF INTERVIEWED

TA281423 Tel Aviv BAMAHANE in Hebrew 27 May 87 pp 8, 9

[Interview with IDF Chief of Intelligence Major General Amnon Shahaq by Udi Praver and Hayim Raviv, on the occasion of Intelligence Corps Day; date and place not given]

[Excerpt] [BAMAHANE] What is your assessment of the risks King Husayn took when he agreed to an international peace conference?

[Shahaq] In my opinion, he did not take any risks whatsoever. Husayn wants an international conference under his own conditions and he realizes the difficulties on the way to such a goal.

[BAMAHANE] Let us proceed to discuss Syria. Until a few months ago Syria was described as a country posing an immediate threat to Israel. Since then, the tone of political and military leaders has changed. What happened?

[Shahaq] In my opinion, Syria was and remains a threat; whether an immediate one or not--I would be very cautious about that. Even today I would not say that Syria could not launch an immediate action against Israel, it could. The question is under what circumstances and constrictions would al-Asad be forced to act. Syria is a threat, and an immediate one at that. At this point, I do not believe that Syria is going to take any aggressive action against Israel either at present or in the near future. However, let us not forget that not too long ago Syrian emissaries tried to bring down an airplane carrying 400 Israeli civilians.

What do you think would have happened had this Syrian attempt succeeded, God forbid, and the State of Israel had known that Syrian elements were behind it? Syria has recently entered Beirut; its troops have moved toward northern Israel on Lebanese territory--and I am confident that a real debate will be held as to whether this does or does not pose a threat. In other words, as long as the Syrian Army maintains its current size and the statements of Syrian leaders remain similar to those made in the last few months and weeks Syria continues to pose a threat to the State of Israel.

[BAMAHANE] Have there not been significant changes in the Syrian Army? Have the economic difficulties not in any way changed the national order of priorities?

[Shahaq] The order of battle of all the armies in the region has gone through changes; the IDF's order of battle is also changing. The present change in the Syrian order of battle does not alter the nature of the threat. I also do not think that the IDF's ability changes significantly as a result of the changes in its order of battle. I think that the IDF remains strong and that the Syrian Army remains a threat. Syria is having difficulties, economic ones in particular. These difficulties affect everything, but they have not changed its national order of priorities. The question of security and the army continues to be high on the list of Syria's priorities and most of the resources are allocated to it.

The Syrian Army continues to gather strength in many areas; it continues to procure additional weapons and it does not rest on its laurels. If the economic problem is so serious how could Syria take thousands of troops and transfer them to Beirut? When the Syrians thought such a move was needed they said: Despite our economic situation we will do that, and they did. Syrian soldiers are stationed in Beirut and are having to deal with terrorist attacks and yet I do not hear a hue and cry in Syria that it cannot cope with this because of its economic difficulties.

[BAMAHANE] The 5th of June does not only mark the defeat of the Arab armies in 1967 but also the PLO's defeat in 1982. What are the chances for the restoration of the terrorist infrastructure in southern Lebanon?

[Shahaq] First of all, the PLO dispersed and found itself far from the Israeli border where it had been easy for it to operate. In my opinion, the *raison d'être* of the PLO was and remains to attack Israel. The same applies to 'Arafat--perceived by some as moderate on the eve of the PNC session in Algiers--which was spoiling for attacks against Israel. This is the reason for the infiltration attempt near Kibbutz Manara and the katyushas fired at the Galilee which were meant to be presented as a "dowry" to the factions meeting in Algiers, as if to tell them: "Look here, I am operating against Israel." This is what the PLO needs and that is why the proximity to the Israeli border and the ability to operate against Israeli targets continues to be very important for the PLO. That is why due to its internal situation Lebanon remains very important for the PLO to this day because it is the only place from which it can try to operate against Israel. The Jordanians do not allow them and the Syrians did not allow them in the past.

I cannot foresee a restoration process. The terrorist infrastructure is located in the refugee camps and in the midst of the Palestinian population in Lebanon. The main infrastructure comes from there and without it would be impossible for all those who are coming back. Hundreds of people have been returning to Lebanon in the past 2 years, mainly the leaders. They are

coming back through diverse ways and they persist in returning because it is clear to them that this is the only active stronghold they have at present in the proximity of the State of Israel. Despite all the difficulties, it seems that despite the Syrian presence there are still Palestinian fighters in Beirut, Al-Biqa', Tripoli, and Sidon.

The only area where 'Arafat's men enjoy relative independence is in Sidon and they will try to increase their efforts. I think that we will try and prevent them from gaining strength there.

[BAMAHANE] How do you perceive the PLO in the wake of the PNC session in Algiers? Is it the same package with a new wrapping?

[Shahaq] I do perceive a slightly different PLO. For my taste it has become somewhat more extremist in the spectrum of Palestinian views. Not that I think it was moderate previously. I would not be altogether surprised if there is a rapprochement between the PLO and Syria in the course of some months. This could also alter the relations inside Lebanon, between the Syrian and Palestinian elements there. I think we will have to adapt ourselves to confront new deployments. I do not think our current problem in Lebanon has been solved, I do not think we will be without problems from the direction of Lebanon, and I do not think the Syrian interest in creating problems for us via Lebanon has come to an end, and the same thing applies to the Palestinian interest in making problems for us via Lebanon.

[BAMAHANE] Has the crisis in the world oil market had any effect on the Arab armies' strengthening, both in qualitative and quantitative terms?

[Shahaq] The main effect of the oil crisis is on those who have a lot of money. Let us take Syria or Jordan as an example. They have never built their military on oil income because they are not oil-producing countries and if they have been affected it took the form of a marginal cut in the sums of aid they were receiving from oil countries, mainly from Saudi Arabia. In my assessment, Syria will continue to receive Soviet arms in quantities and quality; as for Jordan, its army is equipped with extremely modern, very advanced land weapons and the Jordanian aerial defense is combined or now combining the best of the Western weapons with those from the East. Iraq has also received the Mig-29 and it is still receiving Soviet weapons in quantities and without any dependency. There has been no depression in Saudi Arabia, which is the greatest of the oil producers. There is less money, but there is still a very great amount of money. Saudi Arabia is not a welfare state in the sense of needing loans from the pan-world currency market. And it was only recently that we heard about a desire to purchase between 12 or 15 F-15's for \$500 million. Those planes will come from U.S. soil and be a replacement for Saudi planes, on Saudi soil, that have gone out of use. This is not being done by people who are poverty-stricken and in distress.

[BAMAHANE] Some time ago the outgoing chief of staff described the current situation in the area as a very comfortable one, perhaps the most comfortable he can remember. And what emerges from your lecture published in HA'ARETZ in October 1986 is that the pragmatic stream in the Arab world has become stronger and is having a great effect. Is the area really moving toward relaxation?

[Shahaq] Relatively, yes. What is much more difficult for us to assess is for how long. What has an effect on the Arab world at present is, first of all, Egypt's departure from the battle circle. This is the most substantial change that has taken place over the past few years. And it was the peace with Egypt that specifically led to a decrease in the comprehensive threat to Israel. Any change in the relations between us and Egypt is something I regard as most dangerous. We see that Jordan is also hunting for ways of one sort or another to arrive at a situation of building up or determining relations with Israel other than through war.

Syria, which undoubtedly was and is the most militant and activist of the countries in anything involving activity against us has domestic difficulties that cannot be ignored. These difficulties are decreasing, but not eliminating, the danger I mentioned earlier. I think they certainly are having an effect on it. It will be very difficult for Syria to go to war alone against Israel. Iraq and Iran are involved in a sort of protracted war against each other. Syria is now standing alone and so it is really not an existing threat to Israel even if it takes some sort of offensive action. All the more so as the situation around Syria is influencing the decision-makers there not to take any initiative unless circumstances that, from their viewpoint, would make this essential, are created. And those circumstances do not exist at present, in my view.

Therefore, when you come along and see everything from an overall view, on the surface it seems as though the immediate threat does not exist. However, we have learned that alterations can take place in the area very rapidly.

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CSO: 4400/220

BIOGRAPHICAL DETAILS ON GENERAL BARAQ

TA081138 Jerusalem Government Press Office in English 7 May 87 [unpaginated]

["Communicated by the IDF Spokesman"--GPO headline]

[Text] Major General Baraq was born in 1942 in the settlement of Mishmar Hasharon in the 'Emeq Hefer region. He was recruited to the IDF in 1959. He filled the following command positions: platoon commander, company commander, deputy battalion commander and battalion commander of an elite unit. At the end of the War of Attrition, he served as a tank company commander and later as a regular tank battalion commander, a regular tank brigade commander, and commander of reserve and regular divisions (armored).

Within the framework of the staff positions he held, he served, inter alia, in the Operations Department of the General Staff with the rank of colonel. In the 6-Day War, he commanded a reconnaissance team, and the Yom Kippur War commanded a tank battalion in Southern Command. In 1974 he was appointed commander of a course for tank commanders, and in 1980 he was appointed commander of a course for battalion commanders. On 1 January 1982 he was appointed chief of the Planning Branch at General Headquarters. On 15 April 1983 he was appointed head of the Intelligence Branch. On 19 January 1986 he was appointed GOC [General Officer Commanding] Central Command.

He was awarded the exemplary conduct medal and holds other decorations as well. He is a graduate of an infantry officers course (1962), of a French commando course (1964), and of a company commanders course (armor, 1968).

Maj Gen Baraq holds a bachelor's degree in physics and mathematics from the Hebrew University of Jerusalem, and a masters degree in the field of systems analysis from Stanford University, California (1978).

He is married and has three daughters.

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CSO: 4400/217

TRADE DISPUTE WITH SPAIN UNRESOLVED

Jerusalem THE JERUSALEM POST in English 7 May 87 p 6

[Article by Ken Schachter]

[Text]

TEL AVIV. — Jerusalem and Madrid are unlikely to resolve their trade differences until 1990, when Spain is fully integrated into the European Community, Catalonia's minister of commerce and tourism said yesterday.

The minister, Joaquim Molins, said that Israeli and Spanish negotiators would be able to come to a rapid agreement on lowering bilateral tariff barriers but for the "intervention of EC authorities."

Molins and the president of Catalonia, Jordi Pujol, are in Israel to promote trade, tourism and cultural exchanges. Catalonia, the chief industrial region of Spain, was granted limited autonomy in 1980 after approval of a home-rule referendum.

Spain has been accepted for EC membership, but the absorption process will span several years. Although the lowering of trade barriers with its EC partners won't be complete for three years, Spain must get approval from the EC on any trade pact it signs with Israel. "Now we're not sovereign," Molins said in an interview after a speech at the Ramada Continental Hotel here.

But Ya'acov Arad, assistant to the director of the Israel Customs Office, was more optimistic, saying that an early resolution to the trade talks would "benefit both countries."

EC representatives based in Israel could not be reached for comment.

For Israeli consumers, a major benefit of a bilateral trade agreement would be a reduction in the duties on Spanish-made autos, including those made by Seat, based in Barcelona, Catalonia's largest city.

In January, Israel slashed the customs duties on EC-made cars — excluding Spain's by 27 per cent.

Israeli exporters could benefit from an agreement through greater access to Spanish markets, particularly for agricultural products and textiles. The EC, however, has not granted Israeli producers unlimited access to its markets and is unlikely to allow Spain to exceed its own limits.

Last year, Spain ran a trade surplus with Israel amounting to about \$70 million according to the Israel-Spain Chamber of Commerce. One of the sticking points in trade negotiations is the effort by the Ministry of Industry and Trade to bring bilateral trade into balance.

/13046

CSO: 4400/213

DIAMOND INDUSTRY BOOMING

Jerusalem THE JERUSALEM POST in English 7 May 87 p 6

[Article by Simon Louissou]

[Text]

RAMAT GAN. - The diamond industry, like trading in precious metals, has been riding high on the battered U.S. dollar. But unlike precious metals, whose prices have been boosted by inflation fears, diamond sales have been strengthened by growing Japanese demand, fuelled by the rising value of the yen, industry sources say.

Diamond exports are on track to top \$2b. this year. Sales for March were up 39 per cent on last year at \$187.1m., while those for the first quarter of the year are over \$500m., an increase of more than 26 per cent.

Sales for the first quarter of this year are running 25 per cent ahead of last year's buoyant market. However, there has been no commensurate movement in prices, and most of the extra sales have come from Japanese buyers taking advantage of the low value of the dollar against the yen.

Israeli Diamond Exchange president Moshe Schnitzer says diamonds are not seen by the public as a speculative product or a hedge against inflation, and that's the way he wants to keep it. He wants stability in prices rather than the ruinous roller coaster ride of the late 1970s. At that time diamonds were promoted by some as an investment, with disastrous results for the industry and a lot of attendant bad publicity.

Despite the new interest from Japan, a number of people within the industry here have some qualms about increasing the supply of diamonds on the market. De Beers,

the main supplier of rough diamonds to the world market, sold around \$1.6b. of rough diamonds in 1985. Last year it increased to \$2.4b. and, with over \$1b. already sold, this year's total sales are likely to approach \$4b.

"It's an enigma how the market has absorbed it," says the manager of one leading exporter. "Like all markets it has to be at the cost of something else and in this case its profitability. It's simple supply and demand."

Partly compensating for the increase in supply by De Beers is the reduction of output by the Soviet Union. Although no figures are available, it is generally acknowledged the Soviets have reduced their supply because of the poor returns they are getting in dollar terms. In the past the Soviets were accused of dumping but they now have a more disciplined approach.

However, Schnitzer rejects criticism that De Beers is flooding the market. He says they are only responding to market demand and that prices in the U.S. have not increased because there is a limit to what Americans will pay for diamonds and because of the economic situation there.

"Demand for supply is very high. You can't blame them," he says.

In the American market much of the increased demand is a result of wholesalers enlarging their inventories, which they had let run down,

rather than increasing sales in the retail market. Because diamond prices have stabilized wholesalers are no longer afraid to hold stocks and the prospect of higher inflation may encourage this.

But the rising price of gold causes problems for jewellers who are already planning for the Christmas rush. Higher gold prices mean the same jewellery item costs more and many compensate by choosing a smaller diamond stone.

The main change in the Japanese market has been the greater interest in larger stones, in the lower-to-medium-carat sizes. Previously Japanese buyers dominated in quality stones, but now they are more in competition with American buyers.

While profit margins for Israeli manufacturers have been cut by the tied exchange rate and increased labour costs, higher turnover has partly compensated. One of the most healthy signs in the local industry is the low level of debt - around \$250 million on exports of \$1.6 billion last year, compared with \$1.2b. on exports of \$1.4b. in the late 1970s. Most to benefit in this environment has been the small- to medium-sized operations, which have good manufacturing expertise, low overheads and low debt.

/13046

CSO: 4400/213

SOIL SALINATION THREATENS JEZREEL VALLEY

Jerusalem THE JERUSALEM POST in English 6 May 87 p 4

[Article by Ya'acov Friedler]

[Text] HAIFA. - Some 70 years after the first pioneers drained the malarial swamps of the Jezreel Valley, the verdant region is getting waterlogged again, resulting in dangerous soil salination.

"It is a problem we are aware of and will do everything to solve," says Ephraim Ben-Meir, director of Palgei Mayim, the Jezreel Valley Yokneam-based organization that supplies water to the valley.

At least 3,000 dunams of rich farming land in the Kfar Baruch area have already become so salty that they are unusable or uneconomical for farming, "and the blight is spreading."

Paradoxically, the valley is getting wetter as a direct result of the total exploitation of its waters.

"Every outlet, stream or wadi through which the saline ground waters could flow out to the sea has been dammed to save the water for the farmers. This has effectively closed off the valley," Ben-Meir says. "As a result, the ground water, which is naturally saline, and has been made even more saline by more than half a century of intensive irrigation and fertilization, now has nowhere to go but up."

"From its natural depth of seven to eight metres, the ground water has been forced up to within a metre or so below the top soil. In many places it is already in contact with

and adversely affecting the arable layer of top soil, endangering agriculture."

He emphasizes that the exact causes of the sinister salination have not yet been fully established. But he says it is reasonable to suppose that the damming of all outlets to the sea and the catchment in reservoirs of the rainfall that would otherwise have joined the ground water caused the excess salination of the ground water and its rise to the level where it may jeopardize the Jezreel Valley's future.

For the past two years the problem has been under study by experts, at the initiative of Palgei Mayim. Every available research tool has been used. Ben-Meir estimates that the research will be completed in 18 months.

He stresses that the damming, draining and catchment were "very positive" measures, which helped to make the valley the rich farming land it is. The problem is that the successful exploitation of the waters has gone too far, and it appears that an outlet will again have to be provided to let the saline ground water drain off.

In any case, he says, there is no intention of losing the valley, and everything possible will be done to save the rich land.

Seventy years after it was first drained, it must be drained again.

/13046

CSO: 4400/213

BRIEFS

CONSUMER IMPORTS FALL--Imports of consumer durables declined sharply last month, following several months of a rapid increase, the Treasury said yesterday, adding that this reflected seasonal factors and not necessarily a trend. The ministry also reported that last month tax revenue edged up a real 1.3 percent to NIS 1.5 billion from April 1986. Revenue from income taxes totalled NIS 775 million during the month, a similar level to the same period last year. It was the 1st month of implementation of the tax reform, but State Revenue Commissioner Yisra'el Bar'on said he expected the effects of the reform would only be felt in this month's figures. [Excerpts] [Jerusalem THE JERUSALEM POST in English 6 May 87 p 9 TA] /12232

IMPORTS RISE--Imports to Israel increased by 23 percent in the 1st quarter of 1987 compared to the same period last year. A particularly steep increase of 56 percent was registered in imports of perishable goods. [Excerpt] [Jerusalem Domestic Service in Hebrew 1400 GMT 7 May 87 TA] /12232

INFORMATION CENTER ORDER CANCELED--The Jerusalem District Court has canceled a confiscation order on material from the Alternative Information Center. The Center was closed recently for allegedly distributing material which supports the PFLP. The cancellation order does not include material the state prosecutor will use as evidence. At the same time, leaders of the center say they will open another office and continue their activities. They say the decision by the three-judge panel limits the current closure only to the office in Jerusalem. The head of the center, Mikha'el (Warshovksy), told reporter Steve Rodan that he cannot return to the center under the terms of his release from prison. [Text] [Jerusalem Domestic Service in English 0400 GMT 12 May 87 TA] /12232

BANK CHANGEOVER RESISTED--A confrontation between the Israeli employees of the Civilian Administration in Judaea and Samaria and the coordinator of government activities in Judaea, Samaria, and the Gaza Strip is undermining the Defense Ministry plan to replace most of the administration's Israeli employees with Arabs. The reference is to some 22 employees. The confrontation is based on professional reasons but bears great political significance because the plan to incorporate Arabs in the administration is, in the opinion of many people, aimed at building an infrastructure of autonomy with a link with Jordan. [Report by Nadav Ha'etzni] [Excerpt] [Tel Aviv HADASHOT in Hebrew 17 May 87 p 11] /12232

HUNDREDS 'RIOT' IN RAFAH--Hundreds of residents rioted opposite the town hall in Rafah yesterday in protest against the procedures of distributing food to

the needy. They set several offices on fire and damaged vehicles. The security forces dispersed the rioters and the firemen put the fire out. [Text]
[Jerusalem Domestic Service in Hebrew 0700 GMT 17 May 87 TA] /12232

NEW PRECISION-GUIDED BOMB--"Ofar," a cheap, modern guidance kit developed by "Elbit" which bridges the gap between dumb iron bombs and smart, expensive bombs will be displayed at the "Elbit" pavilion at the Paris air show in June. The kit is suitable for use on all types of fighter planes, and does not require any changes in plane structure. It is a regular bomb, capable of independently homing in on the heat radiating from the target and of bombing during fast runs and at great heights in the "launch-and-forget" method. In the first stage, the bomb follows the usual ballistic path. At approximately 1,000 meters from the target, the kit's infrared sensor detects the target according to the heat emanating from it. The kit locks and begins to direct the bomb to the target--which can be static or mobile--while adjusting the flight angle as required. [Text] [Tel Aviv 'AL HAMISHMAR in Hebrew 19 May 87 p 18 TA] /12232

CHANGES IN GROUND FIGHTING--The director of Refa'el, the Armament Development Authority, said that the plant is currently concentrating on implementing a drastic change in fighting by ground forces, the most important area for the IDF. This follows the revolution Refa'el already implemented in the naval and air arenas, and after it supplied the IDF with modern weaponry. The director, Dr Ze'ev Bonen, made these remarks to our correspondent Shulamit Schmerling at the opening of Refa'el's Leshem Institute in the Galilee. This institute will be center for development of missiles, such as the air-to-air missile Python-3; anti-naval-missile missile Baraq-1; a modern facility for the development of systems for night sight; and missile detectors. Some 1,400 REFA'EL workers are employed at the Leshem Institute. [Text] [Jerusalem Domestic Service in Hebrew 1100 GMT 20 May 87 TA] /12232

UNIVERSITIES IGNORE TUITION DECISION--In a stinging rejection of government policy, the universities announced last night that they would ignore the cabinet's controversial decision to impose a two-tier system of tuition fees. The announcement, which came after a meeting in Jerusalem of university heads, was seen as a declaration of open support for students who have been campaigning against the policy. But the university chiefs also decided to set fees at over \$1,600 for all students next year--far higher than the \$800 level students had sought. [Report by Bernard Josephs] [Text] [Jerusalem THE JERUSALEM POST in English 21 May 87 pp 1, 2 TA] /12232

ISRAEL, PANAMA TRADE CONTACTS--Israel and Panama will appoint officials from both countries to coordinate steps to encourage bilateral trade. This was agreed by Trade Minister Ari'el Sharon and his Panamanian counterpart in Jerusalem today. Israel's imports from Panama increased last year to stand at more than \$10 million. They included precious stones, coffee, and cotton. Israel exported to Panama \$7 million worth of transport equipment, chemicals, and diamonds. [Text] [Jerusalem Domestic Service in English 1400 GMT 21 May 87 TA] /12232

INDIA BREAKS EMBARGO--The Dead Sea Works has broken India's embargo on Israeli-made fertilizers. After protracted efforts, a consignment of phosphates worth \$2 million was sold to India this week. Our economic affairs correspondent Gadi Sukenik reports that the phosphates were shipped directly from the port of Elat to the Indian Agriculture Ministry. It has nevertheless emerged that

the Scandinavian countries which had extended aid to India to buy fertilizers made this aid conditional on not having it linked to any embargo. [Text] [Jerusalem Domestic Service in Hebrew 0800 GMT 26 May 87 TA] /12232

POPULATION OF JERUSLAEM--Last night the population of Jerusalem was estimated at 475,000, of which approximately 340,000 are Jews, 121,000 are Muslims, and over 14,000 are Christians. This was reported by the Central Bureau of Statistics spokesman, based on population estimates prepared by the bureau. The population of Jerusalem has increased by approximately 80 percent in the past 20 years; the Jewish population increased by an average of 2.7 percent annually, which the non-Jewish population rose by approximately 3 percent annually. [Summary] [Tel Aviv HA'ARETZ in Hebrew 27 May 87 p 3 TA] /12232

FOREIGN CURRENCY RESERVES--Last month Israel's foreign currency reserves increased by \$144 million and reached a record of \$4.537 billion. This has been reported by the Bank of Israel. Our correspondent on economic affairs Me'ir Einstein comments that the ongoing increase in Israel's foreign currency reserves originates in the changing of dollars to shekels in the private sector of the economy. Our correspondent has learned that last month the private sector converted some \$300 million to shekels. In May the government absorbed 301 million new shekels. Deputy Finance Minister Adi Amoray said the government was forced to absorb this money in order to take in the shekels that had been injected into the economy as a result of the conversion of the dollars. [Text] [Jerusalem Domestic Service in Hebrew 1100 GMT 1 Jun 87 TA] /12858

MAY SOVIET JEWISH EMIGRATION--A record number of 875 Jews left the Soviet Union in the month of May but only 224 of them came to Israel, while about 650 others left for other destinations. Some 2,300 Jews have left the Soviet Union since the beginning of the year, but only some 600 of them immigrated to Israel. Hayim Aharon, head of the Jewish Agency Immigration Department, said the number of Jews leaving the USSR is the highest in the last 10 years. [Excerpt] [Jerusalem Domestic Service in Hebrew 2000 GMT 31 May 87 TA] /12858

EXPORTS TO SPAIN--Israel has begun exporting fresh agricultural produce to Spain, which is competing with Israel over exports to the EEC. The breakthrough in Israeli agricultural exports to the Spanish market was made by Agrexco, which already exported agricultural produce to Spain for a total of about \$0.5 million last year. This year exports will be doubled. The main goods Israel is exporting to Spain are fresh dates, turkey products, and water plants. [Excerpts] [Tel Aviv HA'ARETZ in Hebrew 1 Jun 87 p 5 TA] /12858

RADIOACTIVE GREEK SHIPMENT--A shipment of hazel nuts that is affected by higher radioactivity than is permitted, the second in a week, has been discovered. This time the reference is to 13 tons of nuts imported to the port of Haifa from Greece. The Health Ministry has instructed the importer to destroy the shipment or send it back. The Health Ministry official in charge of these tests, Daniyel Reichman, has said that since the importers are not being scrupulous about purchasing goods from reliable sources, his ministry will make the tests even more stringent. [Text] [Jerusalem Domestic Service in Hebrew 1900 GMT 27 May 87 TA] /12858

CSO: 4400/220

WRITER ON PALESTINIANS' ELECTION ROLE

JN131030 Amman AL-DUSTUR in Arabic 13 May 87 p 7

[Article by Salim al-Suways, an advocate, entitled: "The Palestinian Role in Parliamentary Elections"]

[Text] For the first time since the foundation of the Hashemite Kingdom of Jordan parliamentary elections will be held in the East Bank alone and will not be held in the West, or more precisely the elections will be held in the East Bank directly and in the West Bank indirectly. Thus citizens in the East Bank will elect their candidates directly and the inhabitants of the 10 refugee camps [in the East Bank] will elect their representatives, and then all of them will elect the representatives of the West Bank.

For the first time the elections are held in accordance with the new electoral law which doubled the number of representatives and increased the number of administrative divisions and electoral constituencies.

The brother citizens from Palestine who live in the East Bank have customarily respected the right of Jordanians to elect their representatives to parliament without the Palestinian citizens sharing this right with them. I mean that the Palestinian brothers in Jordan used to refrain from running for parliamentary elections and only exercised their right to vote.

No one deviated from this rule. Even when some prominent Palestinians who enjoy political influence and popular respect intended to run for the elections to fill the empty seats in the latest preliminary elections in Amman, the PLO and many prominent citizens told them it is better not to run for the elections so that their action will not be construed as competing with the Jordanians over parliamentary seats. The Palestinians acquiesced to their wish.

The only exception to that rule was in the 1956 general elections when Ya'qub Zayadin, who is from Kraak, fought for the Jerusalem constituency and won. However, those elections were run on the basis of political party tickets. Candidates were viewed only on the basis of their political affiliation and not on any other basis. Citizens in Jerusalem did not view his candidacy as an infringement on their rights endorsed in the electoral law, as evidenced by the many votes that enabled Zayadin to win.

In any case, this time elections will be held in accordance with different bases whereby East Bankers will elect one half of the House of Representatives and the 10 refugee camps will elect their representatives to parliament, while the inhabitants of the West Bank, in view of the Zionist occupation of the West Bank, will not be able to exercise their electoral right freely. Consequently, the representatives who are elected by citizens in the East Bank will directly elect the representatives of the West Bank.

The new law that was enacted to face an extraordinary situation, the Zionist occupation of the West Bank, will have two very serious consequences: First depriving West Bank citizens of the right to elect their representatives directly, and that arises from Jordan's refusal to allow the will of our people to be forged, and out of Jordan's belief that any elections held in the West Bank under the state of occupation, will not be honest or free.

Second, a considerable section of East Bank citizens [Palestinians living in the East Bank] will only be able to vote and will not be able to both vote and run for election, out of respect for the will and right of their East Bank brothers. The right of East Bankers to vote will be confined to the areas where there are no refugee camps, as the right to vote in these camps will be confined to the inhabitants of the camps. They will not be able to nominate themselves to represent the inhabitants of the camps as they do not enjoy the status of refugees and do not live in the camps. If they were able to run for parliament for the West Bank such representation will be lacking or deficient if West Bank citizens express the desire that their representatives in parliament should be resident in the West Bank so that West Bankers can convey their demands to their representatives directly without having to travel to the East Bank to meet these representatives.

This means the new electoral law has created a new category of citizens who do not fully enjoy their constitutional rights to run for elections and to vote when they fulfill the conditions stipulated in the constitution. As we have already said, it is a situation that arises from the Zionist occupation of the West Bank.

But does this mean that the role of the Palestinians will be limited? Will it blunt the enthusiasm of that category of citizens in registering themselves and in exercising their right to vote?

I believe the contrary is true. I believe that these Palestinians will play a serious and decisive role, for they have a great weight in Amman, Al-zarqa', Irbid, Al-salt, Al-mafraq, and Jarash in view of the density of the Palestinian population in these areas and in view of the density of the Palestinian population in these areas and in view of their domineering role in public life particularly in economic, commercial, agricultural, and financial fields.

They have an important role regardless of whether they take a negative approach and do not exercise their electoral right or whether they take a positive approach and exercise their electoral right. This is because they have the ability to bring about the success of a candidate and bring about the failure of another candidate. Therefore, I believe that the spirit of true citizenship

and loyalty to the Palestinian cause make it incumbent on them to be very active in bringing about the success of the candidates whom they trust and in whose ability and loyalty they have confidence. Candidates whose political and principled stands toward national causes in general and the Palestinian cause in particular they know.

Perhaps our Palestinian brothers in Jordan realize that there are unsatisfactory aspects in the parliamentary elections in the East Bank that do not exist in the West Bank. Among such aspects is that competition to win a seat makes some people pursue any course that enables them to win the parliamentary seat without any consideration to values or principles. These people believe that the end justifies the means and that what is important is that they succeed and not the way by which they succeed. They believe that the people applaud the winner only. All methods are legitimate for them. Consequently, electoral bribery or buying votes is acceptable and relevant in many parliamentary elections in the East Bank, and that is a shortcoming that must be avoided.

There is a clever group that lacks values and which knows how greedy some candidates are for votes, particularly during the last hours of the elections. They know how to extort money out of the candidate and how to stagger the voters by sending them at long intervals and in small numbers so that the extortion will continue and intensify with the approach of the end of polling. As a result of such dishonorable methods only those who can afford to pay are able to win, and those who cannot afford to buy votes either lose the round or withdraw as they do not have funds to pay particularly as the auction market gets fiercer with the approach of the closing of the ballot boxes.

There is another shortcoming in East Bank elections: nomination on a tribal basis. They follow the Bedouin saying: "Your weight is commensurate with the number of men you have." Deals are made on the basis of the number of people in a tribe and the number of votes they can provide. This means that an unqualified member of a tribe can win against a member of another less numerous tribe who is more qualified. Thus parliamentary life is deprived of capable people for such an unreasonable and unsatisfactory reason.

Hence the role of the educated and enlightened citizen, for by exercising his right to register and to vote he can reverse the unjust equation and can give an opportunity to the capable man to win on the basis of his ability and known political and national stands.

The Palestinian brothers in Jordan have a decisive and basic role in the parliamentary elections in the East Bank, for when they choose well the Jordanian can choose well the Jordanian candidate and support him and enable him to win, they make it possible to have good representatives in parliament who will be elected by parliament itself. When they refrain from exercising their electoral right and allow those who buy votes and play the game of tribal numbers to win, they in fact make it possible for that kind of people to be their representative in parliament, for, as they say, birds of a feather flock together.

I say frankly to every Palestinian Arab citizen: Parliamentary representation in the East Bank is a trust in your hands, safeguard and defend it, and choose

your candidate to represent us in parliament. Then those whom you have elected will know how to elect your representative in parliament.

Let no one construe these words as an attempt to persuade or tempt or induce the Palestinians to influence elections in the East Bank. I am only urging them to exercise their rights first as Jordanian citizens and second as citizens with a national cause of destiny whose binding duty is to know how to select their representative in parliament.

It is a sacred and legitimate right. We have great confidence that citizens of Palestinian origin who live among us will exercise that right so that competent and aware representatives who adopt clear and national political stands will be elected to the next parliament.

/12232

CSO: 4400/216

JORDAN

NEAR EAST

DUDIN VIEWS WEST BANK, GAZA TEACHER'S SALARIES

JN290821 Amman Domestic Service in Arabic 1115 GMT 28 Apr 87

["Details of press conference" by Marwan Dudin, occupied territories affairs minister, in Amman on 26 April carried within "The Occupied Homeland; News and Views" program--recorded]

[Text] We recently started paying the additional amounts previously earmarked for our brothers who are working in the Education Department in the Gaza Strip. We started with Gaza not only because it is dear to our hearts but also because the computation of these support funds was an easy matter as they consisted of a specific sum about which we informed you earlier. These amounts varied between 25, 30, and 35 dinars. I believe the brothers in the Education Department in the Gaza Strip, who number 2,728 teachers, principals, and employees, have already received their payments for the first 3 months--January, February, and March--which consist of an average monthly total of 86,695 dinars. This sum has been transferred to them.

The information we received from the Gaza Strip says that arrangements for these payments to our brothers started on 15 April 1987. We hope this modest support for their salaries will help them endure the living conditions we know are very difficult under occupation. We wish them success.

As for our sons and daughters in the West Bank, decision No 193 dated 25 January 1987 adopted by the subcommittee of the higher committee for the occupied territories said that their salaries will be raised by 50 percent. To determine the basic salary, necessary data should be available, such as the date of hire, academic degrees, the date of these academic degrees, their source, and the method by which these degrees were obtained. This data was not available to the Jordanian Government when we made the decision. When the data was completed, thanks to the huge efforts by our brothers in the Education Ministry, a joint committee was formed comprising representatives from the Ministry of Education, the Occupied Territories Affairs Ministry, and the Civil Service Department, which set the basic salaries of our brothers and sisters in the West Bank who were hired after 1967. Specific instructions were given to this committee to complete its task within a period of 10 days.

The committee began its work on 18 April, completed its task within 1 week, and submitted a report containing the following bases it adopted for determining the basic salary:

a. You will notice here that I like to be clear and specific on this subject because, as you know, the teachers and Education Department employees in the West Bank have colleagues in the East Bank and in the kingdom as a whole, and we want them to know the bases on which their basic salaries were computed. Tables were prepared outlining the basic salaries in accordance with academic degrees and years of service from 5 June 1967 to 31 December 1987.

b. The committee approved the tables as received from the directors of the education departments in the West Bank, and the basic salaries were assessed in accordance with the provisions of Article 34/a of Civil Service Law No 23 promulgated in 1966.

c. Years of service were computed on the basis of a grade increase for every 5 years.

d. Upon evaluating the basic salary, the committee took the following into consideration:

1. The committee considered the higher school certificate or its equivalent the minimum for determining salary upon hire.
2. The committee considered the employee with a university degree who did not specify the date obtained as a 1986 graduate.
3. The committee considered the university degree whose source has not been specified as being a correspondence degree.
4. The basic salaries of janitors were set at a minimum of 42 dinars from the date of hire and 50 dinars as the minimum basic salary of drivers from the date of hire.

The committee submitted tables containing the names of employees of the education sector in the West Bank, their estimated basic salaries, and the monthly support payment for every employee as follows: The Nabulus education directorate has 1,155 employees and the support funds for them is 40,000 dinars--I will not mention fractions if possible--and the Janin directorate has 1,077 employees with 37,000 dinars as support funds, the Tulkarm directorate has 1,301 employees with 46,000 dinars as support funds, the Ramallah directorate has 1,135 employees with 38,000 dinars as support funds, the Bethlehem and Jericho education directorate [as heard] has 637 employees with 22,000 dinars as support funds, the Hebron education directorate has 1,614 employees with 56,000 dinars as support funds, the Al-'arrub College has 32 employees with 976 dinars as support funds, the Ramallah College has 37 employees with 1,189 dinars as support funds, and the Tulharm College has 66 employees with 2,101 dinars as support funds. This means that the total amount of monthly support funds is 246,081 dinars from which ,7054 teachers, principals, and employees will benefit.

We in the Occupied Territories Affairs Ministry are happy to announce that all the necessary measures have been taken to start the disbursement of funds in support of employees in government schools in the West Bank through the

Nabulus branch of Cairo-Amman Bank on Saturday morning, 2 May 1987 for 4 months retroactive to January ending in April 1987. The total sum of these support funds for these 4 months is 984,325 dinars.

The disbursement measures were communicated to the brothers concerned, and we hope these measures will not be delayed beyond their date, that is, Saturday morning, 2 May.

In my name and on behalf of the minister of education and the government, I take this opportunity to address all our sons and daughters in the West Bank, particularly those who are working to bring up our future generations, to congratulate them. I hope that this modest effort that the Jordanian Government under the guidance of His Majesty King Husayn has undertaken will be of some assistance to our brothers there in facing the living conditions and in assuming their responsibilities from a better position. Although we believe these sums are symbolic, we hope they will encourage them to continue shouldering their duties to their sons and daughters, the students, in the best possible manner.

/12232

CSO: 4400/216

JORDAN

NEAR EAST

BRIEFS

EC GRANT, LOANS--Amman (J.T.)--The European Community (EC) is offering financial and sfot loans to eight countries in the Mediterranean region including Jordan, which will receive 100 million European currency units (ECUS). This amounts to JD38 million, or \$111 million. A statement issued by the delegation of the Commission of the European Community in Amman said that the grants and the loans will total 1,618 million ECUS (\$1.8 billion) for the whole group of countries in the region. Of the sum to be given to Jordan, under the third financial protocol, the statement noted 37 million ECUS will be in the form of grant, and the rest, 63 million, will be in the form of loans to the EIB [European Investment Bank]. The assistance, it said, will be used mainly to finance food security projects and to help develop industry and technology in the kingdom. [Excerpts] [Amman JORDAN TIMES in English 20 May 87 p 3 JN] /12232

POPULATION STATISTICS--'Adnan Mirza, director general of the Civil Registration Department, has announced that the population of the Hashemite Kingdom of Jordan totaled 3,671,052 citizens, 1,894,147 males and 1,776,905 females, at the end of Arpil 1987. [Text] [Amman AKHBAR AL-USBU' in Arabic 21 May 87 p 3 JN] /12232

INTERNATIONAL BANK LOAN--The International Bank has approved a \$70 million loan to Jordan for the development of the Aqaba thermal station, which ranks as the country's second largest electricity generating plant. The station is linked with the Al-zarqa thermal station which supplies electric power to various parts of Jordan and southern areas of Syria. [Text] [Amman SAWT AL-SHA'B in Arabic 23 May 87 p 1 JN] /12232

CSO: 4400/216

SOLUTION SEEN CONTINGENT ON 'LIQUIDATING U.S. ROLE'

Beirut AL-'AHD in Arabic 21 Mar 87 pp 1, 12

[Article: "Murphy Admits Lebanon Is Intelligence Gathering Site; Solution Lies in Terminating U.S. Influence"]

[Text] [Richard] Murphy says that his administration will not give up the embassy in Lebanon because it is "a symbol of U.S. interests" in Lebanon and because the embassy is "an important listening post."

There is nothing new in what Murphy said. Anyone who knows the objectives of U.S. policy knows that the United States spares no effort to strengthen or regain its position of influence and authority in the region. That is why anyone who is familiar with those U.S. objectives would have to realize that the United States would not give up its positions in Lebanon easily. Quite the contrary, the United States has been trying to regain positions it had lost indirectly.

What does stand out in Murphy's comments, however, is that admission about the real interests that are being sought by the American role in Lebanon. To the United States Lebanon is no more than "an important listening" and intelligence gathering post. It is an "advance position where western interests can be defended." That was how Amin al-Jumayyil described Lebanon when he was pleading with the U.S. administration to continue giving him political "protection" lest his regime fall quickly.

The fact that Lebanon is "an important listening post" does not mean that Lebanon is the place where technical monitoring devices are placed, but it does mean that all of Lebanon is wide open and accessible to U.S. intelligence which hides behind 1,001 disguises and 1,001 fronts.

While Murphy is declaring these facts which to many people are no secret, someone who is interested in hostile activities against imperialism has set his sights on liquidating the U.S. role in Lebanon, even though achieving this major goal would serve the same small objectives for which they [i.e., the Lebanese] are working.

No reforms are being made in Lebanon, and there will be no solution and no accord as long as the other party which is involved in the dialogue and the

negotiations represents U.S. and Israeli wishes. In fact, every plan will fail when it comes across this fact.

If, one day, some solution is reached, it will either be not a total solution, or U.S. and Israeli wishes will have been realized. Thus, those who would accept such a solution and consent to it will have taken the first steps to suicide.

That is why those who are truly sincere and are working for a solution in Lebanon should direct their efforts to ending U.S. influence in Lebanon's domestic policy and to ending Israel's occupation of the country. That is how Lebanon's future and its history can be forged. Otherwise, whatever is done will be like building sandcastles which can be destroyed and swept away by a gust of wind.

8592

CSO: 4404/350

LEBANON

NEAR EAST

HIZBALLAH TO 'REMAIN ARMED TO FIGHT ISRAEL'

Beirut AL-'AHD in Arabic 14 Mar 87 p 1

[Article: "After Talks in Damascus Hujjat al-Islam Muhtashimi Affirms Hizballah Will Remain Armed To Fight Israel"]

[Text] Intense activity was observed last week in the Islamic Republic of Iran to deal with the consequences and the aftermath of the Fathallah massacre.

The activity capped a series of reactions from all officials in the Islamic Republic. Broad sectors of the population also reacted to the massacre, and that showed without any doubt where Hizballah stands among the leaders and people of the Islamic Republic.

An existing fact, which some people had doubted, was confirmed: the condition of Islam in Lebanon is an inseparable and integral part of the Islamic Revolution in Iran.

In addition to the imprecations and comments which officials of the Islamic Republic made about the massacre, the president, Hujjat al-Islam Mr Ali Khamenei assumed a distinct and unequivocal position on the matter.

Mr Khamenei affirmed, "Anything that is done to hurt the Islamic tendency in Lebanon hurts Muslims' feelings and disturbs them greatly."

Although he stated that "Our Syrian friends affirmed that it is not their aim to apply pressure to Hizballah and Lebanese believers," he stressed the need "to link those statements with workable assurances and clear-cut evidence."

Mr Khamenei advised "fellow Muslims in Lebanon, particularly those who were affected by recent incidents, to be patient and wise and to apply self control in dealing with those incidents. Fellow Muslims in Lebanon should speak as one, and they should be fully aware of what is going on."

In the same regard Mr Ali Akbar Mohtashemi, minister of interior, was visiting Syria where he met with Syrian President Hafiz al-Asad. Mr Mohtashemi gave President al-Asad a message from Mr Khamenei, and he discussed the Lebanese question with him.

Mr Mohtashemi concluded his visit to Syria after 3 days. Syria's interior minister described that visit as "undoubtedly positive and fruitful for both parties."

Mr Mohtashemi affirmed that he brought up the subject of the Fathallah massacre in his talks with the Syrian president. He said al-Asad "praised Hizballah's struggle and that party's activities against the United States and Zionism. He thought that incident had not been planned in advance, and he declared his affection for Hizballah and his wish to help that party in its struggle against Israel."

Mr Mohtashemi asserted that the Syrian president had agreed with him about "the need for Hizballah to remain armed to fight Israel."

President Ali Khamenei expressed his satisfaction with the outcome of the talks between Mr Mohtashemi and the Syrian president.

In other news, a high-level delegation from the Islamic Republic of Iran was arriving in Beirut. It was chaired by Ayatollah (Janti), member of the Council of Theologians and president of the Islamic Media Organization. Members of the delegation were Ayatollah (Ghayuri), Imam Khomeyni's representative in the Islamic Red Crescent Organization; Ayatollah (Zinjani), member of the Central Committee of the League of Activist Scientists in Tehran; Hujjat al-Islam al-Shaykh Hasan al-Ibrahimi, chief of Ayatollah al-'Azmi Muntazeri's office; and al-Haj Ahmad (Dastmalshian), the Islamic Republic's new ambassador to Lebanon.

There was an extraordinary reception for the delegation on the outskirts of Beirut where thousands of Muslims had assembled to declare their allegiance to Imam Khomeyni once again, pledging to continue their commitment to the theologian's rule.

The delegation participated in memorial services which were held for massacre victims. They affirmed, "Your martyrs are our martyrs. Your wounded are our wounded. We are with you on the same side."

The delegation was also engaged in several activities in which its members stressed the need for patience at this stage.

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CSO: 4404/350

LEBANON

NEAR EAST

AFGHANIS OFFER CONDOLENCES, EXPRESS SUPPORT FOR HIZBALLAH

Beirut AL-'AHD in Arabic 14 Mar 87 p 11

[Article: "Afghani Freedom Fighters Offer Condolences for Martyrs Who Died in Massacre; 'We Want To Fight the Jews with You, under Your Banner'"]

[Text] Muslims' reactions worldwide to the grievous Fathallah massacre have been coming in, but the one that stood out this week was a message of condolences which Hizballah received from Nasrallah Mansur, leader of the Islamic Revolution Movement in Afghanistan. In addition to being a message from an Afghani freedom fighter involved for years in a bitter struggle, it is an early sign of the close solidarity among the world's Muslims; it is a sign that Muslims are rallying around their fundamental issues.

The message stated:

"From Nasrallah Mansur, an Afghani freedom fighter,

"To the freedom fighters in Lebanon whom we cherish and honor, may God Almighty protect them:

"Greetings, fellow Muslims and fellow freedom fighters: you who will triumph with God and who are rich with your faith:

"First, I salute you and wish that God may preserve you and give you His blessing. May God give you strength, you who made Muslims everywhere on the globe hold their heads high; you who reawakened in them the spirit of fighting for the cause of God. You have invigorated Islam with your noble blood and your cherished and precious lives. I cannot find the words that can express to you the affection I feel for you, who are heroes in the history of victorious Islam.

"You have restored the history of our virtuous ancestors and the pure imams. God willing, you shall lead the general revolutionary procession which will line up in the Islamic nation. With our lives and with everything we hold dear we support you in all matters against the enemies of Islam, against Zionists and Jews and against all the enemies of Islam.

"Let me assure you that all freedom fighters in Afghanistan are passionately eager and willing to liberate Jerusalem. They want to find a way to come to you.

They want to fight with you, side by side and under your banner, the most hostile people.

"Beloved Reformers:

"We were saddened to hear of the recent disaster and the death of 27 fine young men. Don't be glad, and don't be sad; God is with you and will not leave you. Persevere in your efforts and be patient. God is True. Do not let non-believers intimidate you. God willing, the devout will ultimately triumph.

"God tests the faithful and destroys non-believers and hypocrites. I pray that God Almighty protect you from the evil of all enemies. May He thwart their cunning and protect you from it day and night. May God protect you and make you invincible. That is not hard for Him. May God bless Muhammad, the best of His creatures, and may God bless his kind and virtuous family and his distinguished companions. Regards and respectfully yours,

12/12/1365

[Signed] Your fellow Muslim Nasrallah Mansur
Leader of the Islamic Revolutionary Movement in Afghanistan

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SHAM'UN BLAMES FOREIGN FORCES, PREDICTS PARTITION

London AL-MAJALLAH in Arabic 19 May 87 p 11

[Interview with National Liberal Party Chief Danny Sham'un, by Fadlu Hidaya; "Lebanon's Future Is Partition, and No One Is Opposing the Syrian Presence;" date and place not specified]

[Text] In spite of the latest unexpected developments on the Lebanese political scene, the presidential campaign has begun in Lebanon. The chief candidate for this post is Engr Danny Sham'un, head of the National Liberal Party, who officially announced his candidacy a few days ago, thus heading off many of those who want to be president. However, as Danny Sham'un enters the campaign, he is depending on his old friend, Public Works Minister Walid Junblatt. At the same time, he is taking a radical stand on the Syrian presence in Lebanon, without forgetting that this presence will have a great deal of influence on the elections. Fadlu Hidaya met with the head of the National Liberal Party and discussed several issues and matters with him, beginning with Lebanon's future and going on to the presidential elections and the concessions which the Christian side might offer.

[Question] Given the existing conditions and circumstances, what is Lebanon's future?

[Answer] As we see it, the future of Lebanon is partition if the foreign armies don't get out. There will be three sections: East Beirut as it exists now, the South, on the Lebanese-Israeli borders, and the rest of the country, which Syria now controls.

[Question] You seem to attribute Lebanon's crisis entirely to the presence of these troops.

[Answer] Yes. If these armies were not here, there would be no problem in Lebanon. There would be a legitimate government, and we Lebanese would solve our problems ourselves.

[Question] In every one of your statements, you have attacked the Syrian presence in Lebanon. Do you think that this presence will last?

[Answer] Yes, it appears that it will last, because no one is opposing this presence.

[Question] Does East Beirut have the wherewithall to stand firm in the long run?

[Answer] Resistance is our destiny, and we will resist to the bitter end.

[Question] What solutions must be found for the Lebanese crisis?

[Answer] The Lebanese must agree to return to their legitimate organizations and carry out the necessary political reforms. The reforms being talked about, which no one considers just empty words, consist of increasing the number of deputies, extending the term of the president of parliament, and increasing the prime minister's powers.

[Question] What concessions might the Christian side make?

[Answer] The story is not just one of concessions. We go along with what the parliament and the other legitimate organizations agree to. Do you think that electing the president of parliament for a 4-year term merits a war in which 400,000 people have been killed and 600,000 displaced?

[Question] Therefore, in your view, the war was not over reforms.

[Answer] Definitely not. The issue is not reforms, but a desire to control Lebanon.

[Question] What do you think of the five-leader proposal which was brought up in Damascus and referred to by some newspapers?

[Answer] This is a five-man partnership, not a five-man proposal. Instead of the president of parliament and the prime minister going to talk with Syrian officials, it would have been better for them, as representatives of two of the country's legitimate authorities, to have discussed all the proposed reforms within the council of ministers. In this way matters would have followed their correct, constitutional course. Where is the freedom and democracy in electing the president of parliament to a 4-year term? Wouldn't it be better to conduct this democratic exercise each year? How can the prime minister's powers be violated if they are assigned by the president after parliamentary consultations? They say that the president can come and go with the prime minister, but the exact opposite is true. The president relinquishes his chair after his term, while the prime minister is allowed to continue occupying the chair indefinitely. As we all know, prime ministers have governed for much longer periods than the presidents have.

[Question] It is said that the Syrian entry into West Beirut aroused confusion in East Beirut.

[Answer] I don't see any confusion.

[Question] You have nominated yourself for president in 1988. Will you carry on this campaign until the bitter end?

[Answer] Yes.

[Question] Even in the shadow of the Syrian presence?

[Answer] [No reply]

[Question] Do you think that there will be any changes between now and 1988?

[Answer] The situation in Lebanon is always changing and developing in the political and security context.

[Question] Assuming that President Jumayyil accepts some of the reforms demanded by the other side, what stand would you take?

[Answer] We will oppose all reforms which do not agree with our tendencies. We will not back down from our convictions. We shall bring down every agreement we are not pleased with, even if the president accepts it, just as we brought down the "tripartite agreement."

[Question] Is there an open line between you and Minister Walid Junblatt?

[Answer] Definitely. I love Walid Bey, God bless him.

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CSO: 4404/361

SAUDI ARABIA

NEAR EAST

SAUDI GRADUATE CHARGES COMPANIES FAVOR EXPATRIATES

Riyadh AL-JAZIRAH in Arabic 3 May 87 p 6

[Article: "University Graduate Tells Of His Troubles With the Agricultural Companies"]

[Text] He was telling me about how his troubles started. He said, "The trouble started 2 months after I graduated from the university, where I had been enrolled in the animal production section. This had been my specialty, which I had loved ever since the first lecture I ever attended at the university, and I was all excited when I graduated. I knew how many agricultural companies there were, praise God, scattered throughout my beloved homeland, transforming those arid deserts into green oases which would contribute to the agricultural economy of our dear country, allowing us to export our produce even to Europe.

"I began my job search near Riyadh, visiting some of the agricultural companies operating in Riyadh Province. Whenever I applied to the officials at each company, they welcomed me at first and asked me to go out and stay at the project in order to become acquainted at close hand with the nature and the fine details of the work. I was amazed at those gigantic projects involving so many animal resources. Naturally, because of my specialty, animal production, I was eager to see those huge herds of cattle and sheep right away. At the first company project I visited and stayed at, when I inspected those huge herds of cattle I felt that each cow belonged to me, not to the company. Because I was sure that I would get the job, I looked at each cow or sheep differently.

"I was so happy to be part of the crew which would look after production, since I felt that every animal occupying that huge stable would also occupy a space in my heart.

"After a week's experiment, and with boundless optimism, I went to the company's employment office. They told me that my salary for working with them would be only 1,000 Saudi riyals--in return for 12 hours a day of non-stop work far from home. At the project, all the work is field work. You can't imagine how frustrated I felt when I found out that there were foreigners receiving more than 10,000 riyals a month. When I was told that, I didn't feel completely frustrated, but said to myself that if I turned down this company there were many other companies in need of my experience. So I continued the search!"

The Second Step

He continued talking excitedly. "The second step was quite different from the first, in both how it felt and how far I had to travel. I went to several areas in which agricultural companies were operating, and spent 3 or 4 days at each project. I saw there the huge number of foreigners working as animal production officials. Here I am speaking of this specialty only, because it is my area of specialization. I would feel such overwhelming happiness when I saw each cow, imagining how I would feed it. I felt in my soul that I would be part of a family by being one of those helping to serve these companies. I continued my attempts everywhere in the Kingdom. I travelled to one company located in a desert area 150 kilometers from the nearest telephone. I had no objection to working there, since I would achieve my desire and practice my beloved profession. At the end of my tour with that company, I found out that they didn't need me. They thought I would be taking a hidden vacation at their company; they didn't know that I had accepted the idea of moving more than 1,000 kilometers from my family in order to pursue my specialty.

"After that, I returned to Riyadh, my hopes having been gradually shattered after interviewing each official in each of those companies.

They Would Say That It Doesn't Matter

"At every project I stayed at, I would talk with people in my field. Some of them had gained their expertise from specialized institutes, while others had acquired it through experience. They all advised me not to work at those projects, saying that they were all exiles and that it didn't matter whether they were exiled to the desert or to any farm. They constantly advised me to stay close to my family and relatives and not work far away from people. Because of my belief in what I was doing, I didn't pay attention to everything they said, because I knew how much I wanted to work in the field anywhere in my beloved country.

The Civil Service Commission and My Attitude Towards It

"I met a Civil Service Commission official who kindly asked me to submit my papers to the commission, which would send me to any one of the Kingdom's agricultural areas to work at one of the agricultural banks or Agriculture Ministry branches. I appreciated the commission's concern, but I am telling you the truth when I say that it has only 80 positions available in various agricultural villages and towns. Because of my strong desire to work in the field, I became rather frustrated. I know that the commission wants to give every graduate a job, but I don't want office work. If I did, I would apply to the commission and take any job suited to my area of specialization. However, I know that this way I would never get to practice my profession. This is what made me turn to the companies, after which I felt that my hopes were dashed and my aspirations demolished.

"I could apply to the commission to get any non-field job in agriculture, but I want to work in the field for an agricultural company, and these companies still rely heavily on foreigners. This is what caused the problem--what made

those companies' officials assume right away that I would someday be idle and unproductive. Their problem is that they didn't give me a chance, and my problem is that I didn't get to work for them." And here the young man ended his tale.

The Ministry of Labor and Social Affairs Must Intervene

There is no doubt that most companies basically rely on attracting qualified, productive manpower in order to make money, not so that the employee can remain a burden on the company, taking a hidden vacation of no profit to the company.

When these companies were founded, they relied largely on qualified foreign manpower. But now that the universities, institutes and training centers have begun graduating class after class of qualified persons, these companies must help the private sector achieve two goals at once: that government employment not remain the only recourse for the graduate, and that this money be spent on Saudi nationals, thus saving these companies the money they spend on housing, travel tickets, and so forth.

Therefore, it is important for the Labor Ministry to ask about vacant positions at these companies, so they can be filled with qualified Saudis, of whom there are many, praise God. Experience is the best proof.

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CSO: 4404/361

TUNISIA

NEAR EAST

AMBASSADOR TO SUDAN DISCUSSES ARREST OF ISLAMIC LEADERS

Khartoum AL-USBU' in Arabic 6 May 87 pp 1, 5

[Interview with Habib Abbes, Tunisian ambassador to Sudan, by Dr Sulayman 'Uthman and Ahmad al-Ballal al-Tayyib: "The Islamic [Tendency] Movement in Tunisia Was Not Given a License to Carry On Political Activity, Laying Exclusive Claim to Islam in a Muslim Society Is Misappropriation of the Identity of the Community"; Khartoum, date not given]

[Text] Mr Habib Abbes, Tunisia's new ambassador in Khartoum, explained that the recent arrests in Tunisia relate to the apprehension of certain persons while carrying on operations aimed at destroying public and social peace in collusion with foreign parties. It was natural that this activity be stopped.

This was stated in the course of his answer to AL-USBU's question about the arrest of the leaders of the Islamic [Tendency] Movement in Tunisia. He said that the subject has been handed over to the courts for settlement and added that one must distinguish between Islam and what can be laid to the account of the Islamic Movement: the raising of this slogan on a temporary basis and making it an excuse for destroying public order in the country.

He affirmed that these persons are trying to lay exclusive claim to Islamic activity in a Muslim society and indicated that the Islamic [Tendency Movement] had not been given a license to carry on political activity under this name because the laying of exclusive claim to Islam by a group within a Muslim society is misappropriation of the identity of the entire community for the benefit of a particular group.

He said that the license-granting authority had asked the leaders of the Islamic Movement to change this name, but they had refused. He added that Tunisia has no interest in the raising of slogans in the name of Islam. ["We have no interest in the raising for political purposes of claims that traffic in religion.["]

He affirmed that Tunisia is a regime in which a certain amount of freedom is allowed. This makes Tunisian domestic or Arab positions the object of agreement or disagreement by Tunisian citizens, who have the right to express their beliefs appropriately.

[Text of the interview]

Background of Arrest of Islamic [Tendency] Movement Leaders

During the last few days, Mr Habib Abbes, the new ambassador of Tunisia in the Sudan, visited us, congratulating us on the first anniversary of the Publication of AL-USBU', and praising the level of the newspaper.

We took the opportunity of his presence with us to enter into a heated conversation with him about the development of events in the brother country, Tunisia, and the circumstances around the arrest of the leaders of the Islamic Movement there. His excellency the Tunisian ambassador was generous in his conversation with us and did not refrain from answering any question. Now, to a transcript of the conversation:

No Trafficking in the Name of Religion

The ambassador began the conversation by talking at length about Islam and its strength in Tunisia, pointing to the Tunisian president's adherence to the Islamic religion. Then he moved to the application of Islamic law, indicating that there is an essential and insistent problem that demands treatment and completion before we reach the stage of closing the gaps with restrictions.

He said, "In this context, Tunisia has no interest in the raising of slogans in the name of Islam. We have no interest in raising for political purposes claims that traffic in religion."

Lest he be misunderstood, he said, "I know that the slogans in the Sudan mean that you have ideals, principles, and high aims."

Tunisia's Cultural Tie to Islam

[AL-USBU'] Tunisia's cultural tie to Islam continues and is being renewed. People believe that Tunisia is the gate for cultural contact with Europe, which requires that it have a preeminent role in the transfer of knowledge.

Second, Tunisia is one of the Arab states in which the democratically based political system has been stable. The president of Tunisia is considered to be the elder statesman of Arab presidents. Among states that are monarchies, he is the only president who has remained in power for such a long period. The leadership of President Bourguiba has not been an object of dispute. There have, however, been numerous disputes about many of the positions taken by the Tunisian government: on the Arab level, for example, Arab-Israeli relations during the time of 'Abd-al-Nasir; and on the domestic level, the unions, for example, and now the Islamic Tendency [Movement]. We therefore believe that in Tunisia, as a political system, a degree of freedoms is allowed. Tunisian domestic or Arab positions are thus the object of agreement or disagreement by Tunisian citizens, who have the right to express what they believe to be correct.

What Is Happening Now in Tunisia?

(While AL-USBU' continued, the Tunisian ambassador listened very attentively.) According to the information available to us, what is going on now in Tunisia is that there is an Islamic court case that deserves sympathy, if the elements involved in it are serious. However, as an issue of freedoms, Arab public opinion ought to know the degree of freedom allowed to unions and political organizations in a country that has pioneered a healthy democracy system and has served as a channel of contact between North Africa and Europe.

[Answer] (Sitting up straight, the Tunisian ambassador lowered his glance for a moment and then looked up, saying in earnest tones:) Thank you very much for this question. The truth is that we in Tunisia want things to be what they are actually called. If there is a trade union, it ought not to mix union functions and political tendencies. The UGTT is one of the oldest Arab trade union organizations. After the union's general secretary 'Ashur gained exclusive control and tried to monopolize national leadership, mixing union and political activity, the government attempted to work to correct of the path of the union in order to separate the two issues. This did not lead to a positive conclusion and there were tensions. Time was enough to clarify matters and for the stream to return to its course. The workers chose their representatives, and now union activity in Tunisia has its freedom according to the choice of the workers. There is no problem now in this respect.

The truth of the matter is that we had a social contract between the government and the UGTT. The government raised wages by one-third, on condition that no increase be demanded for 5 years. After only 2 years, they again demanded a wage increase and threatened to strike. We have a law that regulates strikes. Work is now proceeding very normally.

When what you do not have is demanded from you, that constitutes weakening. Weakening is not a union activity. Yes, we know that there are economic pressures, but the solution is work and the achievement of a balance between desires and possibilities.

Freedoms and Democracy in Tunisia

(The Tunisian ambassador adds:) Tunisia can be considered one of the oldest third-world countries with a multi-party system. These [parties] participated in the independence movement. But it was the activity of the ruling party, which traveled the paths of liberation, that led to independence. The Tunisian people compared what had been accomplished with what had not been accomplished. Some of the parties disappeared. The Communist Party, for example, shrank spontaneously and disappeared during the time of new freedoms and then returned to carry on its activity.

As for freedoms, the Tunisian government desires that freedoms be guaranteed and insured. In the constitution, there are three powers: legislative (an elected parliament), executive (its president elected in general elections), and judicial. The latter exercises its powers in isolation from any interference. In many cases, the courts rule against the government. We have cases in which the courts ruled against the prime minister. We are proud of this.

Removal of Mzali, Divorce of Wassila

[AL-USBU'] Although the system in Tunisia is pluralistic, sometimes in Tunisia decisions are issued that greatly resemble military decisions. About 3 years ago, for example, the Tunisian president announced that Mohamed Mzali was his successor, and Mzali jumped into the office of prime minister. It was very much like a coup. After a time, he removed Mzali without giving the reasons. Another example is the case of Wassila [Ben Ammar Bourguiba]. The issue of her divorce from President Bourguiba could be interpreted as a personal relationship, but the divorce has come to represent one of the lines of the new policy. That, too, was very much like a military coup. We wonder whether what goes on in the party is subject to its apparatus and institutions.

Freedoms, Rights, and the Security of Society

[Answer] Freedoms, and rights, too, stop at the limit of the security of society and the country. When an activity constitutes an attack on these two aspects of order, it is not freedom. The issue of rights and the exercise of constitutionally guaranteed freedoms lies within the sound meaning of rights, so that the right of one person does not transgress the right of others.

As for the issue of former Prime Minister Mohamed Mzali, no decision was made to name him successor to the president. Rather, the constitution indicates that in case the office of president become vacant, the prime minister is responsible for administering the state during the period of preparation for election of a new president. By this token, Bahi Ladgham was the successor during the sixties, and during the seventies Hedi Nouira was appointed. When the latter was afflicted with paralysis, Mohamed Mzali was appointed.

According to the constitution, he was the candidate for the succession. Naturally, within the area of personal ambitions, there are prominent elements in the regime that have their partisans, followers, and helpers. All these things are to be taken into consideration. At party conferences, President Bourguiba himself used to announce, "This is my successor,"—on the ground that he was the person specified by the constitution. In 1986, we faced an economic crisis in Tunisia. When the previous prime minister was unable to treat this crisis, it was necessary to change prime ministers. In place of him, a man who was an economist and politician was appointed in an attempt to rescue the Tunisian economy.

Bourguiba and the Ruling Party

[AL-USBU'] Did President Bourguiba bypass the constitutional apparatus and the party leadership in these decisions in which he is said to have bypassed the party apparatus?

What about his divorce from his wife, Mrs Wassila [Ben Ammar Bourguiba]?

[Answer] President Bourguiba makes a distinction between his presidential office and his office of party leader. For example, there are ministers from outside the ruling party, and in appointing ministers he is not subject to the

policies of the party, since he is exercising the powers of the state, broader powers. Thus, he transcends the party because the matter is national. In his power as president, he is not subject to the party. As for the subject of President Bourguiba's divorce from Mrs Wassila [Ben Ammar Bourguiba], the president's wife has no political status. President Bourguiba has interpreted the divorce as having taken place because of her interference in government matters. She is not a member of the party; she is the president's wife, and the president's wife should not have public political positions conflicting with those of the president.

Imprisonment of Leaders of the Islamic Movement in Tunisia

[AL-USBU'] There are many conflicting reports about the imprisonment of the leaders of the Islamic Movement in Tunisia. It is said that this is preparation for a blow at the Islamic Movement in Tunisia. What is the truth of the matter?

[Answer] There is no blow at the Islamic Movement. We are a Muslim people. Bourguiba's name is "the great mujahid," and he continues to enjoy this title. The Tunisian government has built hundreds of mosques and schools and has undertaken a real Islamic renaissance. But a distinction must be made between Islam and what can be laid to the account of the Islamic Movement: raising this slogan on a temporary basis and making it an excuse for destroying the necessary stability of public and national security. It is nothing but a matter of certain elements laying claim to Islam and working to monopolize for themselves Islamic activity in a Muslim society and regime. They were apprehended while carrying on operations aimed at destroying public and social peace in collusion with foreign parties. It was natural to put a stop to this activity, and the subject has been handed over to the courts for settlement.

Freedom of Expression and the Use of Violence

[AL-USBU'] Assuming that what is going on in Tunisia regarding the Islamic Movement is the preservation of social peace, one understands that when people are granted a certain amount of freedom of expression, they turn to the use of violence only under pressure. Does the Tunisian regime guarantee the Islamic Movement the right to establish and organize political activity and to express itself in the Tunisian media?

[Answer] We in Tunisia have an essential issue. Tunisian society is entirely made up of Muslims, apart from a Jewish minority. This group, which wanted to function as a political organization laying exclusive claim to Islam, was not given a license to carry on political activity under this title because the laying of an exclusive claim to Islam by any group in an Islamic society is misappropriation of the identity of the community as a whole for the welfare of one group to the exclusion of the others. Therefore, the agency responsible for granting licenses asked this group to choose a name that is not the common right of all Tunisians, so that it not exploit this identity, and on the ground that its use constituted a slander against the [Islamic] affiliation of anyone not in this movement. It has been asked that any organization not use this identity that is the common right of the citizens. It was asked to choose another name, but they refused.

As for freedom of expression, the state does not interfere in the media, unless falsification of the truth takes place.

'ALI NASIR'S ROLE IN ATTEMPTED COUP DETAILED

London AL-MAJALLAH in Arabic 6-12 May 87 pp 12-15

[Text] There have been many articles and investigative reports about recent events in Aden, which have dealt with the military battles and the storming of the central committee headquarters and the politbureau meeting on 13 January 1986. On the other hand 'Ali Nasir Muhammad's final days in Abyan and particularly the days that preceded travel abroad have remained shrouded in mystery, because of the dearth of information about his movements and his management of the military groups that have remained loyal to him abroad.

AL-MAJALLAH followed 'Ali Nasir's movements from Aden to Abyan, and then later outside the country and has been able to gain detailed information about his movements. These have been obtained either from eye witness accounts, statements made during the trial of the suspects, stories by those who accompanied him as he moved, were privy to his military plans and saw how he managed his forces noting his personal characteristics and his cool-headedness in the difficult circumstances which he and PDRY experienced.

On Thursday, 9 January 1986, 'Ali Nasir Muhammad, accompanied by a group of his collaborators, including Ahmad Musa'id (minister of state security) and Qasim Ma'udah, deputy commander of the presidential guard, proceeded to Abyan governorate where they remained until Friday in the home of Hadi Ahmad Nasir. During that time arrangements were being made for a meeting of the politbureau and plans were underway to storm that meeting and liquidate all members opposed to the president (according to the official story).

On Friday, 10 January 1986, 'Ali Nasir accompanied by at least 10 of his guards returned in his black Mercedes and immediately went to his residence. There he continued his meetings with Ahmad 'Abdallah (navy commander) and 'Alawi Husayn Farhan (deputy minister of state security) according to the admissions of Mubarak Salim, commander of the republican guard.

On Saturday, 11 January 1986, President 'Ali Nasir Muhammad paid a series of calls and held intensive meetings with his supporters in Aden. He began by visiting Ahmad 'Abdallah in his home where they were joined by Ahmad Musa'id and 'Alawi Husayn Farhan. This was followed by a lengthy meeting with Ahmad Musa'id during which it was stressed that presidential guard leave should be cancelled, and that all guardsmen should stand by in their quarters for further orders.

On Sunday, 12 January 1986, that is to say one day before the events--'Ali Nasir Muhammad visited Abu Bakr Badhib at his home, and later that night proceeded to the home of Hasan al-Salami (central committee member and a former minister). There, a meeting was held with his supporters to put the finishing touches to their plan. The 2-hour meeting (from 9 to 11 pm) was attended by Ahmad Muftah al-Husayni, Muhammad 'Ali Ahmad and Muhammad 'Ali Sa'id. Following the meeting 'Ali Nasir made his way home accompanied by Ahmad Musa'id, as admitted by Hasan al-Salami before the court.

According to official accounts, Monday, 13 January 1986 was the day scheduled for the plan. 'Ali Nasir's schedule began early. At 8:30 am the minister of state security, Ahmad Musa'id arrived at 'Ali Nasir's home. On his arrival he promptly summoned commander of the guard, Mubarak Salim, who was ordered to assassinate all members of the politbureau and their body guards. 'Ali Nasir and half of his guards led by Qasim Ma'udah, deputy commander, emerged, with 'Ali Nasir riding in a white Mercedes and the guard boarding two trucks. His black Mercedes was taken by members of the guard who proceeded to the politbureau's meeting place as a diversionary tactic, according to statements of the defendants during the trial.

In the evening of 13 January 1986, 'Ali Nasir's family proceeded to Abyan where they stayed at the home of Muhammad 'Ali Ahmad. Earlier at 8:30 am the town of Abyan was the scene of unusual activity. Regional leaders began to converge on the office of Haydarah Sa'id who organized a series of private meetings. At 9:30 the entire group proceeded to Jabal Khanfar where they broke down the doors of the rest house, since the caretaker was not there. At about 10:30 am 'Abdallah Bakir's car arrived accompanied by a white Mercedes carrying Anis Hasan Yahya and 'Abd-al-Ghani 'Abd-al-Qadir (the prime minister). Abu Bakr Badhib's car arrived a little later and finally 'Ali Nasir's white Mercedes arrived followed by two presidential guard vehicles.

In the words of Nasir 'Abdallah al-'Uwaydani, president of the Financial Audit Committee of the Yemeni Socialist Party in Abyan who accompanied 'Ali Nasir: "At 10:15 on that day (13 January) 'Ali Nasir Muhammad and his aides met in the Jabal rest house. They appeared uncomfortable. Salim Mansur contacted Muhammad 'Ali Ahmad in Aden who reported that the situation was bad and said 'Send the onions' meaning send the pro-'Ali Nasir Muhammad armed forces in Abyan.

At about 10:30 'Ali Nasir Lakhsha', state security executive in Abyan arrived at the Jabal rest house. He told President 'Ali Nasir that the place was not secure and suggested that he move to another location. Ahmad Haydarah Sa'id suggested that a move be made to Shaqrah and asked Haydarah 'Umar to accompany 'Ali Nasir and his party there.

The motorcade arrived in Shaqrah at noon. One of the vehicles was especially equipped was being used as an operations room maintaining contact with Aden and guiding 'Ali Nasir Muhammad's forces and his aides. 'Ali Nasir, in a blue safari suit was overseeing communications. According to al-'Uwaydani, 'Ali Nasir appeared to be upset and frightened. There were no signs of any injuries or scratches on his hands.

That evening Ahmad Haydarah informed 'Ali Nasir that Shaqrah was no longer secure and the party was advised to move on to Mudiyah, which it proceeded to do.

On Tuesday, 14 January 1986, the Mudiyah party secretary, accompanied by the police commissioner, arrived at 'Ali Nasir's quarters. He asked them what arrangements had been made and they replied that several groups had been sent to Aden. Al-'Uwaydani, in his story published by Aden's weekly, AL-SIYASI, reports that the party secretary in Ludar arrived and informed 'Ali Nasir that he had received a cable from 'Iliwah requesting that M-30 artillery be sent to Abyan at which time 'Ali Nasir ordered him to seize the Katyusha battalion. At noon the Lawdar police commissioner reported to 'Ali Nasir that the battalion had split into two factions and were turning their weapons on each other. 'Ali Nasir then ordered him to seize the weapons "by any means possible." In the evening the governor of Shabwah called and when asked for his latest news said that large groups had been sent. When 'Ali Nasir asked about the brigade stationed in Shabwah, the governor informed him that the brigade had sided with the opposition and that 95 percent of its number were against the group. 'Ali Nasir then ordered the governor to seize the brigade and its arms but the governor apologized saying that he only had 100 men and two tanks at his disposal. However, 'Ali Nasir insisted on the brigade being disarmed by any means.

Al-'Uwaydani believes--according to his statement--that President 'Ali Nasir began to realize his defeat at 10 am on Tuesday, when he received 'Ali Nasir Lakhsha' who reported that Ahmad Musa'id and Muhammad 'Ali Ahmad were in Abyan and wanted to meet with him in Shaqrah. 'Ali Nasir's color changed and his face paled as he stood up because he realized that the arrival of his two strongmen in Abyan meant that they had fled the battlefield and that the other side had gained full or partial control.

Anis, Abu Bakr, 'Ali Badhib and 'Abd-al-Ghani were with 'Ali Nasir when he received the news. They were eager for any news of developments on the battlefield in Aden. Anis said: "Let us return to Abyan. There, we can keep an eye on the situation and prepare for any contingencies." 'Ali Nasir Muhammad remained on his feet and looked very upset as though he was struck by lightning. He was totally taken aback by the surprise, or call it "the tragedy," according to someone close to him. He had not expected the situation to turn against him in less than one day, according to al-'Uwaydani.

It appears that al-'Uwaydani's presence in 'Ali Nasir's group spoiled many of the group's plans. Al-Uwaydani maintained continuous contact with the other side, gradually disseminating information on 'Ali Nasir's movements and plans. Al-'Uwaydani recalls that in May 1985, about 9 months before the events in question, he noted, while in the company of Lawdar governor Ahmad Muhammad al-Hayyal, two covered trucks in Am'Ayn on their way to Lawdar one driven by Salih 'Ali Ahmad (Muhammad 'Ali Ahmad's brother) and the other by 'Ali 'Abbud. He understood from the governor, who had had the trucks stopped, that they were loaded with arms. He promptly made his way back to Aden where he communicated his suspicions and related the story of the two trucks to Thabit 'Abd Husayn, who asked him to keep an eye on the situation and maintain

contact. Obviously, al-'Uwaydani was loyal to the new government, in spite of 'Ali Nasir's trust and insistence that he accompany him on all his movements.

(Again according to al-'Uwaydani) it was in Shaqrah, to which 'Ali Nasir moved in order to meet with Ahmad Musa'id and Muhammad 'Ali Ahmad, that a new plan was drawn up to capture Aden along two important flanks, one led by Muhammad 'Ali Ahmad, the second by Ahmad Musa'id Husayn with the operation to begin on the morning of 15 January. It was agreed that the 'Arish flank be commanded by Ahmad Musa'id and al-Mis'abayn be led by Muhammad 'Ali Ahmad.

At 11 am on Wednesday, 15 January 1986, Muhammad 'Ali Ahmad and his company began to move toward Abyan. It was decided to make Abyan the new headquarters because it is more secure and because it had a larger number of supporters. On arrival in Abyan the column moved on to Bajidar military headquarters in Zanjibar.

Al-'Uwaydani reports that he saw military personnel such as Husayn al-Jaradi, Husayn Salamah, Ibn 'Adyu, 'Abd Rabbuh Musawwar, Muhammad Muhsin 'Ali, al-Mahruq, Ahmad Haydarah and others who had been defeated after having suffered huge losses, with more than eight dead, including Salih 'Ali Ahmad, Salim Rajab, former Mudiya police chief and others.

In a continuous diversionary action 'Ali Nasir Muhammad changed his headquarters in Abyan for a second time. He realized that the Bajidar headquarters in Zanjibar was no longer secure and was in danger of being bombarded. He therefore proceeded to party headquarters in Abyan where he met with his military aides and worked out a third plan of attack on Aden. In the evening the group again moved, this time to al-Summa, but even this choice was not to be final, 'Ali Salih 'Abbad declaring that it would not be safe to sleep there and proposed that the party move on the Sudanese Project to sleep in Farid Majdur's house.

Eye witness accounts report that on Thursday 16 January, government forces which supported the new situation moved toward Abyan after the tank corps gained control of the situation in Aden. At 11 am anti-'Ali Nasir Muhammad forces in Abyan opened fire on al-Kud, al-Summa and in the vicinity of Ja'ar. 'Ali Nasir Muhammad felt the danger of his presence in Abyan and decided to return to Shaqrah for third time. Seeing him leave, his followers and supporters followed in their cars to Shaqrah in a random manner. One eyewitness described how he saw civilians and armed military personnel heading for Shaqrah, Lawder, Mudiya and the mountains, but 'Ali Nasir who wanted to reassure them ordered his lieutenants to move them all back to Abyan.

It was in the evening of the same day that Ahmad 'Abdallah al-Husayni and a number of navy men arrived at 'Ali Nasir's headquarters in Shaqrah. 'Ali Nasir received him immediately and they sat down together with al-Maj'ali, Badhib, Anis, 'Abd-al-Ghani, Muqbil and his group. Throughout the meeting the status of the battles in Aden was discussed.

Al-'Uwaydani in his official account of events reports that when 'Ali Nasir asked al-Husayni about the outcome of events in the politbureau, where the fighting took place, he followed in particular on Sa'id al-Khaybah, Mutlaq 'Abdallah Hasan, 'Abd-al-Hamid Ahmad Sa'id and 'Ali As'ad Muthanna (central committee leaders). Al-Maj'ali, had arrived with al-Husayni, replied that they had all been liquidated using the expression "We licked them all."

When 'Ali Nasir asked al-Maj'ali and al-Husayni about politbureau members who had been billed, they replied that they had seen the bodies of 'Ali 'Antar, 'Ali Sha'i' and Salih Muslih among the dead. On hearing the news 'Ali Nasir felt some relief and ordered that the communique concerning their death be broadcast once again, although he continued to show signs of anxiety that he had received no assurances of the death of 'Abd-al-Fattah Isma'il "his arch-enemy" according to al-'Uwaydani.

On the evening of the same day Ahmad 'Abdallah al-Husayni (navy commander) proceeded to Abyan to confer with 'Iliwah and Sulayman Qays in al-Wahdah brigade headquarters where the new command had been set up. From there Ahmad 'Abdallah proceeded to Aden accompanied by a 400 to 500 man fully armed force.

On Friday, 17 January one of 'Ali Nasir's aides called on him where he was lying low in a Shaqrah household, and reported that he has seen vessels at sea making for Shaqrah, and that Badhib and Anis who were living in the guest house had been informed.

Al-'Uwaydani reports that 'Ali Nasir asked him to go to the guest house and fetch the "guys." When he got there he discovered that Anis, Badhib and their men had taken refuge in townspeople's houses, two per household. He then went back to 'Ali Nasir and told him that he had found no one in the guest house. 'Ali Nasir ordered him to look for them. Al-'Uwaydani says that when he sought them out in their refuges he found Anis and 'Abd-al-Ghani trembling with fear in one of the houses hidden among the women and children. He also found Abu Bakr and 'Ali Badhib in another place, completely disheartened, expecting the arrival of a force from Hadramawt, when they had heard about boats arriving in Shaqrah. Says Al-'Uwaydani: "So I collected those people and took them with me to 'Ali Nasir Muhammad's hideout."

Al-'Uwaydani goes on to say: "A half hour after the group met Mu'awdah arrived and was asked by everyone, what he had seen. He replied that he saw "cargo boats," wooden vessels built to transport cargo from ships at anchorage to the docks. There ships had on board groups of naval personnel who had fled the fighting in Aden. 'Ali Nasir ordered that the deserters be returned to Abyan."

On September, 17 January 1986, 'Ali Nasir Muhammad, Ahmad Musa'id and Muhammad 'Ali Ahmad and their group left Shaqrah in the evening for Mudiya where they arrived at 11 pm. There they rested for half an hour then made their way to Lawder and then to Murta'ah, a small village on the border east of Makiras, where the military force caught up with them.

On Sunday morning, 18 January 1986, all the forces supporting 'Ali Nasir Muhammad met in Murta'ah on the border. In the afternoon 'Ali Nasir Muhammad disappeared, and it was said that he had left the country for good. As for Ahmad Musa'id, 'Ali Muhammad Ahmad, 'Eleweh and Solayman Qays, they remained in Murta'ah which has become the new command Headquarters.

On Monday, 19 January, Abyan was the scene of plunder, looting and chaos. According to al-'Uwaydani's account, deserters looted the National Bank and other banks in Lawdar and Mudiya, planting land mines in certain locations and making their way to Murta'ah. With that the curtain came down on the presence of 'Ali Nasir Muhammad and his group in Abyan.

13291/12947

CSO: 4404/352

EXPATRIATE MAGAZINE REVEALS NEW 'FACTS' ABOUT ISMA'IL'S FATE

Cairo AL-'AMAL in Arabic 5 May 87 p 4

[Article: "AL-AMAL Reveals New Secrets About the Fate of 'Abd-al-Fattah Isma'il; Questions Continue About Whether 'Abd-al-Fattah Was Killed and Why His Body Disappeared; Do al-Bid, al-Sharjabi, and Salim Salih Have a Relation to 'Abd-al-Fattah's Disappearance?"]

[Text] All circles in South Yemen, the members of the Yemeni Socialist Party, and many of the pillars of the regime there are still asking themselves where 'Abd-al-Fattah Isma'il's body is, if he was killed, and where he is, if he was not killed. The questioning is justified: He is neither a murdered man whose body has been found, nor a living man enjoying the means of subsistence and present in person.

Where is the truth of the matter?

AL-AMAL magazine tried to inquire into this subject and shed light on its obscurity. An amazing surprise took place: We have obtained exact and very reliable information.

This information says that 'Abd-al-Fattah was killed on the day of 13 January 1986. There was an agreement that took place between 'Ali Salim al-Bid, then a member of the Politburo and currently general secretary of the Yemeni Socialist Party, Salim Salih Muhammad, currently deputy general secretary of the party, and Muhammad Sa'id 'Abdallah, known as "Mushin al-Sharjabi," to suppress the report of 'Abd-al-Fattah Isma'il's murder and not make it public, lest their side collapse during the bloody and savage fighting against 'Ali Nasir Muhammad, head of the regime at that time. Also, during the fighting an agreement took place to form a collective leadership to administer the affairs of the areas under their control and to affirm that 'Abd-al-Fattah was still alive, as a kind of impetus to their groups.

This information states that al-Bid, al-Sharjabi, and Salim Salih Muhammad buried 'Abd-al-Fattah Isma'il's body in complete secrecy and without anyone else participating with them during the burial and that they have maintained the secrecy of the burial until now, so that they would feel great embarrassment if the subject were brought to light now.

The three men just mentioned were on a committee formed by the Marxist regime in Aden to investigate the fate of 'Abd-al-Fattah Isma'il. The committee's report fell in line with the position of the three men: No body exists, and no living person exists.

In addition, the information states that 'Abd-al-Fattah's body was buried somewhere near the building of the Central Committee of the Yemeni Socialist Party.

12937/12951
CSO: 4404/362

EXPATRIATE MAGAZINE ATTRIBUTES ATHEISM TO CURRENT REGIME

Cairo AL-WAHDAH in Arabic 15 Mar 87 pp 18, 19

[Article by 'Ali al-Saqqaf: "Aden Regime Insists on Atheism and Irreligion"]

[Text] People's Democratic Yemen, our southern half of the homeland, this southern borderland of the Arabian peninsula, the place where [divine] messages were revealed, land of the prophets, the country of knowledge and faith, a goodly land, a pure land, a Muslim people, a believing people, a good people, proverbial for their character and morals, their generous spirit and strong faith--this is the people of the south, and this is our country.

What has befallen this people? What has befallen this country? Have they forgotten God, and has He forgotten them? Or is it God's test of His people--a test of the patience of believers?

How could an erring group of apostates, perverted in morals and in conduct, impose on this Islamic country and this Muslim people an atheistic and irreligious system utterly at variance with all its beliefs and faith and against all that is Muslim and Arab?

True, this erring atheistic and libertine group has employed all the forms of suppression, oppression, and crime. Innocents have been murdered, 'ulama have been tortured, citizens have been buried alive. All the illegal methods have been used--ones that would make stone and iron, let alone humans, soften and yield.

Doubtlessly, the people of the south bear part of the responsibility for what is going on in their country. But not all of it; for the people of the south suddenly found themselves wrestling all alone with oppression and tyranny, with no assistance either from brother or friend.

They found themselves, as they say, at the muzzle of the rifle and in the mouth of the lion, struggling alone and without help. Fatigue and weakness overwhelmed them, and their strength gave out. Some minds became dulled and dried; others still wait for deliverance, hoping that God will show favor to his servants and lead them to the way to salvation. There is no despairing of God's mercy. Verily, God is forgiving, merciful.

While, as I said, the people of the south bear part of the responsibility, there is no doubt that the faithful Muslim Arab brothers themselves bear the largest part of this responsibility.

And this is in spite of the Aden regime's utter explicitness and disclosure of its political beliefs and intentions, its open and explicit hostility to the revealed religion, especially the Islamic religion. This comes to us from time to time in articles written in the pages of its official newspapers, shamelessly and disgustingly making fun of the Noble Qur'an, and sometimes against the Messenger [Muhammad], blessing and peace be upon him, describing certain prominent men of the regime, worthless men known for immorality, bad outlook, and misbehavior, men who drink themselves senseless with wine day and night--these men it sometimes describes as "prophets," sometimes as "gods." In their yellow newspaper, they occasionally embark on verbal contests and challenges against God Himself--I ask God's forgiveness for even mentioning such things--as a kind of provocation aimed specifically at the Muslim Arab people in the country and at Muslims in general.

Here are some examples of the regime's displays of atheism and irreligion in its newspapers:

"Let Him in Whose hand is death, deign, if he thinks of it even as an idea, to carry out his dirty trick against this prophet. He is truly the prophet. We are his message. He bears it from us, on behalf of us, and to us. The cold of the land of Lenin did not deflect him from carrying it." And so forth, in this vein that offends the feelings of Muslims. Thus, we find the ruling regime in Aden describing death as "the dirty trick" that God plays on his servants. Their newspaper threatens and warns God, lest he think of the death of the murderous head of atheism, 'Abd-al-Fattah Isma'il, though we know that 'Abd-al-Fattah Isma'il was killed in the events of 13 January 1986 that swept through South Yemen [in a struggle] between the factions of the government for power. To the present moment, they have not found 'Abd-al-Fattah's body, or even a part of it.

In another article, the newspaper says that 'Abd-al-Fattah Isma'il did not die and will not die, because he is immortal. This is the absolute truth, and there are many articles like it.

In a recent issue of 14 UKTUBAR, along the same perverted path followed by the regime and its newspapers, the newspaper published the following about one of the regime's "hollow drums," 'Ali 'Antar, one of the atheistic Aden regime's great leaders who fell in the events of 13 January of last year"

""'Ali 'Antar, faithful in the struggle and in martyrdom'--a reading taken from the 'sura' of history."

The media of the Marxist regime in Aden have become shameless enough to compare the history of 'Ali 'Antar to the Noble Qur'an and to present his history for the people to read from its "suras," as if it were Qur'an. Thus does this atheistic regime behave!

In spite of this irresponsible behavior reflecting the nature and attitudes of the regime, we see the regime still doing what we have become accustomed to on its part since its establishment until the present time: practicing deception, lying, trickery, and extortion. No sooner was the holding of the Islamic conference in Kuwait announced, than this regime was at the head of those attending. Praise God! If you have no shame, do what you want!

First, how can the Aden regime be Islamic and atheistic at the same time? How does it attend an Islamic conference when it is publicly against Islam?

Then, how can this non-Muslim regime be allowed to attend conferences of Muslims?

The truth is that it is not strange for the Aden regime to be behaving in this way, because it is an opportunistic regime that practices extortion. It tries to gain material benefit from its meetings with Arab or Islamic countries.

What is strange, however, is that some Arab Islamic states cooperate with this atheistic regime, although they fully know the regime's nature, behavior, and views. They know for a certainty that it is a non-Islamic regime--indeed, that it is against Islam candidly, forcefully, and openly. It does not hesitate to announce openly through its officials and media that: "One of the responsibilities of any regime is to work for the extirpation of Islam from the Arabian peninsula and sweep away Islamic regimes as being reactionary." Thus, in the view of the atheistic Marxist regime in Aden, Islam is "reaction."

There is a question that still needs to be asked: Why do some Arab states cooperate with this regime in spite of all this? Is it in order to encourage it, for reasons unknown to us, to continue along its present course? Or is it flattery and complaisance for political reasons?

The Messenger, blessing and peace be upon him, said: "Any of you who sees something reprehensible, let him change it, if he can with his hand. If he cannot, then with his tongue. If he cannot, then with his heart, that being the weakest part of faith."

I ask you, Are the situation and the events in our southern half [of Yemen] not reprehensible?

Are continued insolence against Almighty God, against our true faith, against our blessed Prophet, and against our noble, revealed Qur'an not reprehensible?

What then is reprehensible?

What has befallen us Arabs and Muslims? What has happened to us? We have become excessively indifferent and have therefore lost everything, even honor! Unfortunately, what is happening in the Arab arena is nothing but the result of indifference and unconcern on the part of many Arab and Muslim countries.

When will God be gracious to us, His Prophet, and believers, so that we emerge from this murderous vortex?

When? When? When?

BRIEFS

SOLDIERS KILLED IN PAGHMAN--According reports from Afghanistan, the Mujahidin attacked a security post in (Jackson) near Kabul in Paghman subdivision killing three Soviet-Kabul soldiers and damaging a tank. In another operation the Mujahidin attacked Orgun post killing eight Soviet-Kabul soldiers. They carried out rocket attacks in (Koh-e-Safi) area inflicting loss of the life to Soviet-Kabul forces. [Text] [Karachi Domestic Service in Urdu 1500 GMT 15 May 87 BK] /12624

63 AFGHAN SOLDIERS DEFECT--Peshawar, 11 May--As many as 63 Afghan soldiers deserted their units and crossed over into Pakistan to reach Miran Shah in North Waziristan Agency Monday [11 May] at noon. The soldiers, who brought along their weapons, informed that they were posted near Kabul. They claimed to have killed six of their officers loyal to the Kabul regime before defection. Among the deserters are six injured soldiers who said they sustained injuries after overstepping anti-personnel landmines near the Sattana area near Kabul. They said several of their colleagues were killed in the landmine blasts. [Text] [Islamabad THE MUSLIM in English 12 May 87 p 1 BK] /12624

DEFORESTATION REPORTED--Peshawar, 9 May--Russian forces have launched one of the biggest deforestation campaigns in the northern provinces of Afghanistan as reported here Saturday. Russian Army is busy in deforestation in the northern provinces of Balkh, Badakhshan, Samangan, Baghlan and Kunduz. Besides these areas they have already reached the mountainous region of the south eastern provinces of Paktia and Kunar, along the Pak-Afghan borders since the beginning of January 1987. It is believed that so far, over 80 percent of natural jungles and orchards have been destroyed since 1980 by Russian tanks and jets. Furthermore massive and indiscriminate destruction of orchards and dense jungles by Russian ground forces and nepalm bombing, in the course is posing a very serious threat to flora and fauna in the countryside. Mujahideen sources has warned that it such a massive destruction of agricultural lands and jungles goes on unchecked, it would severely affect natural life and Afghan economy permanently. It said that the ecological environment in northern Afghanistan was badly in danger due to the large scale destruction of jungles and orchards. The sources informed that, in most cases Russians have used the once green fields as landing pads for military helicopters and this has turned vast agricultural fields into barren lands. [Text] [Islamabad THE MUSLIM in English 10 May 87 p 6] /9274

MINISTER ATTENDS DELHI JOINT RIVERS PANEL MEETING

Remarks on Departure

Dhaka THE BANGLADESH OBSERVER in English 10 May 87 pp 1, 8

[Text]

Irrigation and Flood Control Minister Anisul Islam Mahmud who left for New Delhi on Saturday to attend the two-day ministerial-level meeting of the Indo-Bangladesh Joint Rivers Commission (JRC) said that Bangladesh would hammer on permanent sharing of the common river waters with India.

Talking to newsmen at the Zia International Airport before leaving for the Indian capital to attend the JRC meeting beginning there today (Sunday) after a lapse of about two years, Mr Mahmud said Bangladesh should now come out from the approach of short-term sharing of river waters with India as "it is proved against the interest of the country". He said that in Delhi meeting he would stress the importance of long-term augmentation and permanent sharing of common river waters with India.

The Irrigation Minister observed that without an agreement on permanent sharing of common river waters Bangladesh could not go ahead with its plan for the Ganges Barrage, surface water development, irrigation structures that caused the Minister said, "without a permanent water sharing agreement with the upper riparian countries international financing would not be forthcoming, salinity and ecological imbalance in the northern part of the country. He also pointed out that in the absence of such agreement whatever water we are getting now can not be properly utilised.

Mr. Mahmud informed that he might call on Indian Prime Minister Rajiv Gandhi during his stay in the Indian capital. It is learnt that he is

carrying a message of President Ershad for the Indian Premier about the need for a solution to the water sharing issue. Mr. Mahmud felt that the outstanding problem between Bangladesh and India regarding the water sharing must be resolved soon for smooth Indo-Bangladesh relations.

Asked whether the Indian side had the similar spirit to resolve the issue the Irrigation Minister said "we hope so". Deputy High Commissioner Mr. Himachal Shome was present.

Commenting on newspaper report that there might be a summit meeting between President Ershad and Prime Minister Rajiv Gandhi to solve the water sharing issue the Irrigation Minister said that such summit should be preceded by proper ground work and consensus at other levels.

About the inclusion of Nepal for a long term water sharing agreement Mr. Mahmud referred to the understanding among President Ershad, Prime Minister Rajiv Gandhi and King Birendra at the Bangalore Summit of SAARC. He also pointed out That the Foreign Ministers of the three countries in their meeting in Kathmandu last January discussed about it and they would again meet in June.

The Irrigation Minister said that the Teesta issue would be discussed in the Delhi meeting. He however, believed that certain issues must be solved before any agreement on the Teesta was signed.

Asked whether the term of the Joint Committee of Experts (JCE) of the JRC would be extended again

the Irrigation Minister said that it depended on the decision by both sides. The current tenure of the JCE expires on May 21 and it is expected that the term for the committee may again be extended by about six months.

Mr. Anisul Islam Mahmud is leading a nine member delegation to the water talks in Delhi which will also review the activities of the JCE. The last meeting of the JRC was held in Dhaka in June, 1985. Bangladesh expressed its dissatisfaction over the long delay in holding the JRC meeting and insisted for a meeting.

The Irrigation Minister was accompanied by Mr. Mohammad Ali, Secretary for Irrigation and Flood Control, Mr. Amjad Hossain Khan and Dr. Ainun Nishat, members of JRC. Mr. Mostafa Faruq Mohammad, Director General (South Asia) of Foreign Ministry and Mr. Zakiul Alam, Director JRC. Three members including Bangladesh High Commissioner to India Mr. Faruq Ahmed Chowdhury will join Bangladesh delegation in New Delhi.

Meets Press on Return

Dhaka THE BANGLADESH OBSERVER in English 15 May 87 pp 1, 10

[Text]

Irrigation, Water Development and Flood Control Minister Anisul Islam Mahmud, who returned to Dhaka on Thursday after attending a two-day ministerial-level meeting of the Indo-Bangladesh Joint Rivers Commission (JRC) in New Delhi, said that India was now trying to understand Bangladesh's problem on the water issue and she had agreed to examine Dhaka's proposal for permanent sharing of the common river waters.

The Irrigation Minister who carried a message from President Ershad for the Indian Prime Minister Rajiv Gandhi met the Indian leader on Wednesday where he explained Bangladesh's stand on permanent sharing of common river waters. He felt the need for a summit level meeting between President Ershad and Prime Minister Rajiv Gandhi for resolving the water issue between the two countries. He, however, stressed the need for making the ground work for an understanding before such summit meeting.

Talking to newsmen at Zia International Airport on arrival from the Indian capital, the Irrigation Minister expressed cautious optimism about final solution of the water issue between the two neighbours. Giving his view about his meeting with Mr. Gandhi and the 29th JRC meeting held in the Indian capital after a lapse of about two years, the Irrigation Minister said that he found a growing understanding in the Indian side about Bangladesh's problem on the water issue. He observed that a solution of the water issue was necessary for smooth Indo-Bangladesh relations.

The Irrigation Minister said that the water issue between India and Bangladesh should be divided into two phases—one for permanent sharing of the common river waters and the others for long-term augmentation of the flow of river waters. The first one, he observed, could be solved bilaterally and the question of long-term augmentation should be decided regionally by

involving Nepal.

Briefing newsmen on the outcome of the Delhi meeting the Irrigation Minister said that the two sides agreed to extend the term of the Joint Committee of Experts (JCE) by another six months. The 29th meeting of the JRC also decided to extend the ad hoc sharing arrangements of the Teesta flows during the dry season till the end of the current year.

The JRC also agreed that the Irrigation Secretaries of the two countries will meet in July to discuss about permanent arrangements of Teesta flows and other border river issues.

/13046

CSO: 4600/1684

DELEGATE TO HAVANA MEET RETURNS, MEETS PRESS

Dhaka THE NEW NATION in English 6 May 87 p 3

[Text]

Deputy Prime Minister Kazi Zafar Ahmed returned home Monday from Havana after attending the sixth ministerial meeting of the Group of 77 held there from April 20 to 25, reports BSS.

On his return the Deputy Prime Minister told newsmen at the airport that the Havana meeting was held to forge a common position of the developing countries on the basis of the regional meeting held at Dhaka, Addis Ababa and San Jose in preparation of the UNCTAD VII meeting to be held in Geneva in July next.

Kazi Zafar said the ministers of the Group of 77 adopted the Havana declaration along with a consolidated assessment of the world economic situation.

He said the declaration endorsed various measures and policies to be taken up for negotiations with the industrialised world in UNCTAD VII.

Elaborating, the DPM said, the Havana meeting's attempt to forge a common position centred around the issues like resources for development, prices of commodities, international trade and problems of the Least Developed Countries (LDC's). The Havana Declaration also endorsed the programme of action for economic cooperation among developing countries, he said.

Kazi Zafar as the leader of the six-member Bangladesh delegation presented the Dhaka declaration in the Plenary Session of the meeting. The other members of the delegation were Deputy Minister for Commerce H.M.A. Gaffar, Ansar Ahmed M. P. Mr. Mominuddin Mondal M.P. Mr. Shahidur Rahman M.P. Commerce Secretary A. B.M Ghulam Mustafa and Bangladesh permanent representative to U.N. office in Geneva Ataul Karim.

Bangladesh was also elected as one of the vice presidents of the meeting which was inaugurated by Cuban President Fidel Castro and the leader of the delegation presided over one of its sessions. The delegation led by the Deputy Prime Minister played an important role in the meeting both as the host country for the sixth Asian ministerial meeting as well as the spokesman of the LDC countries.

Commerce Secretary ABM Ghulam Mustafa presented the report of the senior official level meeting of the sixth meeting of Asian group held in Dhaka in the technical committee while Mr. Ataul Karim chaired the working group on LDC's.

Kazi Zafar said the Havana declaration had forcefully brought out the contradictions and disarray of the world economy on account of the policies pursued by the industrialised countries.

The declaration, he said, also urged positive actions on official development assistance on soft terms, elimination of protectionist policies.

The Deputy Prime Minister said Bangladesh played a key role in the meeting in forging unity among the countries belonging to G-77 with divergent views.

Bangladesh also called for taking a firm and pragmatic approach towards the negotiations that was going to take place between the developing and the developed countries in the UNCTAD VII meeting.

Kazi Zafar said Bangladesh as the spokesman of LDCs highlighted the specific problems of these countries vis-a-vis the developed countries. The keynote of the statement made by the leader of Bangladesh delegation at the meeting was South-South Cooperation, he said.

After the conference, the Cuban President Fidel Castro received the Deputy Prime Minister who conveyed the good wishes of President Ershad to the Cuban President.

President Castro also conveyed his good wishes to the people of Bangladesh and President Ershad.

Later, the Cuban President also received the Deputy Minister for Commerce Mr. H.M.A. Gaffar.

/13046

CSO: 4600/1665

OFFICIALS QUESTION APPOINTMENT OF NEW FOREIGN SECRETARY

Dhaka THE BANGLADESH OBSERVER in English 7 May 87 p 8

[Text]

The new Foreign Secretary Mr. Nazrul Islam will join today (Saturday). He arrived in the city on Friday from Kuwait where he served as Bangladesh Ambassador.

The outgoing Foreign Secretary Mr. Fakhruddin Ahmed will go on leave for three months after handing over charge to his successor. He joined the chief executive post of the Ministry of Foreign Affairs only nine months earlier and he was due to retire next April. He was also the Foreign Secretary for one and a half year during 1974-76.

The sudden change of the Foreign Secretary stirred lot of questions in the diplomatic circle and local and foreign media.

This surprised and dismayed the officials in the Ministry of Foreign Affairs. However, a foreign office spokesman on Thursday refuted reports in Press that Mr. Ahmed was transferred because of his differences with the Foreign Minister Mr. Humayun Rashid Chowdhury.

Mr. Fakhruddin Ahmed addressed his last Press briefing as the Foreign Secretary on Thursday. He thanked newsmen for their cooperation in discharging his duty.

Breaking normal practice Deputy Foreign Minister Mr. Wazed Ali Khan Panni was present at the Press briefing to refute certain foreign media reports that Mr. Ahmed was removed by the President.

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CSO: 4600/1676

FOREIGN MINISTER ON VISIT TO CHITTAGONG HILL TRACTS

DHaka THE BANGLADESH OBSERVER in English 14 May 87 pp 1, 8

[Text]

A large number of Bangladeshi Tribals have escaped from their camps across the border in Tripura and returned to their homes in the Chittagong Hill Tracts, Foreign Minister Humayun Rasheed Chowdhury said in Dhaka on Wednesday, reports BSS.

He told BSS after his recent visit to Chittagong Hill Tracts that Tribals in groups were trickling back to their homes from camps across the border under compelling circumstances.

The Foreign Minister said in recent weeks upto 2,000 of the Tribals had escaped from the camps and added that the Government was ready to welcome back home all genuine Bangladeshi nationals.

"We stand committed to receiving all Bangladeshi nationals who may have crossed over to India having fallen victim to coercion, oppression and misleading propaganda indulged in by the miscreants belonging to the so-called Shanti Bahini," he said.

Mr. Chowdhury had a day-long visit to Rangamati, Mbagrachi and Ramgarh on Monday during which he had meetings with prominent Tribal leaders there and met with some of the escaped Tribals who returned home in recent weeks.

He said on the day at Ramgarh alone, at least 30 Tribal families crossed the border to return to Bangladesh.

The Minister said during his meetings with Tribal leaders and members of the escapee families, they held out the assurance that they would guard against all subversive activities unleashed by the so-called Shanti Bahini insurgents in the Hill Tracts.

congenial conditions in the Hill Tracts which on the other hand prompted the return of the Tribals to their homes.

"I am completely satisfied as to the atmosphere prevailing at our side of the border. It is very much conducive to the return of the Tribals," he said.

He, however, said that there were occasional disturbances and violent situation created by the activities of the miscreants belonging to the Shanti Bahini which in the past caused the exodus.

The Foreign Minister said it was essential such that subversive activities of the miscreants of the so-called Shanti Bahini stopped forthwith.

"They are indulging in anti-state activities which no government will tolerate. They are inspired by an alien political ideology seemed to have been rejected by the vast majority of the tribes themselves," he said.

The Minister said Government's efforts to expedite early repatriation of the Tribals would continue and local administrations of Tripura and the Hill Tracts are to work out the modalities of the Tribals' return home soon.

He further said Presidnet Ershad and his government had an abiding interest in the speedy development of the Hill Tracts as well as in the maintenance and flourishing of the ethnic and cultural heritage of the Tribal people of the country.

The Minister said, the Tribal leaders expressed their deep appreciation and satisfaction at the massive development programmes undertaken by the present government and extended their all-out support for their implementation.

ERSHAD HEADS RECONSTITUTED LAND REFORMS BODY

Dhaka THE BANGLADESH OBSERVER in English 18 May 87 pp 1, 10

[Text]

The Government has reconstituted and renamed the National Implementation Committee on Land Reforms as National Land Reform Council to attach special priority to the land reform programmes, a PID handout said on Sunday, reports BSS.

President H.M. Ershad would be the Chairman of the reconstituted body which will determine the broad guidelines and policies on land reforms.

The reconstituted council will comprise of the Prime Minister, Deputy Prime Minister-in-Charge of Home Affairs, Deputy Prime Minister-in-charge of Ports, Shipping and IWT, Minister for LGRD and Cooperatives, Minister for Irrigation, Water Development and Flood Control, Minister for Fisheries and Livestock, Minister for Lands, Minister for Agriculture, Minister for Works, Minister for Information, Minister for Planning, Minister Mahbubuzzaman, Cabinet Secretary, Chief of Army Staff,

Chief of Air Force and four members of Jatiya Sangsad nominated by the President from four divisions.

In addition, nine Secretaries, concerned member of the Planning Commission, Chairman of Land Administration Board, Land Reforms Commissioner and three specialists to be nominated by the President would be members of the council, the handout added.

Besides, determination of the policy, the council has also been entrusted with five other responsibilities which include among others formulation of National Land Reforms Plan, implementation of the recommendations of the government approved land reforms committee and examination of other recommendations of the committee. The council will also look into other activities connected with land reforms.

The national council would meet at least once in three months, the handout added.

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CSO: 4600/1686

NO BREAKTHROUGH IN SUPREME COURT DEADLOCK

Dhaka THE BANGLADESH OBSERVER in English 4 May 87 p 1

[Text]

The deadlock in the Supreme Court since November last year has been causing untold miseries to the litigants. The decisions on many important national issues are awaiting desposal in the the High Court and Appellate Divisions of the Supreme Court as these cases are continually being delayed due to tussle between the lawyers and the Chief Justice.

The recent initiative by the President to end this deadlock is being keenly watched by the lawyers and they are awaiting President's decision on the deadlock in the highest sit of justice. President Ershad invited Mr. Shamsul Huq Chowdhury, President of Supreme Court Bar Association and Barrister Istiaque Ahmed on April 27 last through a letter to discuss some important matters. The President heard the representatives of the lawyers on April 28 with patience and keen interest and assured them that he would take steps soon to end the deadlock in the Supreme Court which has been persisting since November 11 1980 over the setting up of permanent bench outside Dhaka by the Chief Justice.

When contacted Mr. Shamsul Huq Chowdhury told this correspondent that the President heard them and said that he did not interfere in the affairs of the Supreme Court. Mr. Huq said earlier on January 6, 1987 the Chief Justice told the representatives of the Supreme Court Bar Association that the Chief Justice was doing everything as per the wishes of the President. But the President on April 28 told Mr. Huq and Mr. Istiaque Ahmed that he was not interfering in the affairs of the Supreme Court.

Mr. Shamsul Huq Choudhury said that the President showed his anxiety over the continuation of the deadlock in the Supreme Court and said that he would try to end this situation as soon as possible. Mr. Chowdhury said during the meeting with the President he reiterated the resolutions of the Bar Association which includes resignation of the Chief Justice and appointment of a Chief Justice as per Constitution who will decide the fate of the outside benches of the High Court in consultation with the lawyers. Mr. Shamsul Huq Choudhury expressed his satisfaction saying that the President did not ask them to withdraw their programme. The lawyers are now boycotting both the courts of the Supreme Court since April 12 protesting decision of Chief Justice regarding sending all Judges except seven senior judges to outside Benches.

The lawyers also boycotted both High Court and Appellate Divisions of the Supreme Court from January 7 this year to February 19. On February 20 the lawyers withdrew all their programmes when Justice Badrul Haider Choudhury became the Acting Chief Justice. The Chief Justice was out of the country at that time. Justice Badrul Haider Choudhury in consultation with the lawyers called all the six Judges of the Supreme Court (High Court Division) from mufassil Benches for one week and sent them to three Benches in the Chittagong, Rangpur and Jessore in consultation with the lawyers. But the Chief Justice on his return, said the President of the Bar Association, sent 15 Judges outside Dhaka which prompted the lawyers to resume their action programmes again.

The continuation of deadlock in the highest sit of justice in the country created concern among the law abiding citizens of the country. If the tussle continues any further people will not find any justice anywhere in the country. Many of the litigants are waiting since November to get a hearing of their cases. But the Supreme Court is in deadlock since November 11, 1986. On this day the Constitution was restored and the lawyers demanded that the Chief Justice can not set up any permanent Bench outside Dhaka as per Article 100 of the Constitution of the country.

/13046

CSO: 4600/1673

BNP, JAMAAT COMMENT ON MILITARY REPRESENTATION

Dhaka THE NEW NATION in English 10 May 87 pp 1, 8

[Text]

Bangladesh Nationalist Party yesterday opposed the idea of including the representatives from the armed forces in the district councils.

A statement captioned "BNP's reaction to the inclusion of representatives of the armed forces in the district councils and signed by the BNP office secretary Ehsanul Kabir said the inclusion of armed forces representatives in the district councils was unconstitutional. The BNP also termed the appointment of a nominated chairman to the century-old district council as a deep rooted conspiracy to shatter it. The statement emphatically said only the elected representatives could ensure public interest through their participation.

The statement also called for deleting such a provision from the proposed District Council Ordinance with a view to keeping the armed forces above all controversies.

Acting Ameer of Jamaate Islami Mr Abbas Ali Khan has also termed the reported decision

to include one member from the armed forces in the district council set up as detrimental to the interest of the nation and called for withdrawal of the decision.

The council of ministers on May 3 approved the District Council Ordinance 1987.

Mr Abbas Ali Khan in the statement yesterday said district council was not free from political influence although it was an economic and administrative unit. According to the proposed District Council Ordinance MPs and upazila chairman will be the members of the council and the chairman of the council will be an MP and all of them will be directly or indirectly attached to politics. On the other hand armed forces are a national institution free from all sorts of politics. The member from the armed forces while functioning in the district council will be able to come in contact with politics and so there is possibility that he may develop political bias. This will tarnish the image and prestige of the armed forces.

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CSO: 4600/1677

AWAMI LEAGUE CENTRAL COMMITTEE MEETS IN DHAKA

Dhaka THE NEW NATION in English 10 May 87 pp 1, 8

[Text]

Bangladesh Awami League has called upon 'all pro-liberation forces to launch a movement with the spirit of the Liberation War for the restoration of parliamentary form of government in the country.

The Central Working Committee of the party in an emergency meeting at its office yesterday observed that the country could be saved from the present political, economic and social crisis only through the restoration of the parliamentary form and abolishing the existing presidential system of government. The meeting was presided over by Awami League chief Sheikh Hasina.

The meeting discussed at length the socio-political and economic situation prevailing in the country and held that the country was going through the most vulnerable situation since its independence.

The meeting observed that the prices the essential commodities had gone beyond the buying capacity of the commonman and as result "lakhs of people were passing their days without food or with scanty food." The law and order situation had deteriorated seriously and, innocent and peace-loving people were living in a state of agony and insecurity.

The meeting opined that militarisation of the civil administration was on although martial law had been lifted. Overall situation in the industrial sector had become chaotic with the implementation of the policy of denationalisation of banks and insurances and transforming the public sector enterprises into holding companies. And it aggravated further with the promulgation of Industrial Enterprises (nationalised) Amendment Ordinance.

The meeting termed the overall situation in the country as anarchic and held the view that there was no alternative to overcome the present crisis but to restore parliamentary form of government.

The meeting decided to hold a public meeting at the Central Shaheed Minar on June 7 demanding resignation of the Government, restoration of parliamentary form of government and abolition of the policy of denationalisation and holding companies.

The meeting also chalked out a three-day mass contact programme for the central Awami League leaders including Sheikh Hasina beginning from May 18. According to the programme, they will address 43 public meetings at different places in the country.

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CSO: 4600/1677

COMPOSITION OF JATIYA SUBCOMMITTEES ANNOUNCED

Dhaka THE NEW NATION in English 4 May 87 pp 1, 8

[Text]

The Jatiya Party yesterday announced formation of several constitution sub-committees to streamline the organisational activities of its affiliated organisations, reports BSS.

The sub-committees, approved by the Chairman of the party, will place draft constitution to party Secretary General by May 25.

1. JATIYA MAHILA PARTY
Chairperson: Begum Mamta Wahab;

Members: Mrs. Amena Bari, MP, Mrs. Anwara Zaman, MP, Mrs. Kamrunnahr Zafar M P and Mrs. Sultana Zaman Chowdhury M P.

2. JATIYA SRAMIK PARTY
President Mr. Reazuddin Ahmed Bhola Mia, Members: Mr Hasanuddin Sarker MP, Begum Anwara Begum M P, Mr Arshad Hossain and Mr Delwar Hossain.

3. JATIYA KRISHAK PARTY
President: Mr. Kazi Zafar Ahmed, Members: Mr. Ruhul Amin Howlader, Mr. Moinuddin Bhuiyan and Mr. Azad Sultan.

4. JATIYA JUBO SANGHATI
President: Sheikh Shahidul Islam, Members: Mr Saifur Rahman, Mr. M.H. Khan Manju and Mr. Ismail Hossain Bengal.

5. JATIYA SHESCHASEVAK PARTY
President: Mr Aminul Islam, Members: Mr Munshi Abdul Latif, Mr. Ali Imam and Mr S M M Alam.

6. JATIYA SANSKRITIK PARTY
President: Mr Abdur Rahman Chowdhury. Members: Mr Ajmal Huda Mithu, Mr Aminur Rahman Jionah and Mr Abdur Rahman.

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CSO: 4600/1674

FINANCE MINISTER ADDRESSES ASIAN DEVELOPMENT BANK MEET

Dhaka THE NEW NATION in English 1 May 87 pp 1, 8

[Text]

Finance Minister M. Syed-uzzaman has said that reduction in net transfer of resources by the Asian Development Bank (ADB) to its developing member countries (DMCs) by nearly 45 per cent last year was a matter of great concern, reports BSS.

Addressing the 20th annual meeting of the ADB board of governors now being held in Osaka, Japan, the Finance Minister said unfortunately this had happened at a time when the DMCs were taking positive steps to improve and streamline the management capabilities of their execution agencies and giving greater attention to implementation issues.

Mr. Syeduzzaman expressed the hope that management of the bank would adopt measures to reverse this trend as soon as possible. "Much as we welcome the two-step evaluation system adopted by the bank with the establishment of the independent post evaluation office, he said.

He further said We are also impressed by the report that over two-thirds of bank-assisted projects have substantially achieved their physical, institutional and socio-economic objectives and the bottom line is unmistakably a lower volume of net transfer."

The Finance Minister pointed out that considering the socio-economic realities many DMCs including Bangladesh had started taking measures to encourage private sector to play its role in national development and pursuing policies for positive support to them over the last few years.

This, he said, had entailed exercise for liberalising the franchise for

economic activities, promoting market conditions, encouraging private investment from both domestic and foreign entrepreneurs, restructuring tax and trade policies and domestic public enterprises.

Mr. Syeduzzaman said the 20th annual meeting of the bank was being held when some of the world's major exchange markets were convalescing after disturbing free-falls presumably caused by an uncertain economic outlook.

He said this had happened at time when the real economies of many countries including member countries of the ADB continued to labour under imbalances unsustainable for all and damaging to many. This is true of developed as well as developing, surplus as well as deficit, creditor as well as debtor countries.

The minister said the ruling conventional wisdom of recent years had relied heavily on automatic market mechanism for the correction of imbalance and distortions in national economies as well as global economy. The renewed emphasis on these mechanism had served a useful purpose in domestic economic management by reminding everybody of the superior leverage of incentives as opposed to commands and also of several other realities, he said.

Mr Syeduzzaman said evidence was quite clear that in the management of international capital flows, the move towards a heavy reliance on automatic market mechanism had perverse results.

The Finance Minister said that bank's emphasis on needs of the poor and the role

of women fitted into Bangladesh programme and projects. He said, "We must remain conscious that in this effort special attention would have to be given to project design and institutional arrangements ensuring access of the poor to tangible resources and social services".

The Minister noted that this would be an appropriate area for the bank to explore co-financing with some bilateral donors who were quite active in these areas.

According to another report, Asian Development Bank's (ADB) lending to Bangladesh could reach upto US dollar 450 million in 1987 if projects under consideration are prepared timely.

The prospect for such increased assistance was indicated Wednesday when the visiting Bangladesh Finance Minister, Mr. M Syeduzzaman, had a meeting in Osaka, Japan with ADB President Masao Fujioke, according to a message received in Dhaka yesterday.

The bank's lending to Bangladesh for 1987 was originally US dollar 310 million but was at a declining level of US dollar 212 million in 1985.

The Finance Minister who is now on a visit to Osaka in connection with the annual meeting of the ADB also had meetings with Chinese West German and Australian delegations there.

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CSO: 4600/1681

BANGLADESH BANK ISSUES ANNUAL REPORT FOR 1985-86

Dhaka THE BANGLADESH OBSERVER in English 10 May 87 pp 1, 8

[Text]

The industrial growth at 1.2 per cent during the fiscal year 1985-86 was notably less than what was expected although the overall economy performed well registering a growth rate of 4.01 per cent. The growth in agricultural output was 4.8 per cent which has been termed by Planning Commission as satisfactory. This was revealed in the annual report of Bangladesh Bank for the year 1985-86 which was released to the Press on Saturday.

Taking stock of the developments in international economic environment and realising the vulnerability of Bangladesh economy to the vagaries of nature, the Government adopted various adjustment and support measures during '85-86 towards realisation of objectives of the Third Plan. The fiscal measures initiated in the last budget aimed at increasing mobilisation of domestic resources and reducing dependence on external assistance through realignment and rationalisation were made in the tax and duty structure to encourage entrepreneurial innovations, expand employment opportunities and increase production and help maintain relative price stability in the economy, the bank report stated. But the experts are of the opinion that with all sincere intentions of the Government, none of these objectives was achieved during the year and subsequently.

The Bangladesh Bank report which gives a clear picture of the national economy should have been published much earlier to give the description of the economy in 1985-86. Releasing the report after one year is not desirable and the report

is not useful at the moment. Because the situation prevailed one year back has altered by now in most of the sectors.

The Bangladesh Bank report stated that the overall liquidity and domestic credit during the period were contained at around the programmed levels. Broad money (M2) registered a growth of 17.1 per cent which was significantly lower than the rate of 25.62 per cent during '84-85. The total domestic credit expanded at a slower rate of 16.64 per cent during the year as against the far larger growth of 26.21 per cent during '84-85 while net credit to the Government declined by 5.8 per cent. The overall balance of payments registered a surplus of 46 million U.S. dollars during '85-86 in the face of a decline in export earnings by 62 million U.S. dollars due to reduced import payments by 283 million U.S. dollars and increased workers' remittances by 114 million U.S. dollars to 555 million dollars. Reflecting a moderate increase in import prices and a slower pace of domestic demand, the rate of inflation for the year under review decelerated to 9.9 per cent well below the anticipated level of 12 per cent. The Taka-dollar exchange rate depreciated by 8.21 per cent from Taka 28 per U.S. dollar at the end of June 1985 to Taka 30.30 per U.S. dollar at the end of June, 1986.

With a view to encouraging economic activities and creating employment opportunities in the new centres of development at zila and upazila levels, arrangements were made for a block allocation of Taka 425 crore in addition to Taka 12 crore and Taka 47 crore allocated for development of municipalities

and Chittagong Hill Tracts. Policy measures were also adopted for reducing dependence on petroleum by increasing production and distribution of power and gas.

The Government took a very liberal measure for industrialisation of the country during the year under review. But unfortunately the industrial growth registered a rise only by 1.2 per cent.

The Bangladesh Bank report claimed that the rigid enforcement of various policy measures helped restore discipline in the monetary and credit front during '85-86. During that year the bank rate was raised from 11 per cent to 11.25 per cent in September, 1985. As a result the domestic credit during that year sharply declined from 26.2 per cent to 16.6 per cent.

The expansion of domestic credit was shared by both public and private sectors. While net credit to the government declined by 5.8 per cent to Taka 2205.70 crore, credit to the other public sectors increased by 23 per cent to Taka 3972.80 crore at the end of June, 1986.

The rise in credit to other public sectors occurred mainly due to increased volume of credit to Bangladesh Jute Mills Corporation, the Bangladesh Jute Corporation and the Bangladesh Agricultural Development Corporation.

On the export side the earnings from merchandise export of Bangladesh in terms of dollars came down by 62 million dollars to 909 million dollars. The decline in export earnings was mainly due to fall in prices of jute and tea.

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CSO: 4600/1684

FAILURE TO MEET ANNUAL DEVELOPMENT PLAN GOALS NOTED

Dhaka THE BANGLADESH OBSERVER in English 14 May 87 pp 1, 8

[Text]

Sixty-three development projects under Annual Development Programme (ADP) for the year 1985-86 recorded "zero implementation performance," according to the latest review report of the Implementation Monitoring Evaluation Division (IMED).

The projects were taken up for implementation by various ministries including Agriculture and Forestry, Food, Energy and Mineral Resources, Posts, Telegraph and Telephone, Local Government, Rural Development and Cooperatives, Works, Ports, Shipping and IWTA, Textile, Commerce, Civil Aviation, Communication, Industry, Education, Labour and Manpower, Health and Population Control and Fisheries and Livestock.

The projects which made zero progress include Demra Water Treatment Project (preparation of design and drawing) of Dhaka WASA, rehabilitation project

(second phase) of the textile industry, expansion of telex system under Bangladesh Telegraph and Telephone Board, small scale irrigation project under Bangladesh Agricultural Development Corporation and digital electronic exchange project under the Ministry of T&T.

The projects which recorded zero progress performance during the period also include procurement of 60 passenger carriages (from Romania) under Railway Division, imparting training for English teachers for Secondary Schools.

The projects which made no progress during the period also include Gomati Project (first phase), development of feeder road under greater Mymensingh district and construction of bypass road of Rajshahi town, slum upgradation of 13 municipalities and three municipal corporation areas under LGRD & C and establishment of a children hospital under the Ministry of Health and Population Control.

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CSO: 4600/1682

PLAN FOR DHAKA EXPORT PROCESSING ZONE APPROVED

Dhaka THE NEW NATION in English 3 May 87 pp 1, 8

[Text]

The Board of Governors of Bangladesh Export Processing Zones Authority (EPZA) in a meeting yesterday with its Chairman President H M Ershad presiding approved a plan to set up a high-tech based export processing zone in Dhaka, reports BSS.

The meeting of the board, held for the first time after its constitution last year upgrading its power, took a detailed stock of the activities and performance of the EPZA and discussed its future plans and programmes.

The meeting was attended, among others, by Deputy Prime Minister in charge of Ministry of Industry Moudud Ahmed, Commerce Minister M.A. Munim, Foreign Minister Humayun Rasheed Chowdhury, Finance Minister M. Sayeduzzaman, acting Governor of Bangladesh Bank S.B. Chowdhury and concerned secretaries to the government.

EPZA executive chairman Habibur Rahman informed the meeting that out of 97 industrial plots developed by the authority, 47 industrial units have gone into production or are in the process of construction, 10 plots have been sanctioned to entrepreneurs and 26 are awaiting sanction.

Till now 35 industrial units

have gone into production. A capital lay-out of U.S. dollars 10 million has been invested till 1985-86 fiscal year in the Chittagong Export Zone providing employment to some 3000 workers and employees.

The board sanctioned acquiring of five hundred acres of land for further expansion and development of Chittagong EPZ. It also directed the authority to place the second phase development programmes of Chittagong EPZ to scrutiny before the Planning Commission.

During the meeting, President Ershad directed the authority to strengthen its promotional activities further to attract prospective foreign entrepreneurs.

He said government had given enhanced power and authority to the EPZA for its smooth functioning and easing the process of sanctioning and availability of support services to industries to be set up in the zones.

The President, in this context, laid emphasis on maintaining better coordination by the authority with concerned ministries and directed EPZA to furnish working papers to all board members at least a fortnight before the meeting.

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CSO: 4600/1669

RISE IN EXPORTS REPORTED FOR CURRENT YEAR

Dhaka THE BANGLADESH OBSERVER in English 15 May 87 pp 1, 10

[Text]

Bangladesh has exported goods worth Taka 2324.32 crore during the first nine months of the current fiscal year, reports BSS.

The 42nd meeting of the Board of Management of Export Promotion Bureau (EPB) was told that in dollar terms, the earnings (767.1 million U.S. dollars) was 18.48 per cent higher than the earnings of the corresponding period of the previous year. The meeting held at the EPB office mentioned that the export earnings during the same period of the previous year was Taka 1913.21 crore.

The Chairman of EPB and Commerce Minister Maj. Gen. (Retd) M.A. Munim presided over the meeting that reviewed the progress of export performances between July, 1986 and March 1987. The proposed export policy of fiscal 1987-88 and issues relating to boosting exports also came up for discussion in the meeting which lasted more than 2 hours.

According to the revised projection, the estimated export earnings till June 30 will be Taka 2970 crore or 980 million U.S. dollars (1 U.S. dollar equivalent to 30.30 Taka). Earlier the target was fixed at Taka 3150 crore and in terms of dollar one billion.

The actual export earnings of 1985-86, was Taka 2427.40 crore. A.B.M. Ghulam Mostafa, Secretary, Commerce, Mr. R.A. Majumder, Vice-Chairman, EPB, the representatives of Bangladesh Bank, concerned ministries, Federation of Chambers of Commerce and Industry and members of the Management Board from the private sectors attended the meeting.

Although the earnings from the traditional items registered a fall of 8.42 per cent during the period under the review compared to the same period of the previous year, the export earnings from the non-traditional items showed a spectacular rise of 52 per cent. The contribution of traditional and non-traditional goods in the overall export earnings underwent change during the period. Compared to 55.92 and 44.08 per cents of contributions by traditional and non-traditional items in the overall export earnings during last year, the figure during the period under review are 43.22 and 56.78 per cents respectively.

Mr. Majumder informed the meeting that there has been an appreciable increase in the export earnings from a number of sectors including garments, leather and frozen food, while jute and tea recorded decline in export earnings. The meeting was further informed that the share of jute and jute goods in the first nine months of the previous year was 51.61 per cent and it came down to 39.64 per cent during the period under review.

While reviewing the situation, the meeting was of the view that the estimated earnings during April-June, 1987 will be Taka 645.68 crore. It felt that although the overall export earnings of the whole year will be less than the targetted figure, it would, however, be higher than the previous year both in dollar and taka terms.

The meeting which examined various suggestions for boosting exports and give protections to exporters from the onslaught of natural calamities, decided in principle to

extend insurance coverage for frozen food industry. The Commerce Minister informed the meeting that a scheme for insurance coverage of shrimp farm has been accepted in principle and would be made public soon. He hoped this would work as a big incentive and encouragement to exporters in this sector.

Referring to boosting earnings from vegetables, the Minister said a meeting would be convened soon with the Management of National Flag Carrier for coming to an arrangement for regular air freight of vegetables to the demanding markets in Mid-East and Europe.

The meeting also discussed some of the 264 suggestions put forward by various chambers and trade organizations to boost export.

The Minister called upon all concerned to take necessary steps for increasing the export earnings. He said "unless we have a higher target, there would be no urge to work hard to achieve that."

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CSO: 4600/1684

TESTA DAM PROJECT REVIEWED, LITTLE PROGRESS SEEN

Dhaka THE BANGLADESH OBSERVER in English 11 May 87 pp 1, 8

[Text]

RANGPUR, May 10:—It is generally believed here that the future development of agriculture of three northern districts namely, Rangpur, Dinajpur and Bogra which are traditionally hit by floods and drought is largely dependent on the successful implementation of the Teesta Barrage Project. But the progress of the project achieved so far is far from satisfactory despite the efforts of the present Government to complete it as early as possible.

According to the latest estimate prepared in 1980, the project would cost 559.67 crore taka with foreign exchange involvement of Tk. 51 crore. Several foreign agencies including Islamic Development Bank are aiding the project which, after completion, will provide irrigation facility to an estimated area of 13.35 acres of land in Rangpur, Dinajpur and Bogra districts through a network of canals producing additional crops of Tk. 258.57 crores annually. In addition to this facility, the project designs to work as a protection from floods and water-logging.

The project which is considered to be the biggest irrigation scheme of the country has a chequered history. Formerly known as "Teesta Multipurpose Project" it was planned as far back as in 1951 with an objective to irrigate agricultural land and generate power for the northern districts by constructing a barrage across the River Teesta at Goddimari, a village under Dimla Upazila, 43 miles from Rangpur town and about 12 miles downstream from the Indian border where the river enters into Bangladesh from the Himalayas.

Plan revised eight times

In 1955, the project was approved and a preliminary work on the project began. At that time, the cost of the project was estimated at Tk. 9.85 crores with a provision of generation of power to the tune of 100.25 million kilowatts. Since then the project was revised at least eight times, as the sites of the project were changed with the river itself changing courses several times during the period. But the latest blow to the project came from India when it arbitrarily and in violation of international law began construction of a dam upstream to the river at Jalpaiguri of West Bengal which forced the government to postpone the construction of the project at Goddimari.

After the liberation, the government reappraised the situation and gave a green signal to go ahead with the construction of the project after giving due importance to the project on the future development of agriculture in three northern districts of the country.

Accordingly, a new site of the project was selected at Doani, a few miles away from Goddimari in the downstream where work began in 1979 with right earnest. Though the project as per revised estimate is expected to be completed by 1989-90, there is little possibility of its completion within the scheduled period in view of slow flow of funds from the government.

The delay in completion of the project is likely to escalate the cost. The tightlipped officials of the project were, however, reluctant to admit it adding that "the govern-

ment is trying hard to complete the project as early as possible." According to their version, a significant progress has been made in recent years on the work of the project. Besides construction of infra-structures like pucca roads, godowns, work-shop, electricity and residential buildings, two mile long coffer-dam and one groin to tame the river have been completed with foundation work of the proposed barrage across the river. The digging of network of main and subcanals which will be 1800 miles in length with construction of hydraulic structures are in progress. The concrete barrage which will have a length of 2018 feet across the river envisages to discharge three lakh fifty thousand cusecs of water per second which will flush down into the canals by means of some hydraulic control system.

In three districts, the total cultiv-

able land is estimated at 18 lakh acres of which only six lakh acres can be covered by existing irrigation facilities through means of tube-wells and power pumps. As a result, most of the agriculturists of this vast region are virtually left at the mercy of nature for farm production. Due to climatic variation in recent years, there has been a substantial decline in normal rainfall in the area causing deterioration of quantity and quality of production which results in economic hardship to the agriculturists who subsist on agriculture for their living. In the context of above facts, a determined effort is needed to complete the project as early as possible by making available adequate fund toward its construction. It is also necessary to establish our water rights on the river against the claim of the neighbouring country to share the water of the river which is recognised as international river.

/13046

CSO: 4600/1678

PLAN TO MAKE COUNTRY SELF-SUFFICIENT IN MILK PRODUCTION

Dhaka THE NEW NATION in English 14 May 87 pp 1, 8

[Article by Shehab Ahmed]

[Text]

Bangladesh Milk Producers Cooperative Union, country's lone major dairy producer, has resumed bulk production of full cream powder milk after more than three years.

The powder milk in cans will reach the consumers soon, union sources said.

The blue and white full cream powder milk cans of Milk Vita disappeared from the market in the face of cheaper imports from milk surplus Europe, Australia and New Zealand.

But the recent Polish radioactive powder milk affair and the fears among the people about radiation hazards led the union to seize the opportunity to get back into the market and revive capacity operation of its Baghabari Ghat Plant.

The cooperative union, having a membership of an estimated 32,000 dairy farmers in milching areas of Manikganj, Tangail, Faridpur and Pabna districts, now markets a limited quantity of powder milk in hasla foil packs of 400 grams.

The Baghabari Plant, set up by the government at a cost of Taka 15 crore in 1977 with Danish assistance to boost dairy production in the country, has the capacity to produce 50,000 litres of milk per day during peak season.

But it was not utilizing its capacity. It had been producing a small quantity of powder

milk, butter and other products apart from pasteurized milk.

According to the cooperative union officials, about 40 tons of powder milk would be marketed in the first phase. They claimed that the power was based on local products, free of any radiation hazards. Even then, they had obtained clearance from the Bangladesh Atomic Energy Commission on their dairy produce, they added.

About the allegations that the union uses powder milk imported from abroad, the officials said that a limited quantity is used during the lean period. This was mainly to supplement the stock of locally produced power milk to keep the supply steady in the market when fresh milk production declines during the rainy season from August to October.

During the current fiscal year, the union has imported 150 tons of powder milk from New Zealand. According to a union top official, the imported powder milk was supervised at production and shipment level by inspectors from Switzerland based international company SGS, when it was loaded at the port of embarkation in New Zealand and at the port of disembarkation at Chittagong. Samples were sent to BAEC for routine radiation tests, they said and found to be harmless, he said.

Meanwhile, the Food and Agriculture Organisation (FAO) and the United Nations Development Programme (UNDP) are going to formalise an agreement soon with Bangladesh Government to improve the dairy production in the country.

Under the 2.5 million dollar scheme the FAO will provide technical assistance to raise the milk production through artificial insemination, cross-breeding and training of technicians.

The scheme provides for setting up of a liquid nitrogen plant at Baghabari, a laboratory for cross-breeding of frisian and shahiwal breeds and deep freezing of semen.

The training programme involves training up technicians on artificial insemination, who in turn will pass on the skill to the members of the 270 cooperatives belonging to the Bangladesh Milk Producers Cooperative Union.

Eventually, 60 such technicians will be trained by FAO experts. After completion of the training programme the technicians will take care of four to five cooperative societies.

The long term goals of the programme visualises spread of the dairy techniques in rural Bangladesh and make the country self-sufficient in dairy products to reduce dependence on imports. At present, according to an estimate, at least 70 per cent of milk demands were met from imports.

The three-year programme also aimed at covering at least 33,000 cows of local breed. Already the FAO experts have trained some technicians since January this year with semons of cows from New Zealand.

The scheme had been awaiting formal signing after it was cleared by relevant government departments about two years ago.

Due to bureaucratic red tapism and alleged pressure from the powder milk importers, the scheme so far remained shelved according to informed sources.

According to statistics available from a survey conducted by the union in Dhaka City the metropolis requires 1,60,000 litres of milk per day. Of these, 45 per cent comes from the traditional milk men known as goalas. Only eleven and two per cent respectively are met by the cooperative union

and Savar dairy. The rest is provided by the whole sellers of Rathkhola at Nawabpur Road, the union Savar dairy and a private small dairy producer offers only pasturised milk to the consumers. The quality and purity of the rest of the milk supply are not ensured and often there are allegations that their milk is based imported skimmed powder milk.

The overall milk import of the country has been rising over the past years as the number of dairy cows declined.

According to statistics, Taka 180 crore worth of powder milk most of which skimmed milk, were being imported on average per year.

Until March of the current fiscal year Taka 186 crore worth of powder milk was imported.

The skimmed milk is mainly used by sweet meat producers to prepare sweets and curds. A sizeable quantity of the skimmed milk was being used by the milk sellers offering them as fresh milk.

As the news about radiation hazards posed by skimmed milk powder from Poland and some quantiles from unknown origin spread, the sales of sweet meat and curds declined.

At the same time the government also began stressing once again on how to raise the domestic dairy production.

The Directorate of Livestock has proposed for import on an immediate basis at least 5,000 shahiwal cows to augment domestic milk production. It also proposed for providing easy term loans to the people interested in setting up of small scale dairy farms in private sector.

Meanwhile, the prices of milk, said to be pure, rose sharply in the city market, encouraging people to go for raising cows for their own and for commercial use. The trend, said officials would concerned, have a beneficial effect on the market. At present, the cooperative union pays to the farmers Taka 8 to 8.25 per litre of milk. If the farmers get incentive from the union and from a buoyant market, they will be encouraged to go for raising the domestic production says dairy experts.

They also observed that Bangladesh needed a national dairy policy aiming at overall increase in the production and lessening of dependence on imported power milk.

PANEL NOTES PROGRESS IN FAMILY PLANNING PROGRAM

Dhaka THE BANGLADESH OBSERVER in English 11 May 87 pp 1, 8

[Text]

About five million births were averted between 1980 and 1985 by family planning programme, according to an estimate made by the Planning Commission.

The same study put the number of averted births to two million during 1975-1979.

The outcome may not appear to be very pleasing in the context of the present growth rate but substantial progress has certainly been made in arresting the population growth rate.

The population of Bangladesh which was 42 million in 1951 doubled to 89.9 million in 1981 in about thirty years time. The total population of Bangladesh will be 128 million by year 2000 even if the present rate declines to replacement level by the turn of the century.

It is good to know that substantial progress has been made in educating the people about the danger of unrestricted growth of population. Contraception which was known to only 3.9 per cent of fertile couple in 1969 gradually rose to 29.7 per cent in 1985. The rate of contraceptive use has been slow but steady since 1969. This increased to 7.7 per cent in 1975, to 12.7 per cent in 1979, to 18.6 per cent in 1981, to 21.7 per cent in 1983 and 29.7 per cent in 1985.

In spite of the fact that the contraceptive use has increased the performance still falls short of target.

Experiences of the past have shown that it would be difficult to achieve the set demographic target of Net Reproduction Rate (NRR)-One by 1990. Therefore the Third Five-Year Plan and the perspective

plan were formulated on the basis of achieving NRR-One by the year 2000.

A consensus has emerged to recast the family planning programme to three separate phases.

The first phase, to be known as immediate action plan (1983-90) would emphasise meeting the unmet demand and increase the contraceptive prevalence rate to 40 per cent by 1990. During the second phase (1991-2000) NRR-One shall be achieved by 2000. The third phase (2001 and beyond) shall maintain NRR-One or a lower rate of growth until such time that a zero population growth is attained.

The total fertility rate has fallen from roughly 7 in 1971 to below 4.5 per cent in 1985.

During 1973-74 about 0.2 million couple year protection was achieved through modern methods of contraception. The figure rose to 6.6 million in 1984-85.

Concern has been expressed on the demographic target fixed by the Government such as attainment of NRR-One by 1990 which would require reduction of birth rate by more than two points a year over the year 1980-90.

Independent sources have termed the target ambitious, difficult to achieve and countries with much better socio-economic conditions have aimed at lower targets.

The government has therefore revised the target extending the terminal year to 2000. The government of Bangladesh is committed to maintain and increase its efforts in maternal and child health simultaneously sustaining an equally high emphasis on family planning.

BRIEFS

COMMITTEE ON MEDICINES--The Government has formed a National Drug Advisory Committee with a view to ensuring proper implementation the National Drug Policy, reports BSS. President H.M. Ershad is the Chairman of the committee, says a Government handout on Sunday. The terms of reference of the said committee are to advise on various steps taken by the Government in various times to implement the National Drug Policy, to inspire local drug manufacturers and emergency production and supply of drugs to meet domestic requirements, and to advise with regard to coordination between persons, organisations and the Government involved in drug production and import. [Excerpt] [Dhaka THE BANGLADESH OBSERVER in English 11 May 87 pp 1, 8] /13046

NEW PRESIDENTIAL ADVISER--Adviser to the President M. Mahbubuzzaman was sworn-in as Minister on Sunday, reports BSS. President Hussain Muhammad Ershad administered the oath of office to Mr. Zaman at a simple ceremony held at Bangabhaban. The Jatiya Party has given nomination to M. Mahbubuzzaman to contest 48 Naogaon-3 Jatiya Sangsad seat in the by-election to be held on June 4, according to a party Press release in Dhaka on Sunday night. [Text] [Dhaka THE BANGLADESH OBSERVER in English 11 May 87 pp 1, 8] /13046

ACCORD WITH OMAN--Bangladesh and the Sultanate of Oman on Thursday signed an air services agreement, according to a message received here yesterday, reports BSS. The agreement was signed in Muscat by the visiting Bangladesh State Minister for Civil Aviation and Tourism Abdus Sattar and Shaikh Hamoud Bin Abdulla Al Harthy, Omani Minister for Communication on behalf of their respective governments. [Text] [Dhaka THE NEW NATION in English 3 May 87 p 1] /13046

CHAKMA REPORT DISPUTED--A Foreign Office spokesman on Thursday termed a report in the Indian Express newspaper of May 12 under the caption "Checkmating the Chakmas" as "too ludicrous to comment on," reports BSS. He said the report was provocative enough to vitiate the atmosphere at a time when the two governments were in touch with one another to sort out the modalities for the repatriation of the Chakma refugees. Drawing the attention of the Indian Government regarding the report, the spokesman said the report amounted to interference in the internal affairs of Bangladesh. [Text] [Dhaka THE BANGLADESH OBSERVER in English 15 May 87 p 1] /13046

CONCERN OVER FOOD--The Executive Committee of the Bangladesh Awami League which ended its three-day meeting in Dhaka expressed grave concern over the deteriorating political and economic situation in the country. The meeting which was held Sheikh Hasina in the chair observed that although the Government was claiming that the democracy had been established, in reality the power was being concentrated in the hands of a few. The meeting viewed with concern that the so-called economic activities in the country was aimed at creating a section of privileged people under the patronage of the government. The meeting observed that a famine condition was prevailing in the country and the price of foodgrains was still very high. The meeting also expressed concern over the deteriorating academic atmosphere in the country. The meeting held that the solution to these problems lies in the resignation of president Ershad and introduction of parliamentary form of government in the country. [Text] [Dhaka THE BANGLADESH OBSERVER in English 22 Apr 87 p 1] /13046

CHHATRA LEAGUE CHIEF--Mr. Mostaq Hossain, president of pro-JSD(INU) Chhatra League tendered his resignation protesting the presence of Mr. Shahjahan Khan MP in the party. It is learnt that Mr. Mostaq strongly condemned Mr. Shahjahan Khan for his participation in the last Jatiya Sangsad election violating the party decision. The Chhatra League president at a meeting of the JSD (INU) national committee on April 9 urged the central leaders to take action against Mr. Shahjahan Khan. However JSD abstained from taking any step against Mr. Khan. Mr. Shahjahan Khan took part in the parliament election from Madaripur constituency though his party opposed the election. Following this, Chhatra League pressured the central committee to expel Shahjahan Khan. But JSD did not take any action against him. In this perspectives Mr. Mostaq Hossain tendered his resignation. A party source said Mostaq's resignation was not accepted. [Text] [Dhaka THE BANGLADESH OBSERVER in English 21 Apr 87 p 8] /13046

CZECH GOVERNMENT'S CLARIFICATION--The Commercial Counsellor of Czechoslovak Socialist Republic in Bangladesh has issued the following statement to our paper. "The edition of your esteemed newspaper 'The Bangladesh Observer' on 14 April 1987 brought an article "Probe into Polish Milk Powder Begins" from your Staff Correspondent in which there is mentioned that a part of the milk powder is made of Czechoslovakia. This is to let you know that no Milk Powder was imported in Bangladesh from Czechoslovakia which can simply be checked by the Customs Authorities. Therefore, we don't see any good reason to mention the name of Czechoslovakia into this matter. On the other hand it might have happened that some Milk Powder was imported by the Third Country having the country of origin 'Czechoslovakia' but, anyhow, without our consent and knowledge, and therefore more or less illegally." [Text] [Dhaka THE BANGLADESH OBSERVER in English 20 Apr 87 p 3] /13046

ENVOY TO BAHAMAS--Bangladesh Government has concurrently accredited its High Commissioner to Canada Brig. (Retd) A.N.M Nuruzzaman, as high commissioner to Bahamas, reports BSS. [Text] [Dhaka THE NEW NATION in English 14 May 87 p 3] /13046

TEAM TO PRC, USSR--A high level delegation comprising officials of the Energy and Mineral Resources Ministry will visit Moscow early next month at the invitation of the Soviet Government. The visit follows discussions on Soviet cooperation in the fields of power generation, transmission and distribution with the Deputy Minister of Soviet Union when he visited Bangladesh on the occasion of commissioning of the 210-megawatt Ghorashal power station. The two sides will identify the areas of cooperation. It is learnt that a similar mission will visit Peking late this month at the invitation of the Chinese government. [Text] [Dhaka THE NEW NATION 12 May 87 p 1] /13046

DIESEL FROM SOVIETS--Bangladesh Petroleum Corporation (BPC) will import 60,000 metric tons of high speed diesel oil from the USSR during July-December '87 under barter protocol, reports BSS. The total value of the purchase will be about Tk. 30,00 crore. The contract was signed in the city yesterday. Dr M. Waliuzzaman, Director, BPC (Operations and Planning) and Mr. Sergey V. Chernenko of Trade Office of the USSR in Bangladesh, represented their respective countries. [Text] [Dhaka THE NEW NATION 7 May 87 p 8] /13046

AMBASSADOR TO ARGENTINA--Bangladesh permanent representative the United Nations Justice B.A. Siddiky last week presented his credentials to Argentinian President Raul Alfonsin in Buenos Aires, according to a delayed message received in Dhaka reports BSS. Mr. Siddiky is concurrently accredited to Argentina as the Bangladesh ambassador. At the credential presentation ceremony, held on April 24, justice Siddiky conveyed to the Argentinian President the greetings from President Ershad and underlined importance that Dhaka attaches to the cause of promotion of understanding and cooperation among developing countries. The Bangladesh envoy also recalled the existing friendly Cooperation between Dhaka and Buenos Aires at different multilateral fora, particularly at the Non-Aligned Movement and the Group of 77. Reciprocating the sentiments, President Alfonsin extended his greetings to Bangladesh President. [Text] [Dhaka THE NEW NATION 1 May 87 p 3] /13046

INDIAN PAPER BANNED--The Government has banned the April 15 and 16 issues of Indian English daily The 'Hindu' brought out from Madras and Delhi and edited by Mr. Kastary for publishing objectionable reports, reports BSS. It completely banned the sale, distribution, translation and quotation from any part of the report. The action has been taken under section (17), sub-section (1) and clause-c of the Special Powers Act, 1974. [Text] [Dhaka THE NEW NATION 19 Apr 87 p 8] /13046

NATIONAL AWAMI PARTY--The two-day meeting of the Central Organising Committee of Bangladesh National Awami Party which concluded in Dhaka on Friday formed a Central Executive Committee of the party with Professor Muzaffar Ahmed as President and Mr. Pankaj Bhattacharya as General Secretary. The meeting of the Central Organising Committee also elected 13 members to the Presidium and 13 members to the Secretariat, 15 Assistant Secretaries and 86 members to the Central Committee. The members of the Presidium are, Prof Muzaffar Ahmed, Pir

Habibur Rahman, Chowdhury Harunur Rashid, Dr. M.A. Wadud, Mr. Azizul Huq Khan, Syed Ashraf Hossain, Prof. Abdul Hafiz, Dr. M.A. Malek, Advocate Ismail Khan, Mr. Saiful Islam, Mr. Suranjit Sen Gupta, and Mr. Pankaj Bhattacharya. The members of the Secretariat are Maulana Ahmedur Rahman Azmi, Mr. Fazlul Huq Khondakar, Mr. Kamal Haider, Nirmal Biswas Bhanu, Advocate Ali Haider Khan, Mrs. Amina Ahmed, Principal Imdadur Rahman, Advocate Nurul Alam, Mr. Ashraf Ahmed, Mujibur Rahman Tunu, Advocate Fazlul Huq Khan and Nurul Islam (Treasurer). [Text] [Dhaka THE BANGLADESH OBSERVER in English 26 Apr 87 p 1] /13046

JSD CENTRAL COMMITTEE--Jatiya Samajtantirk Dal (Inu) central committee has expelled Mr. Shahjahan Khan MP from the central committee on Friday. However Mr. Khan will hold the post of the Secretary in the Sramik Jote. Mr. Mostaq Hossain, President of the students wing of the party placed his resignation in the first week of April on the question of Shahjahan Khan's presence in the party. Chhatra League demanded Mr. Khan's resignation protesting his participation in the last Jatiya Sangsad election. [Text] [Dhaka THE BANGLADESH OBSERVER in English 17 May 87 p 1] /13046

INVITATION TO JUNEJO--Bangladesh Ambassador to Pakistan C.M. Shafi Sami called on Pakistan Prime Minister Mohammad Khan Junejo in Rawalpindi on Monday according to a message received in Dhaka on Tuesday, reports BSS. Ambassador Shafi Sami conveyed to Prime Minister Junejo the greetings of President H.M. Ershad and Prime Minister Mizanur Rahman Chowdhury. Prime Minister of Pakistan warmly reciprocated. The Ambassador handed over to the Prime Minister a letter from President Ershad inviting Mr. Junejo to visit Bangladesh. The Prime Minister accepted the invitation with thanks and expressed his desire to visit Bangladesh at his earliest convenience. They also discussed various aspects of bilateral relations between Bangladesh and Pakistan. [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 May 87 p 1] /13046

CSO: 4600/1688

INDIA

SOUTH ASIA

PROTOCOL ON COOPERATION SIGNED WITH ZIMBABWE

New Delhi PATRIOT in English 28 Apr 87 p 9

[Text]

India and Zimbabwe on Monday agreed to strengthen cooperation in the fields of transport telecommunication, water, power and tourism and launch new ventures in the machine tools and chemical sectors, reports PTI.

The first session of the India-Zimbabwe Joint Commission, which concluded on Monday with the signing of the agreed minutes by Minister for External Affairs Mr N D Tiwari, and Zimbabwean Minister for Energy, Water Re-

sources and Development K M Kangai, noted that there was vast scope for increasing bilateral trade.

The five-day meeting decided that trade talks would be held annually and special trading and cooperation arrangements instituted between the respective state trading corporations, according to official sources.

It was also decided to speed up the process of formalising the Rs 100-million Exim Bank credit offered to Zimbabwe late last year, so that an agreement could be signed in three months.

The items which figured in the discussions on two-way trade included emeralds, nickel, coking coal, timber, ivory, hides, skins and semi-finished leather, for import by India.

Items offered for export included drugs, chemicals, mining equipment, transport equipment and tractors.

Exchange of steel plates, sheets and structurals for Zimbabwean billets were also considered, the sources said.

Cooperation was also envisaged in the fields of rubber cultivation and sericulture in Zimbabwe, for which feasibility studies have already been conducted by Indian experts.

The sources said that steps to improve or initiate cooperation in educational and cultural matters were also discussed and agreed upon.

/9274

CSO: 4600/1702

TEXT OF GANDHI SPEECH MOVING 1987-88 FINANCE BILL

Madras THE HINDU in English 30 Apr 87 p 6

[Text]

The following is the text of the Prime Minister, Mr. Rajiv Gandhi's speech when he moved the Finance Bill in the Lok Sabha today:

Sir, I beg to move:

That the Bill to give effect to the financial proposals of the Central Government for the financial year 1987-88 be taken into consideration.

2. The details of the proposals in the Finance Bill have been spelt out in the Explanatory Memorandum, which has been circulated along with the Budget papers. The salient features of these proposals have been explained in my Budget Speech. I will not therefore take up the time of the House by covering the same ground again.

3. Hon'ble Members on both sides of the House have made valuable suggestions during the general debate. We have also received representations from various sections and comments from experts. In the light of these, I have decided to make certain amendments in the original Budget proposals.

Amendments

4. In respect of direct taxes, I propose to make the following amendments:-

(a) Apprehensions have been expressed that the proposed new section 194E of the Income Tax Act, which seeks to extend the area of tax deduction at source may cause unnecessary harassment to large numbers of honest taxpayers who might have to seek refunds. After careful consideration of representations received, this proposal is being withdrawn.

(b) The Finance Bill inserts a new section 115J in the Income Tax Act to levy a minimum tax on 'book profits' of certain companies. Representations have been received that in computing book profits for the purpose of determining the minimum tax, losses and unabsorbed depreciation pertaining to earlier years should be allowed to be set-off. Otherwise, new projects that have just begun to make profits after some years of losses, and sick companies that have just turned the corner, will become subject to minimum tax. There is merit in this suggestion. Under Section 205 of the Companies Act, 1956, past losses or unabsorbed depreciation, whichever is less, are allowed to be set off against the book profits of the current year for determining profits for the purpose of declaring dividend. It is proposed to allow the same adjustments in computation of book profits for purposes of the new provision for levy of minimum tax.

Exemption of capital gains

(c) The Bill seeks to insert a new Section 54H of the Income Tax Act providing for exemption of capital gains arising from the transfer of shares to any public

sector company as specified by notification. This was only an enabling provision, but it has given rise to undue misgivings. It is proposed to delete this provision.

(d) The Bill seeks to insert a new Section 54G providing for exemption of capital gains on transfer of assets, in the case of approved schemes for shifting an industrial undertaking from urban areas. The exemption will be available in respect of long-term capital gains arising from the transfer of machinery, plant, building or land. Representations have been received that the underlying objective of re-location of industries is not fully achieved by this provision because of Section 50 of the Income Tax Act. This section provides that capital gains arising on transfer of long-term capital assets in respect of which depreciation has been allowed, will be deemed to be short-term capital gain.

To give effect to the original intention, it is proposed to amend this provision to secure that capital gains, whether short term or long term, will qualify for exemption.

Modifications

(e) The Bill seeks to amend Section 2(22)(e) of the Income Tax Act to provide that loans or advances given by any closely-held company to its shareholders, or to any concern in which such shareholders have a substantial interest, shall be deemed to be dividend for the purposes of taxation. It has been pointed out that such a provision may be unduly severe in the case of persons having small shareholdings. It has also been pointed out that it should not apply retrospectively to cases where advances or loans have already been given by closely-held companies to shareholders before this Finance Bill is enacted. The proposal is now being modified so that it will apply only to cases where the shareholder holds 10 per cent or more of the equity capital, and to concerns in which such shareholders have substantial interest. Further, the new provisions shall be applicable only where the loans or advances are given after 31.5.1987.

5. The other amendments relating to direct taxes are purely of consequential or clarificatory nature and I would not like to take the time of the House in dealing with them.

6. The changes in respect of indirect taxes are as follows: (i) In the budget, I had announced excise relief, and reduction in levy quota for new cement units manufacturing portland cement, which commenced production on or after 1.4.1986. I now propose to extend a measure of relief also to cement units which commenced production between 1-1-1982 and

31-3-1986. These units will get excise relief of Rs.20 per MT for portland cement. Their levy quota is also being reduced from 30 per cent to 20 per cent. Both these measures are for a period of 3 years. The excise concession will be available only to those units whose aggregate production is not less than 30 per cent of the licensed capacity, and which produce cement out of captively produced clinker. These excise duty benefits would be given to mini cement plants as well.

Concession for cotton cloth

(ii) I had proposed certain changes in the exemption scheme for hand-processed cotton fabrics. The full exemption limit was increased from 36 lakh sq. mtrs. to 50 lakh sq. mtrs, irrespective of the type of process employed. I now propose to further liberalise the exemption limit to 75 lakh sq. mtrs for screen printed fabrics. All hand processing units will be eligible for these exemptions irrespective of their turnover. The duty rate on clearances in excess of the exemption limit is also being reduced from 50 per cent of the normal rate to 25 per cent. In order to relieve small units from the rigours of excise formalities, exemption from central excise licensing control is being given to units whose clearances do not exceed 80 per cent of the full exemption limit.

(iii) The customs duty exemption available to imported waste paper was withdrawn in the Budget, and a duty of 25 per cent imposed in its place. As a measure of relief to small paper mills, who are major users of such waste paper, I now propose to reduce the rate from 25 per cent to 10 per cent.

Excise reduction

(iv) Excise duty on wool tops was removed and import duty on raw wool, wool waste and woollen rags was increased from 20 per cent to 30 per cent. To ensure availability of wool at reasonable prices to this export oriented industry, I am restoring the pre-Budget rate of 20 per cent on raw wool, wool waste and woollen rags. This rate is also being made applicable to synthetic rags.

(v) Excise duty on wood products based on waste wood, such as particle board, insulation and fibre boards is being reduced from 20 per cent to 10 per cent *ad valorem*.

Duty on computer parts cut

(vi) Import duty on non-electronic parts for computers required for the manufacture of 22 specified peripherals is being reduced from 75 per cent to 45 per cent.

(vii) Six new items are being added to the list of computer peripherals for which import of non-electronic parts is permitted, for maintenance purposes, at concessional rate of 75 per cent.

(viii) A uniform rate of import duty of 75 per cent is being imposed for raw materials and components required for the manufacture of the Public Telephone Exchange Net Work Project.

(ix) On certain items of consumer electronics, including VCRs, VCPs, combination sets of TVs with audio recorders, radio or clocks, specific rates of excise duties are being fixed. Some other minor changes are being also made in the import duty structure on raw materials and piece parts used by the electronic in-

dustry. Some procedural simplifications are also being carried out.

Packed spices exempted

(x) Excise duty of 15 per cent was imposed in this year's Budget on spices sold in unit containers. It has been represented that this duty would adversely affect a large number of small units. I, therefore, propose to exempt packed spices fully from excise duty.

(xi) Excise duty for retread rubber and other re-treading materials were revised in the Budget. It has been represented that the small scale sector has been adversely affected by the revision. I, therefore, propose to reduce the rates from Rs. 6 and Rs. 9 per kg. to Rs. 4 and Rs. 8 per kg respectively.

(xii) In the Budget, import duty on general machinery was reduced to 85 per cent and the rate on components of machinery to 70 per cent. As a measure of support to the textile machinery and machine tools sectors, the duty on components for these items is being reduced from 70 per cent to 60 per cent.

(xiii) To simplify classification and assessment of parts of machinery, appliances and equipment, a new tariff heading No.98.06 was proposed in the Customs Tariff in this year's Budget. Most of these parts are already exempt from countervailing duty. As a measure of further simplification in respect of such parts, which attract countervailing duty, a uniform rate of countervailing duty at the rate of 15 per cent *ad valorem* is being proposed.

On MODVAT

(xiv) The extension of MODVAT scheme to more items and the procedural relaxation made in the Budget have been widely welcomed both in the House and outside. Some more further relaxations in this scheme have already been made. The facility of adjustment of MODVAT credit will now be allowed in all situations wherever the input duty is varied upwards. A manufacturer availing of MODVAT has also been made eligible to avail of the proforma credit scheme under Rule 56A in respect of inputs not covered under MODVAT.

Other reliefs

(xv) The following other reliefs are also proposed:

(a) Excise duty on non-tinted toughened glass is being reduced from Rs. 25/- to Rs. 15/- per mm thickness per sq. mtr.

(b) Excise duty on glues and adhesives based on plastics is being reduced from 40 per cent to 25 per cent.

(c) On certain travel goods where MODVAT benefits are lower than estimated, excise duty is being reduced from 35 per cent to 30 per cent *ad valorem*.

7. The total impact of these and some other concessions and reliefs aggregate to Rs. 40 crores on the Customs side and Rs. 30 crores on Excise side. This will be made up by better collections during the course of the year. Notifications giving effect to the proposed changes, wherever necessary, would be issued and laid on the Table of the House in due course.

I request Hon'ble Members to lend their support to the Finance Bill, with the modifications I have proposed.

Sir, I move the Bill.

/9274

CSO: 4600/1705

SARKARIA PANEL TERM EXTENDED 6 MONTHS FROM 1 MAY**Bombay THE TIMES OF INDIA in English 30 Apr 87 p 8****[Text]**

NEW DELHI, April 29: The term of the Sarkaria commission on Centre-state relations has been extended by another six months from May 1 to enable it to examine the memorandum submitted by the Punjab government and finalise its report.

The Punjab government's memorandum is crucial in view of the Akali Dal's Anandpur Sahib resolution which was the basis for the party's agitation and the subsequent development affecting the integrity of the country. The Punjab developments and ascendancy of regional parties persuaded the late Prime Minister, Mrs Indira Gandhi, to appoint the commission to re-examine the country's federal structure.

The extension given to the commission is the fifth since it was appointed on June 9, 1983. The Punjab government's memorandum was the

last to be submitted to the commission a few days ago. Under the terms of the Punjab accord, the Anandpur Sahib resolution has also been referred to it.

According to the memorandum, with the linguistic reorganisation, the states have become homelands of various linguistic and ethnic groups that had, in fact, grown into distinct nationalities.

The Punjab government pleads for greater autonomy for the states. It says that the only realistic way to contain a multi-national society within a single state is to have a genuinely federal form of government.

The memorandum also says that the states' heavy financial dependence on the Centre has undermined their role and status to a great extent. While pleading for more financial powers, the memorandum points out the diminishing share of states in the total plan outlay and its undesirable consequences on the economy.

/9274

CSO: 4600/1703

CONGRESS-I AGREES TO MANIPUR UDP MERGER

Calcutta THE TELEGRAPH in English 27 Apr 87 p 4

[Text]

Silchar, April 26: The Congress(I) high command has "cleared" the proposed merger of the United Democratic Party (UDP), a regional political outfit in Manipur, with the Congress(I), according to the UDP president, Mr Ngurdinglien. The UDP has 10 legislators in the 60 member Manipur Assembly.

Mr Ngurdinglien told this correspondent that the Congress(I) president, Mr Rajiv Gandhi, had already asked his political secretary, Mr M.L. Fotedar, and Mr V. K. Panikker, AICC(I) joint secretary, to complete the formalities regarding the merger "as early as possible." Mr Ngurdinglien, a former minister, met

Mr Gandhi in New Delhi recently to discuss merger of the two parties.

The UDP comprises mainly those politicians who were denied party tickets by the Congress(I) chief minister, Mr Rishang Keishing, to contest the Assembly election in 1984. Mr Ngurdinglien, an MLA since 1968, stormed out of the party along with his supporters just before the election and captured 10 seats.

The merger, if it takes place, is bound to change the political scenario of Manipur as it is expected to consolidate the dissident forces.

Mr Ngurdinglien said his party would join hands with the dissident Congress(I) legislators,

who are now campaigning for the ouster of Mr Keishing. Mr Ngurdinglien said the dissident leaders, Mr Lalit Singh and Mr R. K. Dorendra Singh, met Mr Gandhi in New Delhi separately in early April to renew their demand for the removal of Mr Keishing as the leader of the legislature party on account of his alleged corrupt practices and failure to tackle Naga insurgency effectively, in the state's eastern districts. The dissident leaders claim that they enjoy the support of 12 of the 39 Congress(I) MLAs in the state Assembly.

Mr Ngurdinglien said though he had mooted the merger of his party with the Congress(I) in January 1985, no breakthrough was achieved in view of a legal hurdle.

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CSO: 4600/1701

PAPERS REPORT STATEMENTS BY CPI-M GENERAL SECRETARY

Interview in Trivandrum

Bombay THE TIMES OF INDIA in English 27 Apr 87 p 9

[Article by K. T. R. Menon]

[Text]

TRIVANDRUM, April 26.

THE CPM general secretary, Mr E. M. S. Namboodiripad, today urged New Delhi to take the initiative for a meaningful dialogue with Beijing.

In an exclusive interview here, Mr Namboodiripad, who recently visited China, said he had talks in that country at three levels, ending with a discussion with Mr Deng Xiaoping. They exchanged information on international and national issues and "the two parties briefed each other on their respective positions."

The Marxist leader stated: "While I do not propose to disclose the content of the talks, I may say that the Chinese party appears to be moving in the direction of settling all unresolved problems, including disputes with the Soviet union and India. I consider it appropriate that the government of India should take the initiative and try to have meaningful negotiations with

the government of China."

Asked about the Chinese stand on the question of strengthening the Left movement in this country, especially the unification of the CPM and the CPI, Mr Namboodiripad said: "This is an internal issue in which our fraternal parties in other countries, including the Soviet Union and China, have no direct role. Our delegation did brief the Chinese leaders on the position in India."

Asked about the reported decision of the Communist Party of the Soviet Union (CPSU) to send two leaders to explain various aspects of the resolutions of the 27th party congress to Communists in this country, Mr Namboodiripad noted that the resolutions marked an "extremely significant development in the world Communist movement."

He added: "The sending of two academicians — not CPSU leaders as assumed — has no other significance than that the CPSU that the CPSU

leaders want to keep the fraternal parties posted with information on important documents."

Asked about recent developments in the country, the Marxist leader stated: "Our party considers the threat of destabilisation to be very real. Unfortunately, however, the policies adopted by the Congress government do not really help fight this threat. We, therefore, have to fight these policies of the government, but making no compromise with those who attempt at destabilisation."

Answering another question, Mr Namboodiripad said: "The bankruptcy of the policies pursued by the Congress government does, of course, make it necessary to seek the formation of a viable alternative to the Congress. This, however, is not an easy task."

In this context, he noted that "the decisions arrived at by some of the non-Congress chief ministers in New Delhi yesterday mark a good beginning."

Madras Press Conference

Madras THE HINDU in English 1 May 87 p 9

[Text]

MADRAS, April 30.

"A suggestion has been made that there should be a consensus candidate for the coming Presidential election. We are not opposed to it in principle. But it means a consensus must evolve through discussions", the CPI(M) leader, Mr. E. M. S. Nambutiripad said here on Thursday.

Addressing a press conference, he said the Congress (I) or the Prime Minister could not

suggest any name and seek an endorsement. Only when there was an agreement on the norms or criteria for the selection of the candidate, could the names be considered.

Asked to comment on the Prime Minister's invitation to the CPI(M) to discuss the Presidential election, just on the eve of the non-Congress (I) Chief Ministers meeting in Delhi, Mr. Nambuthiripad said: "A Prime Minister who is not able to get on with a President who was nominated by his own party and by his predecessor (and mother) can hardly be expected to accept our suggestions. He will be living in a fool's paradise if he thinks of isolating any of the Opposition parties".

Answering a question on the steps taken to evolve a national alternative to the Congress (I), the CPI(M) leader said the process had begun and two more meetings had been scheduled—a party representatives' meet in May and another Chief Ministers' get together in June. Two issues had been identified for elaborate discussions at these discussions. They were: socio-political situation and policy and external/foreign policy.

Mr. Nambuthiripad noted that any national alternative should not brush aside the "destabilisation threat from external forces as a creation of the Congress (I)", because the danger was real and had to be countered. But the alternative would not emerge just by desiring one, because the political parties had certain policies and ideologies of their own. "We don't want any repeat of the Janata experiment we had earlier. There are differences and we must find points of agreement".

He ruled out the involvement of the BJP in these efforts and said in reply to a question that there was no point in inviting Mr. Farooq Abdullah's National Conference or Mr. M. G. Ramachandran's AIADMK to these parleys. "Let us not waste time", he said.

Answering a question, he said Left unity and a national alternative were neither "co-terminus nor contradictory".

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END