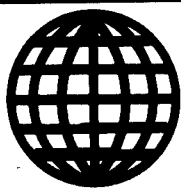


JPRS-NEA-90-047
31 AUGUST 1990



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

Near East & South Asia

DISTRIBUTION STATEMENT A

**Approved for public release;
Distribution Unlimited**

19980515 026

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL INFORMATION SERVICE
SPRINGFIELD, VA. 22161

DTIC QUALITY INSPECTED 3

Near East & South Asia

JPRS-NEA-90-047

CONTENTS

31 AUGUST 1990

NEAR EAST

INTERNATIONAL AFFAIRS

- US Allegedly Pinning Hopes on Levy, Sharon [*AL HAMISHMAR* 13 Jul] 1

ARMENIAN AFFAIRS

- Soviet Army Action in Yerevan Deplored [*Paris GAMK* 25-26 Jun] 2
 Refugee Settlement in Mountain Areas Urged [*Paris HARATCH* 2 Jun] 2
 Barbed Wire To Be Installed on AzSSR Border [*Istanbul JAMANAK* 27 Jun] 3
 ArSSR Militia Reported To Number 40,000 [*Istanbul MARMARA* 25 Jun] 3

REGIONAL AFFAIRS

- Gulf Crisis Analyzed, Foreign Intervention Criticized [*London AL-TADAMUN* 13 Aug] 3
 Strategic Issues in Gulf Examined [*London AL-MAJALLAH* 14 Aug] 5
 Crisis Reportedly Threatens Gulf Monetary Regime [*London AL-SHARQ AL-AWSAT* 10 Aug] ... 7
 Egyptians Assess Ineffectiveness of Arab League, ACC [*Cairo AL-WAFD* 13 Aug] 8
 Egypt's Exchange System for Kuwaiti Dinars Detailed [*Cairo AL-WAFD* 10 Aug] 9
 Paper Attacks Egypt's 'Mercenary' Writers [*Baghdad INA*] 11

PALESTINIAN AFFAIRS

- Factions Congratulate Saddam on 'Unity' [*Baghdad INA*] 12

ALGERIA

- New Islamist Party Requests Official Recognition
 [*Paris MARCHES TROPICAUX ET MEDITERRANEENS* 20 Jul] 12
 Economy Ministry Forms New Fiscal Committee [*EL MOUDJAHID* 12 Jun] 12
 Industrial Production Up 6.5 Percent in First Trimester
 [*Paris MARCHES TROPICAUX ET MEDITERRANEENS* 27 Jul] 12
 Article Discusses Ait Ahmed Political Support [*ALGERIE ACTUALITE* 13 Jun] 13

EGYPT

- Premier Announces Secret Accounts To Be Approved
 [*London AL-SHARQ AL-AWSAT* 20 Aug] 14
 Government Agreement With IMF Seen Likely [*London AL-SHARQ AL-AWSAT* 20 Aug] 14

IRAQ

- Rallies, Growing Number of Volunteers in Autonomous Region [*Baghdad Radio*] 16
 Economists Discuss 'Siege,' Means To Cope [*Baghdad Radio*] 17
 Agricultural Minister on Production Plans, Use of Land [*AL-THAWRAH* 16 Aug] 17
 West Accused of Using Political 'Double Standard' [*INA*] 18
 Hammadi Meets Arab Ambassadors in Moscow, Explains Position [*INA*] 18
 'Humanitarian' Aspect of Saddam's Open Letters Seen [*INA*] 18
 Editorial Threatens 'Violent Death' Awaiting Americans [*Baghdad Radio*] 19
 Italians Respond to Fallout From Economic Sanctions
 [*London AL-SHARQ AL-AWSAT* 10 Aug] 20
 Study Examines 'Aflaq, Arab Unity' [*AL-THAWRAH* 25 Jun] 21

ISRAEL

| | |
|--|----|
| Anti-Israel Leaks in U.S. Press Reported [HA'ARETZ 3 Jul] | 23 |
| Danger Seen in Sharon's Emergency Regulations [HADASHOT 6 Jul] | 24 |
| Study on Limits of Israeli Arabs Toward Intifadah ['AL HAMISHMAR 26 Jun] | 25 |
| New Finance Minister's Decisions Questioned ['AL HAMISHMAR 6 Jul] | 27 |
| Efforts To Improve Relations With Druze [DAVAR 10 May] | 28 |
| Settlers Remain Quiet on Immigration Issue [HA'ARETZ 17 Jun] | 29 |
| Military Value of Settlements Disputed [DAVAR 27 Jun] | 30 |
| Port of Ashdod Development Described [DAVAR 13 May] | 31 |
| Annual Military Courts Report Released ['AL HAMISHMAR 17 May] | 32 |

KUWAIT

| | |
|--|----|
| Minister in Exile Predicts War If Iraqis Remain [Tokyo KYODO 27 Aug] | 33 |
| Schools Instructed To Change Names [Baghdad AL-THAWRAH 20 Aug] | 33 |
| Traffic Directorate Changing Kuwaiti License Plates [AL-NIDA'] | 34 |
| Resistance Claims To Kill 'Scores' of Iraqis Daily [Jiddah 'UKAZ 14 Aug] | 34 |
| Editorial Claims Husayn's Action Brought Foreign Fleets to Gulf [Cairo AL-ANBA 22 Aug] | 34 |
| Jasim Responds to Egyptian Concern for Nationals [Baghdad INA] | 35 |
| Cairo Cites KUNA Commentary on Occupation [Cairo Radio] | 35 |
| West Aiding Financial Interests [London AL-SHARQ AL-AWSAT 10 Aug] | 36 |
| Petroleum Operations Switched to London [London AL-SHARQ AL-AWSAT 10 Aug] | 36 |

LIBYA

| | |
|---|----|
| Al-Qadhdhafi Addresses Medical Professions on Religious Groups [AL-JAMAHIRIYAH 25 May] | 37 |
|---|----|

MOROCCO

| | |
|--|----|
| Editorials See Danger in Western Intervention | 39 |
| Big Power Responsibilities [AL-ITTIHAD AL-ISHTIRAKI 6 Aug] | 39 |
| Potential Threats [AL-ITTIHAD AL-ISHTIRAKI 9 Aug] | 39 |

TUNISIA

| | |
|--|----|
| Ben Ali Addresses Businessmen on Export Issues [LA PRESSE DE TUNISIE 15 Jun] | 40 |
|--|----|

YEMEN ARAB REPUBLIC

| | |
|---|----|
| Journalists Hold Conference on Press Reform, Censorship | 42 |
| Details on Conference [AL-THAWRI 16 Jun] | 42 |
| Editorial on Role of Censorship [AL-THAWRI 16 Jun] | 44 |

SOUTH ASIA

BANGLADESH

| | |
|--|----|
| Visiting PRC Vice Minister Meets With Ershad [THE BANGLADESH OBSERVER 9 Jul] | 45 |
|--|----|

INDIA

| | |
|---|----|
| Commentaries View Plight of Sri Lankan Tamils | 45 |
| Community Said Orphans [JANSATTA 6 Jul] | 45 |
| Tamils Everywhere Called On To Assist [NAVABHARAT TIMES 6 Jul] | 48 |
| CPI-M Document on Changes in East Bloc Released [THE STATESMAN 6 Jul] | 48 |
| Commentary Says Separatist Elements Rising in Tamilnadu [DINMAN TIMES 5-11 Aug] | 49 |
| Further Reportage on Indo-Soviet Trade, Cooperation | 50 |
| Rupee Pact Extended [THE HINDU 4 Jul] | 50 |
| Power Station Construction [THE TIMES OF INDIA 29 Jun] | 51 |

| | |
|--|----|
| Report Claims Smugglers Operate 'Parallel Economy' [NAV BHARAT TIMES 25 Jul] | 51 |
|--|----|

IRAN

| | |
|--|----|
| Military Cooperation With North Korea Discussed [ETTELA'AT 16 Jul] | 52 |
|--|----|

PAKISTAN

| | |
|---|----|
| PPP 'Anarchy' Said Threat to Bhutto's Leadership [THE NATION Jul] | 52 |
| Former Sindh Chief Minister Interviewed [HURMAT 2 Jun] | 53 |
| Sindh: Peace Said Possible Through Political Solution Only [JANG 8 Jun] | 55 |
| Spokesman on 'Conspiracies' Against Government [THE PAKISTAN TIMES 17 Jul] | 56 |
| Former NWFP Governor Criticizes Benazir Government [HURMAT 7 Jul] | 57 |
| Shariat Bill Said 'Another Source of Friction' [HURMAT 2 Jun] | 59 |
| Shariat Bill: Different Views Reported | 60 |
| Different Views Reported [DAWN 1 Aug] | 60 |
| Ulema: Shariat 'Need of the Hour' [DAWN 1 Aug] | 61 |
| Citizens' Forum Opposes Shariat Bill [DAWN 1 Aug] | 61 |
| Political Leaders Demand Government Action on Kashmir [JASARAT 14 May] | 62 |
| Editorial: Provisional Government for Kashmir Termed 'Quixotic' [DAWN 22 Jun] | 65 |
| 'Cost' of War Over Kashmir Analyzed, Good Sense Urged [DAWN 16 Jul] | 65 |
| Report Alleges Indian Intelligence Active in Islamabad [HURMAT 23 Jun] | 67 |
| Commentaries Note Reactions to Budget | 69 |
| Budget Termed 'Disappointing' [JASARAT 9 Jun] | 69 |
| Prime Minister's Claim on Inflation Disputed [JASARAT 9 Jun] | 70 |
| Government Said Indulging in 'Economic Trickery' [JASARAT 10 Jun] | 70 |
| Editorial Urges Developing Indigenous Technology [THE NATION 21 Jul] | 71 |
| Commentary Condemns Harassment of Newsmen [JANG 8 Jun] | 71 |
| Negative Tendencies in Politics Condemned [NAWA-I-WAQT 16 Jun] | 72 |
| Commentary: Taxes Pay for Rulers' Comforts [JANG 8 Jun] | 73 |

SRI LANKA

| | |
|---|----|
| Indian Intervention in Renewed Conflict Seen Unlikely [Vienna DIE PRESSE 3 Jul] | 73 |
|---|----|

INTERNATIONAL AFFAIRS

US Allegedly Pinning Hopes on Levy, Sharon

90AE0222A Tel Aviv 'AL HAMISHMAR in Hebrew
13 Jul 90

[Article by Dalia Shahori]

[Text] The people in charge of the peace process in the State Department know a lot about us, and are also knowledgeable about nuances and jokes. They could fit in nicely in an Israeli parlor conversation on a Friday night. This week, one of them agreed that the present government can withstand a long period, since many of its members know that this is perhaps their last chance to be in the cabinet, and "the ministers will have a hard time returning the Volvo". Exactly like that.

They know in the State Department that the new foreign minister, David Levi, is favorably mentioned in the Kahan committee report on the massacre in Sabra and Shatila. They know that he voted for the departure of the IDF [Israel Defense Forces] from Lebanon. They know that he is sensitive about his honor and that these sensitivities must be taken into consideration. They promise to do so. They know that he is intelligent, that it is possible to speak with him. They hope that he will be the man who will enable the resuscitation of the peace process. Or, as Secretary of State James Baker wrote him: I have already understood that you are a "problem solving" type, and I, myself, am a problem solver too, so I hope that we will be able to work together. Or, as a senior American source said this week: "We think that it will be possible to work with him, we are willing to work with him, we think that as foreign minister he will want to do everything in his power to break the deadlock, to improve the relations and the atmosphere and, at the same time, act for the interests of Israel as he understands them. We think that he is a fellow that it is possible to do business with. We are going to try."

They see the picture like this: Yitzhaq Shamir lost a great deal, no less than Shim'on Peres, during the three months of the government crisis, when it appeared that he was willing to do anything in order to remain in power. Now, he is a bit on the sidelines, while the two strong figures in the cabinet are Ariel Sharon and David Levi. Each of them has reasons to want to cooperate in the advancement of the peace process. For Levi, the motive is clear. He wants to succeed in his position, to prove leadership, to lead the peace process, and to show that the Likud government wants and is able to do this.

Sharon, "whose ambitions are almost like the dimensions of his body", is now in charge of an issue - the housing of the Soviet Jews - which is the heart of national consensus. He knows that success in this matter is very important to his future, and should he place obstacles in the way, he is likely to bring about his political downfall.

Sharon is the one who declared that the Soviet Jews will not be sent to settle beyond the green line. Can one

possibly imagine "that" Sharon talking this way? He understands that he must not endanger the absorption of the Soviet Jews. Even a person such as Yuval Ne'eman is talking differently now. It is recognized that ideology must not be permitted to stand in the way of the absorption of the Soviet Jews. Should they do so, this will be the end of the Likud.

Therefore, Sharon will act with caution, and it is likely that he will not rush to attack Levi, for tactical reasons, even if Levi takes steps or positions that he does not agree with. Accordingly, in Washington hopes are being pinned on the meeting with Levi, even though this will apparently not take place prior to the month of August, due to Levi's health problems and Baker's crowded agenda. In the meeting with Levi, they will try first to clarify Shamir's intentions by the vague answers in his letter to Bush that he gave to Baker's question regarding Palestinian representation.

Shamir, they say in the State Department, responded "yes" to the question: "Regarding participation in the Israeli - Palestinian dialogue, will the government of Israel be willing to consider on a name basis any Palestinian who was a resident of the territories?" This question was presented with an assumption, thus worded: "Ultimately, a number of names will be chosen that will suit the categories of deportees who are fit for return, and the categories of dual addresses." Shamir did not respond to the "assumption" with a definitive "yes" or "no", but with Israeli formulas, delineating the concerns of the government. But "he clearly left the door open. The door was not closed on the two issues: deportees and dual addresses", said a senior American source.

When Levi comes to Washington, Baker will try to check with him to what extent the "door is open" on the matter of the "assumptions". He will want to know what Israel's limits of concessions are, and it is likely that new ideas will be brought before him. "This is an opportunity to work together, to see what we can do", he said. If the contacts with Levi go well, there is no ruling out the possibility that they will move to contacts with him only, but they are attempting to diminish the significance therein. It is noted that, in the past, Baker worked on the peace process with Arens. In the State Department, it is clarified that the "dual address" is in order to facilitate the inclusion in the delegation of a Palestinian representative who is also a resident of Jerusalem, so that the Palestinians can attend the talks. This refers to a resident of the territories who has a second address in Jerusalem.

The Americans have no plans to invite Shamir to Washington. To the question why they do not call him on the telephone, like Mubarak, they answer: "He received a letter (from Bush). Isn't that communication? That is communication." But they immediately add that Baker will try to involve Levi. Indeed, they will correspond with Shamir, but they will speak with Levy. Does this neutralize Shamir? If this indeed happens, Baker and Bush will be the last to regret it.

ARMENIAN AFFAIRS

Soviet Army Action in Yerevan Deplored

90AS0359A Paris GAMK in Armenian 25-26 Jun 90 p 2

[Editorial from 6 June edition of DROSHAK, official press organ of the Armenian Revolutionary Federation]

[Excerpt] They spilled the blood of Armenia's children on the streets of Yerevan on 27 May 1990. The military and police forces of the Kremlin "bequeathed" a 28 May [anniversary of the founding of the Armenian Republic] anointed with blood and grief to the Armenian people. On 29 May 1990, processions carrying the caskets of Armenian victims rather than festive parades marched through the streets. The tricolor, on the day marking its triumph, flew with black ribbons on the skies of our homeland.

Armenians were martyred in broad daylight on Armenian soil. Regardless of the causes, our people above all demand a reckoning from the Kremlin which, for all practical purposes, still retains control of the supreme authority which dominates Soviet life. [passage omitted]

On 27 May 1990, an additional blood tax was imposed on our people because, more than two years after February 1988, the political stage in the Motherland is still incapable of cleansing itself of the rust and slime of the "heritage" of Soviet totalitarianism. Neither the ruling Mafia of the Central Committee are willing to return to our people its constitutional right to elect the leadership of its government, nor the members of the Armenian Pannational Movement who are supposedly fighting against that Mafia wish to refrain from their sad behind-the-scenes charade of splitting the loot of power with that same Mafia.

In the aftermath of the bloody ordeal of 27 May 1990, our people cannot permit the imperative to build its true will and collective power to be trampled over for the sake of election campaigns and political power games.

Baku's pan-Turkist threat and the Kremlin's conspiratorial posture find fertile ground for their intrigues in the political reality of an Armenia that is led by such forces.

In the aftermath of 27 May 1990, the menace of internal weakening must be stopped.

Refugee Settlement in Mountain Areas Urged

90AS0361A Paris HARATCH in Armenian
2 Jun 90 p 2

[Article by Arpi Totoyan: "Strong Periphery Regions; Strong Armenia"]

[Text] The events in Armenia in the last two years have abruptly transformed the term "refugee" from a sad memory to reality. We thought that the refugee was a peculiarity of dark days which resided only in history books. But that is not how it has turned out to be. They

have resurfaced in the closing years of the 20th century on roads leading to Armenia, bringing with them the pain and bitterness of persecution and suffering as well as complex problems with difficult solutions. Those solutions remain unfound to this day.

In the "Pressing Questions" column of the 11 May issue of YEREKOYAN YEREVAN, economist N. Manaseryan focuses on this problem in an article with the same title as above.

He writes that as of 1 March 1990, more than 300,000 refugees had arrived from Azerbaijan and that more than 160,000 of them had been settled in Yerevan and other large and small population centers of the Ararat economic zone such as the rayons of Abovyan, Ararat, Oktemberyan, Ardashat, and Echmiadzin. These areas have serious unemployment problems. For example, according to State Committee figures, there were 107,000 "free"—i.e. jobless—workers in Ararat in 1989. This figure rose to 180,000 with the arrival of refugees.

As long as the means of economic production and employment are concentrated in city centers, the problem of developing and populating the mountain regions cannot be resolved. Manaseryan states that, if this situation persists, "emigration out of these regions will continue, and the existing economic disparity between those regions and adjacent Turkish-inhabited areas will grow even further."

In view of this situation, the first step that needs to be taken is to move economic units to the periphery regions so that they can attract settlements and so that emigration and the prospect of deserted mountain villages is prevented.

In analyzing the problem, the writer asks with justification: "Until when will the refugee masses and the original inhabitants of Artsakh be settled in Yerevan and the Ararat Plain which are already overpopulated? Why is not the issue of populating the mountain regions and Artsakh not raised and resolved at the government level and is invoked only on Liberty Square?"

Manaseryan proposes the following to make the mountain regions attractive for settlement: "The construction of any new cities, towns or industrial facilities in the Ararat economic zone must be banned. Second, the task of shifting the urbanization emphasis to the peripheral mountain regions must proceed in the direction of developing at least one small town in each region."

When we refer to "refugees" we always refer to the masses who have fled from Azerbaijan. Today that influx is virtually impossible to continue because no Armenians remain in that republic. However, the Manaseryan article contains a line which suggests a review of this opinion. Manaseryan says: "Given the likelihood of new waves of refugees..." This suggests that Armenians from other parts of the internal [Soviet] diaspora are also arriving in Armenia.

The proverb says: "There is no evil from which good is not born." In this situation, too, we must not lose the opportunity to make the possible corrections. The depopulation of mountain villages is not new in Armenia. Articles and letters underscoring the problem and suggesting remedies have been published in the press. With effective organization, the current influx of migrants can resolve that problem at its roots or at least lay the groundwork for a correct plan. If the numerous problems that are jamming daily life result in short-sighted solutions and the necessary correct plan is not developed, Armenia will be transformed into a land of urbanites surrounded with the tragic desolation of deserted villages who constantly lament about their lost lands.

Barbed Wire To Be Installed on AzSSR Border

90AS0359B *Istanbul JAMANAK in Armenian*
27 Jun 90 p 1

[Excerpt] [passage omitted] The Anatolia Agency reports from Moscow that, in the face of attacks by Armenian militants on Azeri border villages since March and appeals by the Azerbaijani Government to Moscow for countermeasures, [Soviet] television has finally broadcast interviews with officers of the Soviet Interior Ministry forces—which are responsible for the security of the Armenian-Azeri border—detailing the attacks mounted by Armenian militants. Interior Ministry officials disclosed that, with an eye to expanding the measures to prevent Armenian attacks, barbed-wire fences will be erected on the border between the two republics and that floodlights will be installed along the border to deter night attacks.

Baku sources state that there has been a definite change in the attitude of Soviet military forces with regard to the Armenian militants and that Soviet soldiers have been resisting Armenian attacks much more effectively. Meanwhile, Armenian militants have been continuing their attacks against Azeri border villages. In the course of an operation by Soviet Interior Ministry forces against Armenian militants, three Armenians were killed and two were arrested. It was disclosed that one of the arrested militants and three soldiers were wounded during the clash.

Interfaks reported that arms, grenades, and military police uniforms belonging to the army were captured together with the militants.

ArSSR Militia Reported To Number 40,000

90AS0359C *Istanbul MARMARA in Armenian*
25 Jun 90 p 1

[Text] CUMHURİYET correspondent Dilek Capcioglu reports from Berlin that the German edition of the Soviet publication MOSCOW NEWS has published an article about Armenian militia. The article claims that there are 40,000 armed militiamen who are trained and who have dedicated themselves to the defense of their

homeland. According to the article, they are preparing to fight the Azeris and the Soviet army.

The largest one of these militia forces is the "Armenian National Army" which has 10,000 to 15,000 armed men. These men are commanded by Razmik Vasilyan, an accountant who describes his work as follows:

"We are not a regular army, but anyone who joins our ranks takes a pledge and receives a commission and an identity. We are armed within our means to defend our homeland. The Soviet army cannot ensure our security of life. We must have our own army."

The Armenians call their militiamen—who enjoy respect and reverence—"fedayeen." Beside the Armenian National Army, a dozen other organizations also have their own armed militia forces. These forces are supervised by the "Coordination Committee." Plant managers ignore the absence of their workers if they know that they are undergoing training and have volunteered to become militiamen. The salaries of commanders and senior officers are financed by donations.

MOSCOW NEWS interviewed Ashot Manucharyan, a member of the Armenian Supreme Soviet. Manucharyan said:

"We had extensive talks with the Ministry of the Interior, the KGB and the public prosecutor's office and advised them to act carefully in disarming the fedayeen. Disarmament using brute force may result in much bloodshed. In addition, these fedayeen are vulnerable to any type of provocation. The authorities are exploiting them with such provocations. Every time an independence movement emerges in one of these two republics, the armed militia of the other side go into action as a result of deliberate provocations, and tensions rise on the border. Then the central authorities can easily declare a state of emergency."

REGIONAL AFFAIRS

Gulf Crisis Analyzed, Foreign Intervention Criticized

90AE0253B *London AL-TADAMUN in Arabic*
13 Aug 90 pp 3-5

[Article by Fu'ad Matar: "Cover Story: the Second Earth-Shaking Event in the Gulf"]

[Text] A few moments of understanding and realism could have prevented that which happened between Iraq and Kuwait.

Not only was there no understanding, but in the wake of unfolding developments in the past few months, whatever understanding there might have been was replaced by what may be considered persistence about matters that are no longer part of political commerce.

And not only was realism not employed, but it was replaced by what may be considered adherence to traditional, political rituals. Based on developments seen by the world in the past few months, these rituals are now history.

When we consider what happened between Iraq and Kuwait and then go back and examine the statements and commendable efforts which were made before the point at which the situation came to a head, it becomes evident that had we read these statements carefully between the lines, we would have found enough confirmation that time was an extremely important factor. We would have found out that what Iraq had proposed was a matter that for objective reasons did not lend itself to much give and take. We would have found out that the matter could not be dealt with in accordance with traditional, political methods. That is, we could not have dealt with the matter by going back to the government for more discussions or requesting postponement until some documents and files become available.

And when we consider what happened, it becomes clear to us that many opportunities were lost. We also understand that dealing with the efforts that were made and the understanding and realism that were employed to contain the dispute could have spared the nation many wounds and much bloodshed. In saying this we are taking into account the fact that the situation between Iraq and Kuwait is not impossible to solve, provided it is understood that a country which shows understanding and flexibility and takes a realistic approach to matters does not compromise its sovereignty.

An Islamic initiative is something that would have been expected in the face of this international offensive to do something about the Iraqi-Kuwaiti dispute. But no such Islamic initiative was made, and no one knows why. We also expected the three Arab councils, the Gulf Cooperation Council [GCC], the Arab Cooperation Council [ACC], and the Maghreb Federation to come up with a joint initiative, not between Iraq and Kuwait, but rather an initiative with the countries of the world which stood up to be counted because of an incipient situation where the only things that mattered were oil, investments, bank accounts, and returning to the area under the broadest possible terms so they can exercise their control over it.

Had such an initiative been made and had a joint delegation from these councils said that what happened between Iraq and Kuwait could be settled within the framework of Arab relations, this international uproar would have been stopped. In saying this we are taking into account the fact that when a dispute involves two countries like Kuwait and Iraq, it is natural for the countries of the world to take a stand against that country which makes them ill at ease. In this case Kuwait's weapon has been to oblige others where matters of oil are concerned and to invest some of the country's oil revenues in the United States, in Japan, and in European countries. Iraq, on the other hand, is a country that has just come out of a war. It is a country that

benefited considerably from its bitter experiences during those years of war. It is a country whose leader is proposing to the international community a new approach it should use in dealing with the Arabs. Furthermore, President Saddam Husayn is facing up to the new reality which is the product of international agreement and the decline of the Soviet Union's standing as a superpower and a leader of the socialist bloc. The upshot of all this is that there is one superpower ruling the world all by itself, and that superpower is the United States of America.

Thus, ever since 2 April 1990 when President Saddam Husayn issued his well-known warning and announced that Iraq owned strategic, binary chemical weapons, that fact has been a matter of concern for the most important country and its allies. These concerns grew when the Iraqi president stopped any attempt by Israel to attack any Arab country and when he said that reclaiming Palestine was a goal.

In this regard it is important to point out that the United States and the countries of the world, who take positions to the right and to the left of the United States, did not take a position like the one they took a few days ago in the wake of Iraq's military intervention in Kuwait. When Israel conducted its most offensive invasion of Lebanon, these countries did not take a similar position. It may be because Lebanon has no oil and holds no bank accounts and investments in the United States and in European countries. In fact, it may be said that the invasion of Lebanon gratified these countries' ill will toward Lebanon because Lebanon was the appropriate place which attracted those Arab investments which the United States and European countries want. Generally speaking, the United States and European countries do not want these investments to be placed anywhere else but in their banks and in their territory.

It remains to be said that delving into the matter of what happened between Iraq and Kuwait affirms that the responsibility of resolving this situation rests with the international community and the Arab world. What happened is not attributable to one cause but rather to a set of causes which grew out of an accumulation [of grievances], the most important of which might be the historic injustice which befell the Arabs and the lack of an objective understanding of the Iraq-Iran war. Furthermore, there is a sharp split in ideas about wealth and how it should be used. Should wealth be used to remove historic injustice, or should it be used to double the figures and the returns in a prosperous region that is surrounded by deprivation and an accumulation of mounting [grievances]? This deprivation and these grievances were caused primarily by those forces whose intervention is being requested by those who made such a request without taking into account the fact that these forces cannot possibly be their champion. These forces are nothing but their enemy.

Asking these forces to come to the rescue, regardless of the circumstances, is not a solution and is not satisfactory. The Americans are the sons of Uncle Sam; they are not the sons of Gulf clansmen. These Americans are not members of the Qahran clan or the 'Adnan clan. To cite only one example, [one may say] that when it faced the harshest circumstances in its war with Iran, Iraq did not ask foreigners to come to the rescue. Instead, until the final moments of the war, Iraqis thought that relying on their Arab cousins was the right thing to do for several reasons. The fact that what one may discuss with one's cousins and with one's fellow tribesmen may not be what one discusses with foreigners is one of those reasons. Furthermore, Arabs have a better understanding than foreigners do of Arabs' feelings and of their duties to each other.

It remains to be said also that what happened between Iraq and Kuwait is the second earth-shaking event in the Gulf, if one may use such a descriptive phrase. The first earth-shaking event occurred when the revolution broke out in Iran. Because a realistic frame of reference is a must, it is necessary to realize that we are dealing with a new reality in Kuwait. After all, we don't want neglecting that reality to become the reason why dramatic developments occur, particularly when the symbols of this reality are a group of officers whose ranks have been associated with movements of change in the Arab world. Such officers are officers of the Egyptian Revolution, the revolution of 23 July 1952; officers of the revolution in Iraq; officers of Sudan's revolution of 25 May 1969; and officers of the first of September Revolution, and so on.

The reason why there is a sense of apprehension about dramatic developments is the fact that these officers alluded to the foreign nationals in Kuwait and indicated that these foreign nationals will not be safe if harm comes to Kuwait, the country which they govern, or to Iraq, the country which is supporting them.

One matter that is worthy of note and that may be put to good use and employed to formulate a compromise is the official designation of the government that was declared in Kuwait. The government that was declared in Kuwait was described as "temporary." This "temporary" government set forth no revolutionary goals, but it did use the term, "free." That term was used quite often in the Kuwaiti opposition's debates. Opposition leaders used it in the discussions which took place in government offices during the confrontation period which preceded the achievement of a formula for the National Assembly whose members were chosen in elections that were boycotted by half the Kuwaiti people. The fact that statements and declarations made by those who are in control in Kuwait contain no revolutionary goals should provide some measure of reassurance to residents of the Gulf. Furthermore, it leaves open the possibility of a compromise which may take the shape of a national, all-encompassing federation. After all, Shaykh Sa'd al-'Abdallah is an acceptable figure who can become the symbol for a future stage that tolerates partnership and is founded on realism.

To say that what happened between Kuwait and Iraq is the second earth-shaking event in the Gulf places a tremendous responsibility on Arab leaders, particularly since matters went so far that President George Bush, the president of the United States, was criticizing the positions taken by some leaders as though he were their protector and they his flock. The action taken by President Saddam Husayn is an objection or a step leading to an objection to such an unacceptable concept.

Never before, not even in the days of the first earth-shaking event, did the West take a position such as that which is being orchestrated by President Bush. Never before did media agencies deal with anything in the manner in which they are dealing with this second earth-shaking event.

It is certain that serving Arab interests is not the reason why this position was taken. It is also certain that serving Arab interests is not the reason why this situation is being dealt with in this manner. This situation is being dealt with in this manner because President Saddam Husayn came out of the new confrontation a vital and healthy man. The fact that he did come out a vital and healthy man after the most vicious war in modern history means that for the first time Arabs will take part in making the major decisions that have to do with the area that lies between the ocean and the Gulf.

This article was written on Monday, 6 August 1990.

Strategic Issues in Gulf Examined

90AE0253A London AL-MAJALLAH in Arabic
14 Aug 90 pp 5-6

[Article: "The Crisis of the Invasion of Kuwait: Between the Negotiating Table and the Barrel of a Gun"]

[Text] In the final moments of preparing this issue of AL-MAJALLAH to go to press, the eyes of the world were turned to the Gulf region. Everyone watched the developments with cautious anticipation as the world received with dismay news of the outcome of Iraq's shocking invasion of Kuwait.

Efforts to put out the fire, curb the violence, and bring about a peaceful resolution to the crisis continued unabated all last week in the hallways of Arab and international diplomacy. People were talking to Iraq's President Saddam Husayn to persuade him to end the invasion and turn to negotiations.

But the war and peace equation is no longer clear-cut. If the Iraqi invasion continues, it is expected that battles will be fought in the Gulf region. Such battles, which will ultimately lead to more destruction and more hostility, will drag the whole world into a destructive war whose economic, political, social, and environmental repercussions will be grave.

While everyone watched in horror as the events of the invasion unfolded, Kuwaitis everywhere, in Kuwait or

outside Kuwait, acted as one. Acting with courage, they have been trying to resist the aggression, to unite, and to speak with one voice. The opposition stood by those who supported the regime demanding the restoration of Kuwait's independence and Kuwait's regime.

While news confirmed that a few Kuwaiti opposition leaders rejected the idea of forming an interim government, Kuwaitis who were spending their summer vacations in Arab and western countries took to the streets and went to the embassies. They staged demonstrations, and they declared their loyalty to their regime and to Kuwait. They demanded the withdrawal of Iraqi troops, and they urged the world to help them.

Many Kuwaitis tried to go back to their country by any means, and air traffic to the Gulf states near Kuwait was heavy and congested.

In some Arab countries some Arab families went to Kuwaiti embassies and offered to host their fellow Arabs in their predicament. Groups of Kuwaiti officials arrived in London, Washington, and Paris to meet with western government [officials] and organize an official and a popular movement to apply pressure on Iraq and demand its complete and unconditional withdrawal.

In the following report AL-MAJALLAH tried to monitor the situation and observe developments and reactions to it in the Kingdom of Saudi Arabia, in the Arab world, and in the West. AL-MAJALLAH also followed the news about efforts that are being made to end the invasion and the international blockade which was imposed against Iraq. AL-MAJALLAH has also been following the pressing economic effects of the rise in oil prices and eventually, the rise in the cost of living everywhere in the world.

Although all Kuwaiti territory was occupied, Kuwait Radio played an important role in the battle. Starting in the early hours which followed the fall of Kuwait, Kuwait Radio continued broadcasting its appeals to the world, urging Arab, Islamic, and international public opinion [to take action]. It was the crown prince of Kuwait, Shaykh Sa'd al-'Abdallah al-Salim al-Sabah himself, who was broadcasting these appeals until the third day of the invasion.

Although programs were interrupted for one day, the radio station resumed its broadcasts once again, but no one knew precisely how this was accomplished. On the first day of the invasion Kuwaiti television, which is located in the same building as Kuwait's radio station, was broadcasting patriotic songs all day and calling upon people to resist. But this did not last long, and that meant that buildings owned by the Ministry of Information had fallen. Kuwaitis were taken by surprise when the station resumed its broadcasts. The television station resumed its broadcasts yesterday evening unexpectedly, and it showed a cabinet meeting, chaired by the Amir of Kuwait, that was held last Friday.

Kuwait News Agency [KUNA], whose buildings have been occupied since the early hours of the invasion, was one of the first casualties of the battle. A Chinese newspaper correspondent in Kuwait said that invading Iraqi troops exchanged gunfire with Kuwaiti groups in the capital on Sunday. The Chinese correspondent said that he heard this exchange of gunfire between Iraqi troops and armed Kuwaiti groups in the area of Kifan in the middle of Kuwait City.

Kuwaiti embassies abroad took it upon themselves to call for an end to the invasion. They stressed that state agencies, even those that were abroad, were intact, and they organized contacts with governments and media agencies worldwide. In Kuwait, however, telephone services and all forms of communications have been cut since Friday.

All Kuwaitis, including those who were considered in the Kuwaiti opposition, like Dr Ahmad al-Khatib, Dr Ahmad al-Rab'i, and Jasim al-Qatami, rejected Iraq's intervention. They all affirmed that Kuwait must remain united and independent, and they rejected Iraq's presence in Kuwait. Kuwaitis also rejected the so-called temporary government in Kuwait which no one in the world has recognized.

On the Iraqi front attempts were made to gain favor with the international media, but it was too late. Iraq's Ministry of Culture and Information organized an 8-hour trip from the capital for more than 10 journalists who are stationed in Baghdad so they could watch the border crossing operation. Among those who suffered the scorching heat to witness the operation of returning troops were individuals who told REUTER News Agency that they were related to soldiers who had been sent to Kuwait. Those people added that they were not sure if their sons and brothers would be among the soldiers returning from Kuwait, but that they had traveled this long distance hoping to find them safe and sound.

Going in the other direction was a long, 15-car convoy carrying Kuwaiti citizens. There were women and children in that convoy, and all of them were hoping that Safwan crossing point would be open to normal traffic so they could go back to Kuwait.

For its part Iraq tried to assure the world that its troops want to withdraw and that the first units of its army had left Kuwait and had been out of the country since Sunday. Iraq said that other troops would be withdrawn on Tuesday (last Tuesday), and Baghdad television showed what it called the withdrawal operation from Kuwaiti territory.

Recent developments have shocked the world. In Asian markets crude oil prices rose more than three dollars a barrel as companies vied with each other to ensure their oil supplies after major countries imposed an embargo on Kuwaiti and Iraqi oil. The price of crude oil from central Texas in the United States of America for

October delivery rose from \$24.38 to \$27.45 at the close of trading in the New York Stock Exchange.

It is expected that the value of the U.S. dollar will rise, that interest rates in the short term will fall, and that stock prices will rise.

Crisis Reportedly Threatens Gulf Monetary Regime

90AE0239A London AL-SHARQ AL-AWSAT in Arabic
10 Aug 90 p 9

[Article by Rashid Hasan: "When Arm of 'Clock' of Kuwaiti Banks Stopped; Crisis Engenders Fundamental Dangers for Kuwaiti Banking System and for Arab Institutions With Capital Assessed in Dinar"]

[Text] London—One economic issue raised by Iraq's invasion of Kuwait is the extent of the grave damage which will afflict the Kuwaiti banking system if the crisis lasts longer than expected or if tragic developments crop up to deepen the current wounds and to push the country into the maelstrom of the unknown.

A major difficulty facing the observer in this regard is that the developments in Kuwait are unprecedented, at least in terms of the economic facts to which these developments lead. This is a situation in which the government, the ministries, the agencies, and the prominent officials and bankers have been compelled to leave the country without any preparation. It is not clear if Kuwait has an "emergency plan" whose objective is to safeguard the security of the financial, banking, and currency records—a plan in accordance with which the banks or the Central Bank maintain in a safe place additional copies of these records which spell out the depositors' rights and obligations and other vital records.

What intensifies the anxiety and the concern is that upon the Iraqi forces' arrival in Kuwait City, all the top and middle-level managers of the banks and financial and investment institutions and the top Central Bank officials were on their customary summer vacation which they spend at European, U.S., and Arab summer resorts. These managers have gone through truly critical circumstances and they are trying to get in touch with the employees staying behind to determine the policy which can be followed under the canopy of the current circumstances.

To date, the main offices and branches of the Kuwaiti banks continue to be shut down. A large number of the employees who make the daily decisions and sign transactions have left Kuwait along with the others who have departed. It is the belief of the Kuwaiti bankers to whom AL-SHARQ AL-AWSAT has talked that these banks will most likely remain closed because it is difficult for them to conclude transactions when their assets are frozen. However, these banks may open their doors for short periods to ensure some of the liquidity which the clients need to purchase their essentials.

But a question that will be asked in Kuwait in the coming days is, of course: How will the banks be able to play a role, even if a limited one, in financing the importation of essentials, which the merchants need under the umbrella of the comprehensive economic blockade now imposed on both Iraq and Kuwait, and how will the dinar's purchasing value be determined?

In numerous cases similar to the case that has developed in Kuwait, the state subjected to invasion continued to have public institutions which continued to take care of business, though under the shadow of numerous restrictions and impediments. This presence at least helped provide criteria and indicators for measuring the currency's objective value.

But in Kuwait, according to a Kuwaiti banker, the condition is similar to a "clock that stopped suddenly and whose arms froze in place." The arms of the Kuwaiti clock did actually freeze in place at dawn on 31 July 1990.

In this condition, the Kuwaiti banks' budgets did actually stop on that date because they have been able to engage in no transactions since that date and because their external assets and deposits have been frozen while their internal assets, assessed in the dinar mainly, have no clear value now because there is no real market for the dinar. The value of the dinar is now determined by each individual's viewpoint and the degree of his optimism or pessimism as to the possibility of a solution. It must be noted that in 1989, the total of the Kuwaiti banks' budgets amounted to 12.1 billion dinars, or what was then the equivalent of \$41.7 billion, and that a large part of their assets is placed in the world markets as foreign-currency deposits.

It remains to be said that the consequences of the collapse of the Kuwaiti dinar's value in the world markets will not be confined to the Kuwaiti economy or the Kuwaiti banking system alone. They will also affect a number of joint Arab institutions founded in Kuwait with capital assessed in Kuwaiti dinars. Of these institutions, the most significant is the Arab Economic and Social Development Fund which is headed by 'Abd-al-Latif al-Hamad, Kuwait's ex-minister of planning and finance. This fund is definitely the most successful and most important development fund in the Arab world. Since its creation in the late 1970's, this fund has played an extremely significant role in financing development projects in the developing and poor Arab countries. The loans its grants annually range from \$125-150 million.

The fund's fully-paid capital amounts to 700 million Kuwaiti dinars or the equivalent of \$2.4 billion prior to the Iraqi invasion. But with the dinar's abysmal collapse, the value of the fund's assets is perhaps now worth five percent their original value. This means that even if the fund can recoup its dinar-assessed loans, the value of the sum recouped will be so small that it will disastrously affect the fund's ability to continue to play its role in providing loans, keeping in mind that the Arab states

that have borrowed from the loan now find that their debt has dropped dramatically.

Another institution that will be certainly affected is the Arab Investment Insurance Organization whose capital is assessed in the dinar, keeping in mind that this organization's condition is fundamentally different from that of the Arab Fund by virtue of its being an insurance organization, not a lending organization, and because its funds, which include the shareholders' rights, the reserves, and other assets, are distributed over a basket of currencies and are well invested.

The condition existing in Kuwait will, it is expected, lead to confusion in numerous institutions established jointly by international or Arab parties with Kuwaiti partners when these institutions become the subject of give-and-take in the future if the crisis remains unresolved.

Egyptians Assess Ineffectiveness of Arab League, ACC

90AA0279A Cairo AL-WAFD in Arabic 13 Aug 90 p 7

[Article by Jamal Yunis: "Arab League Fails in Gulf Crisis; Yasin Siraj-al-Din: Arab Blocs Have Lost Their Significance, Influence; Counselor Ahmad Musa: Totalitarian Regimes and Individual Rule Behind Arab League's Current Failure; Dr. Muhammad 'Abdallah: Arab League Will Lose Its Credibility Before World; Dr. Muhammad Hasan al-Zayyat: It Is Required To Amend League Charter To Eliminate Consensus Dilemma"]

[Text] The world's eyes turned on the Arab League as soon as the Iraqi invasion took place. But the league has very much resembled a sick man. It has moved from failure to failure, its organizations have turned into a bureaucratic government office, and its experts have turned into employees collecting their salaries in dollars and failing to foretell developments and problems and to solve them before confrontations erupt.

There are numerous border problems between Egypt and both Libya and Sudan, between Yemen and Saudi Arabia, between Lebanon and Syria, between Syria and Turkey, between Iraq and Kuwait, between Iraq and Turkey, between Morocco and Algeria, and so forth. Foreign colonialism fabricated these problems so as to disturb the Arab countries' stability and security. Border problems remain inactive in most cases and are only revived and ignited by one seeking leadership. Will the Iraqis drive the final nail into the Arab League's coffin in the wake of the league's failure to manage the crisis?

Will the Arab regional blocs, such as the ACC [Arab Cooperation Council] and the GCC [Gulf Cooperation Council], continue to exist after having failed their first test? These are the questions answered by a number of political experts.

Form and Content

Yasin Siraj-al-Din, the Wafdist opposition leader, has said: The ACC has lost its content. This is the first Arab bloc to disintegrate. Iraq, Jordan, and Yemen are now on one side and Egypt on the other. If we watch the GCC, we find that some Gulf states have stood idle by maintaining silence on the serious current Arab developments.

He added: As a veteran politician, I find that these blocs have no influence and no importance in critical times or when they are needed and that they have come into existence for purely economic and organizational reasons. As for the other remaining bloc, namely the Arab Maghreb States Federation, it has not been tested to date. But I am not at all optimistic over the immediate future because the developments the Arab nation is experiencing these days are the worst it has encountered in its modern history.

As for his opinion on the Arab League's effectiveness, Siraj-al-Din has said: After having pulled itself together with Egypt's return as if it were reborn, the league is now dominated by the ghost of disintegration because of the Arab states' disagreement over such a fateful issue as Iraq's invasion of the State of Kuwait. I hope to God that this disintegration will not materialize, and I still have hope that the league will continue to exist for the good of all Arabs, provided that goodwill prevails and that the leaders put aside their personalities because the Arabs' interest lies altogether in the Arabs' unity.

Dictatorship and League Failure

Counselor Ahmad Musa, the People's Assembly deputy speaker, has said: Unless the intentions are sincere, then all covenants and treaties will continue to be ink on paper. The Arab leaderships reflect totalitarian regimes that slander each other and exchange accusations.

If compared with the Arab states, Egypt is considered the oasis of democracy! Yet we, the Egyptians, want more democracy and are not pleased with what we have gotten.

Ahmad Musa added: The totalitarian regimes, as well as courtesies and failure to establish the pan-Arab interest as the arbitrator, are behind the Arab League's failure to perform its role.

Arab Credibility

Dr. Muhammad 'Abdallah, chairman of the People's Assembly Foreign Relations Committee, has expressed his astonishment, saying: The entire world is solving its problems peacefully and moving in the direction of blocs because small entities have no place. The escape of the solution from the Arab nation's hands means that the Arabs are moving in a direction opposing that of history's movement and that we are retreating rapidly. What use is the Arab League and the Arab organizations if they cannot solve a problem between two Arab states?

Dr. 'Abdallah stressed that the Arab League and its organizations will lose their credibility in the world.

Dr. Muhammad 'Abdallah further added: Personal interests and obduracy are leading us to a deadend. We are no lesser than the African countries that have accepted an OAU [Organization of African Unity] resolution not to provoke problems with each others because colonialism left behind numerous border problems in Africa before departing. I wonder: Who is the beneficiary of what is happening in Kuwait because of the borders? Where was the Arab League? Why couldn't it anticipate this problem and work to resolve it within the framework of the Arab family before the problem worsened?

Rich Countries and Poor Countries

Mustafa Kamil Murad, the Liberal Party chairman, has said:

The regional Arab blocs and the Arab League are undergoing numerous crises, including the current crisis. But unless a new economic system is established and unless a share of the oil revenues and interest is put into a fund devoted to development in the needy Arab countries, then the Arab blocs and organizations will continue to be unable to perform their role under the umbrella of the social imbalance existing in the Arab society which has peoples that have reached the phase of luxury and other peoples that cannot find sustenance. Mustafa Kamil Murad has proposed that an alms tax be collected for the Gulf states' oil revenues which amount to \$17.5 billion and that this tax be distributed to the poor Arab countries. He has also proposed that the interest collected on the oil revenues, amounting to \$50 billion, be distributed and that the oil countries invest actively in the Arab region instead of depositing their assets abroad, considering that the assets of Saudi Arabia and Kuwait alone amount to \$670 billion.

Dr. Muhammad Hasan al-Zayyat, chairman of the People's Assembly Arab Relations Committee, has asserted:

The difficult crisis being experienced by the Arab nation is violently shaking the Arab League's and the ACC's entity.

Dr. al-Zayyat has said: The real fear is for Iraq which is defying the UN and Arab League charters. The era of tribal raids has ended. Even though Iraq has erred in invading Kuwait, this does not deny that Iraq has genuine complaints that can be resolved within the Arab League's framework.

Dr. al-Zayyat has pointed out that the Arab League's crisis lies in consensus, considering that in every international bloc, each member states cedes a part of its sovereignty for the good of the group. This is what has not happened insofar as the Arab League is concerned because the concession is incomplete and inadequate. The charter must be amended.

Regarding the Arab countries that have supported the Arab Iraq against the Arab Kuwait, Dr. Muhammad Hasan al-Zayyat has said:

I don't know what their justifications and objectives are. To these countries apply the poet's words which say:

They are my kinsmen who have killed Umaymah, my brother; If I shoot my arrow at them, my arrow will hit me.

Dr. al-Zayyat urged Iraq to respond to the summit resolutions so that we may not reach the phase of Arab suicide and may not accomplish the Arab enemies' objectives, especially since Iraq has become an influential Arab force in the Arab-Israeli conflict.

Egypt's Exchange System for Kuwaiti Dinars Detailed

90AA0278A Cairo AL-WAFD in Arabic 10 Aug 90 p 7

[Article: "Full Picture of Kuwaiti Dinar Exchange Activities in Egyptian Banks; Freezing of Kuwaiti Foreign Assets and Seizure of Central Bank of Kuwait Are Behind Suspension of Dealing in Kuwaiti Dinar; 500 Dinars for Each Passport for One Time; Individuals and Family Treated Equally in Exchange Activities; Central Bank Decision to Deal in Kuwaiti Dinar Is Special Decision Engulfed in Perils; \$500,000 From Account of Saudi-Egyptian Financing Bank President to Exchange Dinar for 9 Pounds"]

[Excerpts] The Kuwaiti dinar, the dearest currency in the world in comparison with the other international currencies, has withdrawn into a corner. Only a few hours after Iraq's invasion of Kuwait, the dinar lost its value in all countries of the world, excluding Egypt which is the only country which sets on its part, and at its own risk, a free daily exchange rate for the dinar.

With a quick review of the Kuwaiti dinar's position in Egypt, we find that the Kuwaiti dinar exchange rate as posted by the Free Banking Market Committee dropped from 9.24 pounds per dinar to only 6.02 pounds per dinar on the second day of the invasion, thus declining by 35 percent. It then continued its decline to reach 4.09 pounds per dinar, thus falling by more than 56 percent. [passage omitted]

Central Bank Decision

In an endeavor to meet the needs of Kuwaiti citizens present in Egypt to cover the cost of their hotel stay and their living expenditures and to purchase tickets to leave Egypt, the Egyptian currency authorities, embodied in the Ministry of Economy and in the Central Bank, issued a decision on Saturday, 4 August 1990, permitting foreign banks operating in Egypt to deal in the Kuwaiti dinar on the basis of a free exchange rate determined by the committee which sets the exchange rates for foreign currencies in the Free Banking Market and posted in the exchange rates publication daily. The decision permits

the banks to exchange a maximum of 500 Kuwaiti dinars per Kuwaiti citizen or per Egyptian working in Kuwait, provided that the sums exchanged for pounds are shown on the passport. The decision permits such an exchange one time only out of a humanitarian consideration. It has been decided that these instructions will remain valid until future instructions or modifications are issued and that the Egyptian banks, the private banks, and the branches of foreign banks will share the risk by shouldering the cost of the exchange. The risk is embodied in the banks' agreement to deal in a currency accepted in no part of the world other than Egypt.

Kuwaiti Citizens' Problems

With the beginning of the enactment of the Central Bank directives, numerous differences and complaints have surfaced in assessing the Kuwaiti dinar's exchange rate. The announcement by Shaykh Salih 'Abdallah Kamil, president of the Egyptian-Saudi Financing Bank, owned in part by al-Barakah Companies Consortium which 'Abdallah owns in Egypt and Saudi Arabia, that the Kuwaiti dinar will be exchanged at 9.24 pounds per dinar, namely the exchange rate that was in effect on 1 August, i.e. the day preceding Iraq's invasion of Kuwait, has greatly embarrassed the Central Bank and has caused the other banks to complain about the presence of two exchange rates, which is in violation of the banks and foreign currency law and the law governing the Free Banking Market Committee which sets a single daily exchange rate for all banks to deal with.

This situation motivated the Central Bank to hold an urgent meeting to discuss the justifications for this decision, especially since its source is the president of a bank in which Egyptians own 51 percent of the stock. The Egyptians took no part in making the decision. The president set this exchange rate solely on his own.

\$200,000 From Private Account

As a result of the Central Bank meeting and of the (message) it sent the president of the Egyptian-Saudi Financing Bank, the president announced that he would set aside \$200,000 from his private account so as to draw from this sum to exchange 500 dinars for every Kuwaiti citizen at the exchange rate of 9.24 pounds per dinar, confining this measure to Kuwaiti citizens only. As for Egyptians working in Kuwait, they are dealt with on the basis of the exchange rate posted by the banking market, i.e. 4.09 pounds per dinar. The sum allocated by the president has been increased to \$300,000 to cover the increasing withdrawal demanded by the exchange activities. Exchange transactions involving Visa cards and travelers' checks have been suspended.

Since the Central Bank issued its exchange instructions, there have been some complaints, including the complaint that some banks have refused to implement the instructions and the complaint that the sum allocated for

each passport, i.e. 500 dinars per passport regardless of whether the passport is for one individual or more, is not adequate.

Risks of Dealing in Dinar

Here is a review of the opinions of a number of economists and bankers:

Muhammad Farid, the Afro-Arab Bank Executive Board chairman, has said: There is no refusal to carry out the Central Bank instructions to make the currency exchange. Moreover, the sum of 500 dinars the Egyptian banks are required to exchange is adequate under these circumstances, especially since the banks are taking the risk of these transactions, considering that Kuwait's assets abroad have been frozen. As for what is said about taking into account whether the passport is for one individual or for a family of 3 or 5 members, this is left up to the understanding of each bank according to each case presented to it, keeping in mind that the exchange transaction does not rely on banking rules but is based on a purely humanitarian motive. As for the decision of the Egyptian-Saudi Financing Bank to exchange the Kuwaiti dinar on the basis of the exchange rate prevalent prior to the Iraqi invasion on 1 August 1990, this decision was made under the authority of the bank president and on the strength of a humanitarian motive. The bank president has sympathized with the Kuwaiti brothers in Egypt by making provisions, estimated at \$200,000, from his private account to shoulder the difference between the exchange rate prevalent prior to the invasion and the current exchange rate set by the price-setting committee.

Dr. Hasan 'Abbas Zaki, an ex-minister of economy and chairman of the International Investment and Development Company, has pointed out that the Central Bank decision permitting banks to exchange the dinar within the limits of 500 [per passport] has been intended to help provide any possible assistance to the Kuwaiti brothers, especially since the Kuwaiti dinar has become an unacceptable currency that may not be exchanged for another currency in the wake of the freeze put on the Kuwaiti assets and since the purchase of goods or services from Kuwait has been suspended. These are the goods and services on whose basis a currency's value is determined vis-a-vis the other currencies. The banks are taking somewhat of a risk by accepting the dinar before the problem is resolved.

Two Kinds of Dinar

Dr. Hasan 'Abbas Zaki has also pointed out that there are two kinds of dinar: The banking dinar which has been suspended and the banknote dinar which is being currently exchanged and dealt with in Egypt. The same problem the Kuwaiti dinar is experiencing occurred between Egypt and Libya in the past. For the value of any country's currency to be maintained, this currency must be guaranteed by production or by an equal gold cover or foreign exchange cover.

Suspension of Drawn Checks

Dr. Zaki Hasan 'Abbas Zaki further added that currency exchange transactions are performed by money changers, not by banks. As for travelers' checks, if they are drawn on Kuwait banks and on correspondents in Kuwait, they are not cashed for fear that it will be impossible to recoup them. But travelers' checks drawn on Kuwaiti banks operating in Kuwait [as published] are cashed. Visa cards issued by international banks are accepted.

Half Million Dollars to Cover Price Differences

In a related matter, Yusuf Butrus, director of the financial department of the Saudi-Egyptian Financing Bank which has set an exchange rate of 9.24 pounds per Kuwaiti dinar, has said: Shaykh Salih 'Abdallah Kamil, chairman of al-Barakah Companies Consortium and the bank chairman, has deposited a sum of \$500,000 to cover the difference between the two exchange rates. A sum of \$200,000 was deposited initially and then \$300,000 more were deposited for the same purpose. This sum has come out of Kamil's private account, not from the bank's account, considering that the bank is owned jointly by Saudis and Egyptians. The number of transactions concluded by the bank to exchange money for Kuwaitis have amounted to nearly 240 transactions in which nearly 400,000 Kuwaiti dinars have been exchanged. The exchange transactions will continue until other instructions are issued. Initial approval was given for beginning the exchange on Monday, 6 August 1990.

Central Bank Notification

Butrus added: Before the bank embarked on the exchange transactions, it notified the Central Bank and the Ministry of Economy of the matter. The bank is engaging in this activity even though the bank is not opened yet and even though it is not scheduled to be opened until the middle of next month. Butrus further said: Exchange transactions concluded with the bank are conducted in cooperation with the Saudi al-Barakah Consortium which is embodied in seven companies, including the Dallah International Company, a holding company; the Arab Investment and Development Company, the Saudi al-Barakah Company, the Saudi-Egyptian Financing Bank, and the Saudi-Tunisian Financing House. Al-Barakah Saudi-Egyptian Financing House [has] nearly 60.2 million pounds in local and foreign exchange.

Al-Sayyid Habashi, executive board chairman and commissioned member of the Alexandria Kuwaiti International Bank, has said that implementing the Central Bank instructions saddles the implementing banks with the risk for exchanging the dinars, considering that a stable currency is being exchanged for a changing currency. Egypt is the only country dealing in the dinar.

Paper Attacks Egypt's 'Mercenary' Writers

JN1108051890 Baghdad INA in Arabic 0750 GMT
10 Aug 90

[Text] Baghdad, 10 Aug (INA)—The newspaper AL-QADISIYAH says that the mercenary writers who serve the foreigners and their expansionist designs have been disavowed by the sons of Egypt since they sold themselves to Camp David.

In an article published today under the headline "Camp David Writers: How Can You?" the newspaper adds: They know they are hated in Egypt. It is not strange for the Camp David writers and the defenders of its plots to defend the corrupt and corrupting al-Sabah family in return for ill-gotten money.

The newspaper wonders: What did Egypt gain from its American and Zionist masters except Pepsi Cola, drugs, heroin, AIDS, immorality and decay, bribery, sectarian sedition, crime, and other things that are being exported to Egypt through careful planning and organization, in order to destroy its economy, tear apart its society, and destroy all genuine Arab values.

AL-QADISIYAH explains: How can the Camp David journalists defend the expelled and damned rulers of Kuwait? How can they do it while their scandals are becoming public in the Arab and international scenes? How can they do that while they turn honorable Arab women into prostitutes with the money they stole? The paper wonders: Why is Iraq being attacked now? Is it because it confronted these people and prevented them from turning honorable Arab women into prostitutes? Or because it restored unity to the land that colonialism divided, just as it had divided the Yemen and others parts of the Arab territory?

AL-QADISIYAH says: Camp David writers, are the names appearing on the flood of seditious articles you publish in your papers different from those names you were known by as agents, bought and sold at the slave markets? AL-QADISIYAH says: We say to those who are rejected by Egyptians and Arabs, have shame and turn your attention to the affairs of the people of Egypt who have always sacrificed for the sake of the nation and who now need every assistance and help they can get.

It adds: What you write will not benefit anyone. The earth has crumbled under the feet of Jabir and his henchmen and middlemen, and their X-rated movie is over. Our dear Kuwait has returned, forever, to the lap of the motherland, Iraq, in spite of all those who hate the idea. The paper concludes the article by saying: Camp David writers, if your house is of glass, do not throw stones at people, especially since we know so many things about you, which, if the need arises, we can hang out in public. In one of their popular sayings, our Egyptian brothers say: Those who have shame died a long time ago. By God, Camp David writers, do you not get paid for what you write?

PALESTINIAN AFFAIRS

Factions Congratulate Saddam on 'Unity'

JN1008113590 Baghdad INA in Arabic 1415 GMT
9 Aug 90

[Excerpt] Baghdad, 9 Aug (INA)—'Abd-al-Rahim Ahmad, secretary of the Palestine Liberation Front Central Committee, has described the merger unity between Iraq and Kuwait as the Arab daybreak toward achieving the pan-Arab objectives and destroying the fabricated borders among the parts of the Arab homeland. In a congratulatory cable to President Saddam Husayn, 'Abd-al-Rahim Ahmad said that the good news of unity has kindled feelings of awakening in the Arab masses' and revived the great hope of achieving unity of the Arab stance and the return of usurped Palestine.

In similar cables to President Saddam Husayn, the Palestine National Liberation Movement-Fatah, the Palestine Liberation Front, and the Palestinian Popular Struggle Front affirmed that the Palestinian masses believe that the merger unity between Iraq and Kuwait is a pan-Arab act leading to reinforcing the struggle of the sons of the occupied territory and establishing the independent Palestinian state. [passage omitted on Arab popular organizations' cables and statements]

ALGERIA

New Islamist Party Requests Official Recognition

90AA0263A Paris MARCHES TROPICAUX ET
MEDITERRANEENS in French 20 Jul 90 p 2177

[Text] On 10 July, a new Islamist political party, the Arab Islamic Rally (RAI), requested official recognition in Algeria.

According to its platform, the RAI, which was established last April and is headed by the attorney Laid Grine, will work towards the establishment of a state based on Arab-Islamic principles and the *shari'ah* (Muslim canonical law). According to the same source, the RAI plans to strengthen Islamic education in the schools and to extend the use of Arabic to all institutes and technical colleges.

It also advocates the teaching of English as the second language in Algeria in order to "free" Algeria from the "hegemony of the French language," which is widely used. Last, the RAI is calling for a "free" press published "exclusively in Arabic."

Economy Ministry Forms New Fiscal Committee

90AA0258A Algiers EL MOUDJAHID in French
12 Jun 90 p 6

[Article: "Finance: Formation of National Fiscal Committee"]

[Text] APS—The Ministry of Economy has announced that Minister of Economy Ghazi Hidouci formed the National Fiscal Committee (CNF) yesterday.

Bringing together the delegate for economic reform, the national delegate for planning, the director of the Treasury, the director of the Department of Competition and Prices, and the director of the Revenue Service, according to the minister, this committee is composed of representatives of legally responsible public authorities.

Limited to ensure maximal effectiveness, the committee will call on independent experts and important individuals representing the society to carry out its work.

Created in connection with the implementation of fiscal reform, according to the minister, the committee will have to aid in the mobilization of fiscal personnel by establishing the procedures necessary for decentralizing fiscal operations, improving and qualifying personnel, and improving fiscal working conditions.

"The decentralization of prerogatives is essential to permit tax officials to work within the law and only the law. Cases must no longer be allowed to pile up, nor must their processing be subject to authorization by the central administration.

"All responsibilities must be exercised at the lowest level to apply the law. Then these responsibilities must be evaluated by the administration, legislators, or citizens within the framework of the law and of independent justice." The purpose of this is also to provide the tax administration with the means for applying the law: "The tax system will become effective when the economy is an open book and is no longer subject to opaque, bureaucratic management," the minister declared.

"Fiscal performance will grow with progress in economic reforms and market openness, and the order of priority in fiscal reform will consist of assigning an important role to taxes on capital, inheritance, and income from sources other than wages. The low yield produced by taxes on nonwage income stems from the fact that inheritances are underassessed," he said, concluding his talk with a wish to see the committee's work end in time with the restoration of public spirit and openness with regard to taxes so that every Algerian knows who pays what.

Industrial Production Up 6.5 Percent in First Trimester

90AA0263B Paris MARCHES TROPICAUX ET
MEDITERRANEENS in French 27 Jul 90 p 2236

[Text]

Industrial Production: Up 6.5 Percent for First Quarter of 1990

The National Office of Economic Statistics has announced a 6.5-percent increase in industrial production in Algeria for the first three months of the year (6.8 percent for processing industries), compared to the same period of 1989.

However, industrial growth is down 0.94 percent over the final quarter of 1989.

Employment in the national public sector showed strong gains (up 2.47 percent) during the first quarter of 1990 as compared to the fourth quarter of 1988. The highest growth rates (first quarter of 1990 versus fourth quarter of 1988) were in nonoil building and public works (which are experiencing renewed activity with a 6.7-percent increase in employment), transportation (up 3.57 percent), and services (up 4.23 percent). On the other hand, industry has fallen off slightly (up 1.17 percent compared to 2.96 percent).

The consumer price index registered a sharp increase in January: up 7.4 percent in comparison with December. This rise was due largely to higher food prices (up 12 percent). Prices fell in February (down 2.7 percent) before climbing again in March (up 1.6 percent), reaching 4.2 percent in April, the month of Ramadan.

Article Discusses Ait Ahmed Political Support

90AA0258A Algiers ALGERIE ACTUALITE in French
13 Jun 90 p 6

[Article by Fatiha Akeb: "Socialist Forces Front March: The Mob and Its Leader"; first paragraph is ALGERIE ACTUALITE introduction]

[Text] Every march renders the previous one relative and therefore quashes any monopoly on street demonstrations, just as it does on ideas.

Was there ever a mob! As much of a one as with the previous marches that took the same route, that is, enough to understand why Ait Ahmed has up to now preferred to play the loner on the political scene. He has his troops. We have vaguely suspected as much since the warm and popular welcome he received at the airport when he returned from exile. But we did not then yet know whether the mob that was present on that day was there to celebrate the return of an exiled politician or of its leader. It has come out again in response to his appeal, more numerous and more militant, to remove a doubt: Ait Ahmed has lost none of his troops.

Thousands of people again strode along Ocean Front Boulevard more in response to a man than a party. With the gloom of the election campaign, the sympathetic atmosphere that the march created was completely indicative of where some people think they sense the average citizen's slight interest in politics. In other respects, this does not seem to be so since in each march—and this one was the fourth—thousands of individuals were on the

move, which, after all, means that they are not indifferent to what is going on on the political scene. We are even beginning to find these successive marches banal, giving us a feeling of "deja vu." There is this about them that is positive: Each of them makes the previous one relative and consequently reveals a favorable development for democracy. No force can consider itself to be the only one that counts, the sole possessor of the truth, of great ideas, and of the most important values. It is true that these human tides are already tracing the contours of the key forces that are going to animate and shape national politics. The Islamic Salvation Front (FIS) is the first to have taken to the streets. It displayed its troops. There are enough of them and they are too well disciplined. They make the other parties doubt their own existence and their possible ability to mobilize. The street [demonstrators] have changed their dress style: The hidjab has replaced jeans so often that we do not know any more where the FIS ends and where simple faith begins. Every day the new style of wearing the "shesh" or the kamiss has become more widespread, without leaving any visible difference between the FIS militant and the individual who controls, as best he can, his anxieties over his identity. A rapid summary lumps them together.

Sometimes the FIS itself has had to make the difference between them clear: "Not everyone who wears a beard is necessarily a member of the FIS," to make its forces relative to one another. But, on the whole, this change of look among the young people is a good demonstration of the fact that Islam is an incontrovertible fact in the life of the society as well as in politics. Never have the mosques been so sought after and the young people so pious. It was worth their while for the other parties to calculate the room to maneuver left them by the FIS' success, which was felt to be too great. Thus, the purpose of the 10 May march was above all to restore the balance of power, which they felt was weighted too much in favor of the Islamic fundamentalists. A steady downpour did not keep a huge mob from responding to defend "democracy." The authors of the appeal, the parties (RCD [Rally for Culture and Democracy], PNRA [expansion not given], PAGS [Socialist Vanguard Party], and PSD [Social Democratic Party]), were the first to be surprised to discover that Algeria did not add up to a single political movement.

They would certainly not have suspected this if it had not been the first time that the Islamic fundamentalist movement was able to organize itself into a party. In short, its very existence was already a strong presence because of its novelty. Therefore, the FIS was under close surveillance and it was the FLN [National Liberation Front], which had been forgotten and even quickly evacuated, that rose to prominence. After an eclipse against a background of failure to challenge the system again, to criticize it, it reappeared, tapping a human river that demonstrated just how far the FLN is rooted in the country's heart. The capital embraced fundamental Algeria. A march that was not like the other marches. Large in number, but fragile in its makeup.

Essentially senior citizens, for whom the FLN is not a political party like the others but a front that is madly loved for its glory, its pride at having liberated the fatherland. Martyrs' portraits, patriotic songs, slogans.... There was something moving about that march. It was that need for alluding to the recent past, to recent history to justify its existence today.

For many of its members, the FLN, no matter what happens, will always be that front of the mountains and the resistance. "Only history counts," a demonstrator repeated during the march, as if it were unfair for the FLN to have to share the political scene with others today. As if historical legitimacy were permanently ensconced there to reign without sharing power.

Many people will say: The FLN has the means to carry the whole interior of the country.

It's true. But conversely, nothing in those faces that paraded for the FLN contradicted their attachment to it. It remains for us to analyze the nature of this attachment. Perhaps it is more sentimental than political. A sort of faithfulness to one's first love. Viewed from this angle, the FLN is so closely identified with Algeria that any break with it makes one feel somehow guilty. Those who abandoned it in 1962 did not do so out of sheer wantonness. Today, it is no doubt easier to find an excuse for doing so, but is the break any the less painful for all that? If not, how can we explain that huge mob loyal to the FLN despite the wrongdoing it has been accused of since the events that took place in October, largely involving the age group that had lived through the war for national liberation? It was the march that mobilized people the most, but it was at the same time the least balanced in terms of its age pyramid. Young people are [politically] somewhere between the FIS and the others. They are found more often in the ranks of the FFS (Socialist Forces Front). They waved a portrait of Ait Ahmed on high and chanted his glory. They held his book that is now on sale, "Memoirs of a Fighter," in their hands. He is their idol. The leader surrounded by his mob. His opponents certainly prefer "Zaimism." But every mob needs to identify itself with a leader. The look, the language, the career, the suffering, the name...first, and later the political program. Many of them were demonstrating only for him, and for no other reason. What is a constituent assembly for the old peasant who was dancing in the middle of the boulevard? A complicated legal term.

Besides, it was not this watchword that would be advanced. It was first of all a question of Ait Ahmed and only afterward of the FFS [Front of Socialist Forces]. A boycott of the elections was the slogan that was repeated. The mob also shouted for an opposition party: "the FFS in power" or: "Tamazight in the schools." Even though it is now on everyone's lips, this last slogan is an indication that Ait Ahmed will be a very big vote getter among the Berber-speaking population. He clearly demonstrated that his chances have remained intact despite the party's internal conflict. The lightning appearance of

an FFS II and the emergence of other parties likely to challenge it for this same popular support base.

EGYPT

Premier Announces Secret Accounts To Be Approved

90P40127A London AL-SHARQ AL-AWSAT in Arabic
20 Aug 90 p 9

[Text] Cairo, AL-SHARQ AL-AWSAT—Dr. 'Atif Sidqi, the Egyptian prime minister, has announced that a law of secret individual bank accounts at Egyptian banks will be issued within the next few days. He emphasized the need to develop service in the Egyptian banks in view of the sizable increase of deposits and [checking] accounts in the banks during the past few days after the Iraqi invasion of Kuwait and the developments in the Gulf area.

Safwat al-Sharif, the minister of information, stated that Dr. 'Atif Sidqi held a meeting yesterday morning with the presidents of Egyptian banks. In attendance were Dr. Salah Hamid, governor of the Central Bank, and the ministers of the Central Group [as published]. During this meeting, discussions were about the Gulf situation and its reflection on the Egyptian balance of payments, as well as the investments required to create working opportunities for Egyptians returning from Kuwait and the Middle East.

AL-SHARQ AL-AWSAT has learned that the effects of the events in the Gulf on the Egyptian economy will be broadly discussed at the Egyptian Cabinet meeting in Alexandria chaired by President Husni Mubarak. The meeting will particularly discuss the effects of Egyptians' remittances abroad, tourism, and the country's sources of foreign currency.

AL-SHARQ AL-AWSAT also learned that Dr. Salah Hamid, governor of the Central Bank, will hold several meetings during the coming few days with officials of banks to follow up on the situation as it gradually develops.

On another front, it was decided to form a committee headed by Dr. Hamid al-Sayih, a former minister of economy and president of the Hong Kong Egyptian Bank. The committee will discuss bases for developing the banking system, and evaluate its performance in the past and ways for it to face challenges in the future.

Government Agreement With IMF Seen Likely

90AA0287A London AL-SHARQ AL-AWSAT in Arabic
20 Aug 90 p 9

[Article: "Egypt Prepares for Decisive Round With IMF; Political Position on Gulf Crisis Softens IMF's Stance Toward Cairo"]

[Text] Cairo—Egypt is preparing for a new round of decisive talks with an IMF mission to arrive here in a few days at a time when reports have been circulated about the IMF's understanding of the effects of the latest Gulf developments on the Egyptian economy and of Cairo's need for the prompt announcement of an agreement with the IMF. The Egyptian economy is in dire need of such an agreement to meet the burdens of servicing debts amounting to \$50 billion in order to be able to confront the new problems arising from Iraq's invasion of Kuwait, especially the return of Egyptian labor from both countries and the loss of this labor's remittances which have represented an important source of foreign exchange. Cairo also expects the crisis to be reflected in tourism, in the Suez Canal revenues, and in redrafting economic relations with the Arab countries, especially with the ACC [Arab Cooperation Council]. Experts believe that breaking away from the ACC will not result in a tangible loss.

At the level of negotiations with the IMF, there are expectations in Cairo that an agreement will be announced in the wake of the coming negotiations. Some Egyptian economic sources believe that it is possible that agreement will be reached on the points of disagreement concerning the unification of exchange rates and an increase in the interest rate. The timetable drafted by the government will also be given consideration. In drafting its annual plan, the Egyptian Government (took into account) the demands of the IMF and the World Bank, even though it has been reserved in its assessments of the balance of payments. The Egyptian Government estimates the exports at 6,491,000,000 pounds, including 1,315,000,000 pounds in crude oil exports, i.e. with an increase of 8.5 percent over last year. The Suez Canal revenues have been estimated at 1.7 billion pounds, with an increase of 78 million over last year. Tourism revenues have been estimated at 2,735,000,000 pounds, with an increase of 155 million.

The remittances of Egyptian expatriates have been estimated at 8.8 billion pounds, with an increase of 60 million [over last year]. This assessment was made prior to the recent developments.

Egypt fears that it will lose \$1 billion in remittances from Egyptians in Iraq and Kuwait. This sum represents 13 percent of its hard currency resources. But Nadir Farajani, an Egyptian economist who has written extremely accurate books on Egyptian expatriate labor in the Gulf, believes that the official figures are exaggerated and that the number of Egyptian workers, who totaled nearly 1.7 million workers five years ago, has now dropped to just 400,000 as a result of the fact that many of them returned last November because they lost their jobs when the war with Iran ended and because of the harassment to which they were subjected in Iraq. Egyptian officials assert that government and public sector employees loaned to Kuwait will be returned to their jobs, even though they represent only 15-20 percent of the Egyptian workers in Kuwait. Egyptian labor has

invested its savings, estimated at \$3.7 billion, in Kuwaiti financial institutions. It is feared that these savings will be lost for good.

According to well-informed sources, the IMF's political position, and subsequently the World Bank's position, will change as a consequence of Egypt's latest positions on Gulf developments. In any case, the Egyptian Government has actually launched the economic reform steps, and it is awaiting agreement with the IMF in order that it may begin implementing its comprehensive reform program in two phases, the first of which is for 1991. After 1992, the reform plan relies on several points, which can be summed up in the following:

- The need to conclude an agreement with the IMF on a program to achieve economic stability.
- Reform the public sector and bolster investment.
- Lift restrictions on foreign trade.
- Enlarge the private sector's role.
- Establish a system for pricing public sector products.
- Do not ignore the social dimension and the people with limited income.

The Egyptian Government has constantly emphasized its policy of containing the budget deficit, which it started accomplishing in 1987. This year, the deficit will be reduced by no less than 10 percent [the value of] the gross national product.

In its papers, the government has also stressed that it is going ahead with the system of decentralized management and with unifying company laws for both the public and the private sectors. A higher committee is currently reviewing these laws so that a unified companies law may be issued. The government has selected the form of holding companies to manage public sector firms while leaving some vital and strategic areas under state control.

Moreover, the Egyptian Government has actually begun selling the governorate projects which are scheduled to be sold to the private sector this year. It is expected that a part of the government stock in some of the companies formed in accordance with investment law No 43 and in a number of public sector companies will be sold. The plans needed for the purpose are being drafted currently.

Linked to the above are steps to give companies the freedom to price their products, to set a timetable for unifying energy prices for both the public sector and private sector and for linking this price to the international price, and to control society's essential goods which are under government supervision.

To put it very briefly, the Egyptian Government plan stresses that the disagreement with the IMF and the World Bank is merely disagreement over timing and that there is near-complete agreement in the policies and in the Egyptian Government's desire to adhere to realizing the IMF's demands while taking the Egyptian society's circumstances and mechanisms into account.

If the agreement has been late in coming, then it is more logical that the latest Gulf developments will make the agreement date imminent. According to one expert, it will only be days before an agreement between Egypt and the IMF—an agreement that is three full months late—is announced. On the other hand, Egyptian economic experts have expressed the belief that economic relations between the Arab countries in general and between Egypt and the Arab countries in particular will be redrafted in light of what the latest developments between Iraq and Kuwait will produce.

These experts stressed that the blocs existing in the Arab region, especially the ACC, will be reexamined and that Egypt's breaking away from the ACC will not lead to a tangible loss because all the agreements concluded within this framework continue to be ink on paper and because a large part of these agreements has not been implemented.

The experts noted that Iraq's invasion of Kuwait will have profound consequences to the relations between the Arab countries and that the economies of the countries which rely on labor as a foreign currency resource, including Egypt, will be affected if this crisis lasts a long time. But these experts' opinions have differed as to the yield of the remittances of Egyptian expatriates. Some believe that these remittances will decrease whereas others believe that they will increase as a result of increased remittances from the banks of the Gulf states to Egypt.

Dr. Hamid al-Sayih, chairman of the Hong Kong Bank and an ex-minister of economy, has stressed that the immediate impact of this invasion is in two areas: The first is increased oil prices and the second is reduced remittances from Egyptians, especially in Kuwait, and reduced Arab tourist activity in Egypt. Tourism coming into the Arab region will also decrease as a result of the recent developments. These effects have not yet crystallized in the short run because there are still large numbers of Arabs in Cairo and because large numbers of warships are passing through the Suez Canal and making up for the halted tanker traffic transporting oil from the Gulf region. But these consequences will become evident in the long run if the current crisis persists. Add to this the expected rise in the prices of European products as a result of the rising production costs in the wake of increased oil prices. An attempt will be made to make up for this increased cost by raising the prices of goods exported to the developing countries. Egypt will be greatly affected by this situation because it relies on imports to a large extent.

Muhyi Qandil, chairman of the importers branch, agrees that the drop in remittances from expatriate workers will have the greatest impact in the short run. But he does not expect this to create pressure on Egypt's foreign currency resources because the increased oil prices will relatively make up for this drop. Qandil does not expect this crisis to last long. As for the economic relations and trade deals with Iraq, he has said that trade with Iraq has come to a

full stop because of the embargo imposed by the major powers and that importers and exporters are looking for alternative markets in order to carry on with their trade activity so that they may not incur losses as a result of this halt, especially since trade with the Gulf states has diminished as a result of the war circumstances.

The importers branch chairman expects that when these developments come to an end, economic relations between Egypt and the Arab countries will improve as a result of the proximity of goals and policies, especially with the Gulf states. These features will take the form of increased demand for Egyptian labor, increased trade with Egypt, and increased aid to bolster the Egyptian economy. Whereas some people see a drop in the remittances of expatriate Egyptians, Dr. Ahmad al-Safti, an economics professor at Cairo University, sees that these remittances are likely to increase immediately because most of the Egyptians working in the Arab states will remit the savings they have been keeping abroad to Egypt for fear of other developments. These remittances will exceed by far the remittances that have been coming from Iraq and Kuwait. Al-Safti cites as an example the fact that the banking market's revenues have exceeded \$12 million daily in this period whereas they did not exceed \$10 million in previous years. In the long run, the Egyptian economy will benefit when the current crisis ends because the economic relations between the Arab countries will be redrafted, some of the relations that have been in existence will be reexamined, and new priorities will surface. The Egyptian position of support for the legitimate government in Kuwait and of defending the other Gulf states gives significance to the Egyptian presence in the region, thus strengthening Egyptian labor's position in the Gulf states which will begin relying more on Egyptian labor than on other workers. It will also be important for these states to bolster the Egyptian economy in order to strengthen Egypt's role.

Regarding Egypt's role in the ACC, Dr. al-Safti stressed that the majority of the ACC agreements are still ink on paper and have not yet materialized. Consequently, they will cause no loss if they are canceled or frozen.

IRAQ

Rallies, Growing Number of Volunteers in Autonomous Region

JN1808162090 Baghdad Domestic Service in Arabic
1400 GMT 18 Aug 90

[Text] In a statement to Baghdad radio, comrade Hasan 'Ali, secretary of the Ba'th Party's Northern Bureau, has said that since 2 August when Kuwait returned to the motherland, there have been massive demonstrations in all cities, districts, and subdistricts in the autonomous region. He said that demonstrators expressed deep joy over the liberation of Kuwait and the return of the part to the whole and the branch to the original, and that demonstrators throughout the autonomous region

stressed the historic leadership of His Excellency President leader Saddam Husayn.

Comrade Hasan 'Ali also pointed out that the demonstrators went to party and popular organization centers to voice their readiness to volunteer and defend the homeland and to stand solidly behind the historic leadership of President leader Saddam Husayn. The citizens called the day, when the part to the whole and the branch to the original were returned, the day of loyalty to President leader Saddam Husayn. They stressed their support for his leadership to confront the United States, Zionism, and the Arab reactionaries in the region.

The number of volunteers has reached 967,032, including 590,712 volunteers from among our Kurdish people, in addition to the civil defense brigades which have about 350,000 members who declared they were volunteers by rushing to the volunteer centers at party offices with great enthusiasm and conscious adherence to President Saddam Husayn's leadership.

Economists Discuss 'Siege,' Means To Cope

JN2008162890

[Editorial Report] Baghdad Domestic Service in Arabic at 0730 GMT on 20 August carries an approximately 21-minute program entitled "A Dialogue on Topical Affairs." The program consists of an interview with two economists—Dr. 'Isam Muhammad Hassunah and Professor Bahjat Rabi' from the College of Administration and Economics at al-Mustansiriyah University—on the stage Iraq is going through "between justice and injustice, light and darkness."

The unidentified interviewer starts by asking how they view the "siege," especially the military means employed. Hassunah answers that Iraq has gone through many changes and has managed to overcome many difficulties, but the "U.S.-led siege," has begun acquiring "dangerous dimensions." What would have happened had Iraq not had resources such as oil, he asks. He makes the point that the "daily demand and supply of vegetables and fruits in Iraq amounts to 2 billion Iraqi dinars;" therefore, "alternatives should be directed toward this aspect, the aspect of variety in food and greater emphasis on fruit and vegetables in meals, so as not to depend solely on red meat since red meat is imported." He points out that even before the "siege," the government had encouraged "fisheries and poultry farms" by providing 50 percent financing, "but now it finances them 100 percent."

The interviewer remarks that necessity has always been the mother of invention and asks Rabi' his opinion, especially in light of the "U.S. conspiracy against Iraq."

Rabi' says he is optimistic the "siege" will fail because "international world interests are interlinked. One way or another, this will lead to struggle or conflict among these interests." Rabi' gives examples of developing and developed countries already suffering from inflation. He

then wonders whether "the United States can go on supporting these economies and whether the American citizen is willing to give up his own food for the sake of these countries?" Hassunah adds his comment that individuals in the West are practical people who look after their own interests.

Rabi' goes on to say that "there are voices in the United States saying that the American soldier is going to the Gulf region not to defend the interests of the United States, but the interests of a number of companies." He analyzes the economic "subservience" of Japan to the United States and wonders whether Japan will continue to accept this situation.

Hassunah then interrupts by giving examples through history of times when the will of the people overcame efforts to render them incapable.

They move on to the subject of citizen behavior under the circumstances. Hassunah explains that the Arab character is tough and "can endure," unlike the British or Americans. "Moreover, the human being has the ability to find a number of ways that are not impossible, to save resources and national efforts," he adds.

Rabi' comments that another way is practical thinking; one should not only control expenses but also create new resources "that are very important for us" in all fields.

Invited to give his opinion, Hassunah says that all the cards Bush has in his hands, no matter which ones they are, will fail because "the Iraqi cards and keys will continue to be the ones capable of creating victory in the Arabian Gulf region." The citizen's role at this dangerous stage requires "continuous alertness and awareness so that he can play a positive rather than a negative part," he cautions.

Agricultural Minister on Production Plans, Use of Land

JN2008194990 Baghdad AL-THAWRAH in Arabic 16
Aug 90 p 4

[Text] Agriculture and Irrigation Minister 'Abd-al-Wahhab Mahmud has called on agricultural investors [al-mustathmirin] to work to increase agricultural production and provide the elements of food security and self-sufficiency in agricultural products.

During an expanded session at the Ministry, he explained to agricultural investors that each one of them should present a plan to the Ministry within a month, specifying the type of crops and the areas to be cultivated, provided that emphasis is placed on strategic crops like wheat, barley, corn, and rice, so that with the types of crops identified and the expected production determined, the Ministry will be able to make available the requirements of the investors and organize water distribution in accordance with need.

The minister of agriculture and irrigation noted the importance of maintaining agricultural lands and following scientific techniques in its use according to the acknowledged agricultural density. He also noted the importance of working to maintain streams and the spouts existing near them. He asserted that the Ministry will withdraw contracts from all agricultural areas that have been rented out and not cultivated or correctly maintained by their owners.

He also said that the Ministry is studying the possibility of extending contracts to encourage investors and enable them to maintain and use their lands according to scientific and required bases.

He added that the current stage requires the mobilization of all energies and the pooling of all efforts to upgrade the performance of the Iraqi investor to fitting level and to actually contribute to breaking the economic siege imposed on Iraq by conspiratorial and aggressive forces.

West Accused of Using Political 'Double Standard'

*JN2108092690 Baghdad INA in Arabic 1230 GMT
20 Aug 90*

[Text] Cairo, 20 Aug (INA)—The Cairo-based AL-JUMHURIYAH has stressed that starving people is a crime against humanity, regardless of how it covers itself with international law and legitimacy.

In an article by Naji Qamhah, the paper says the UN secretary general has stressed more than once that the embargo imposed on Iraq by the UN Security Council does not include food or medicine; but Bush, the messenger of humanity to liberate the Arabs from Arabs, stresses that the embargo includes everything.

The newspaper adds: The West has always nagged us with lectures about humanity every time the miserable Palestinians attacked European and Israeli civilians in revenge against their governments' policies toward the Palestine question. In those days, the West said this was terrorism, and the international community should stop and denounce any act against innocent civilians.

The writer pointed out that we as Arabs were the first among nations to support this humanitarian position, and we resisted terrorism and any armed operation against civilians.

The paper wonders: Can things be used against Arabs when these things were not used against other people, especially since we see the example of the economic sanctions against the white colonialist racists in South Africa, who subjugated the Africans, owned and usurped the land, and humiliated them. Still, the West did not impose the war of starvation against them, and Thatcher, Bush's ally, is still, until now, opposed to any sanctions against them and challenging the whole world.

The paper explains that using a double standard in politics makes one lose credibility. This also casts doubts on intentions, exposes the maneuvers and conspiracies, and spreads abhorrent racism, the paper says.

Hammadi Meets Arab Ambassadors in Moscow, Explains Position

*JN2108211790 Baghdad INA in Arabic 2040 GMT
21 Aug 90*

[Text] Moscow, 21 Aug (INA)—Mr. Sa'dun Hammadi, President Saddam Husayn's envoy to the Soviet leadership, Revolution Command Council member, and deputy prime minister, received the Arab ambassadors accredited to the USSR at the Iraqi ambassador's residence in Moscow tonight.

He informed them of Iraq's views on current developments in the Arab region—views that he conveyed to the Soviet leadership. He stressed Iraq's eagerness to exchange ideas and information with the Soviet Union out of the desire to maintain Iraqi-Soviet and Arab-Soviet relations.

Hammadi explained to the ambassadors the background to the situation in the Arabian Gulf and the great and sincere efforts that President Saddam Husayn and the Iraqi leadership had exerted to prevent the situation from reaching the point it did.

Hammadi gave a detailed account, substantiated with documents and figures, on the extent of the conspiracy that the former rulers of Kuwait and the rulers of the United Arab Emirates were carrying out to besiege Iraq economically and to do great damage to its national economy by pursuing an oil policy in coordination with the United States. This policy took the form of an increase in oil production and a reduction in prices, which meant Iraq would lose a great deal of money, which it desperately needed after it emerged victorious from the war with Iran.

Hammadi stressed Iraq's great and high ability to stand fast and foil all imperialist and Zionist schemes. He also emphasized the Iraqi people's unlimited readiness to sacrifice for victory and to beat back the aggressors.

'Humanitarian' Aspect of Saddam's Open Letters Seen

*JN2208102690 Baghdad INA in Arabic 0613 GMT
22 Aug 90*

[Text] Baghdad, 22 Aug (INA)—AL-JUMHURIYAH stresses that the endeavor to avoid a confrontation between the Iraqi forces on one hand and the foreign forces and those allied with them on the other is one of the objectives which the leader of Iraq's march, President Saddam Husayn is struggling for.

In its editorial today, AL-JUMHURIYAH refers to the open letters President Saddam Husayn has addressed over the past two weeks, letters which tackled issues

related to the consequences of the massing of U.S. and foreign forces in Najd and Hejaz [Saudi Arabia].

The paper says that these letters contain many humanitarian values the leader was careful to emphasize while also affirming Iraq's capability to confront any foreign attempt against the dignity of the Iraqis and the Arabs.

The paper explains that President Saddam Husayn was eager to completely distinguish between the policy adopted by a specific government and the will of the citizens in the country ruled by that government. While the policy adopted by the Egyptian Government is in line with the hostile stand that George Bush has adopted against Iraq and the Arab nation, a policy of implementing the U.S. scheme of providing Arab cover for U.S. forces deployed in Najd and Hejaz to threaten the security of Iraq and the Arab homeland, we see that President Saddam Husayn has called on Iraqis to treat all Arabs well, especially the sons of our Egyptian people, irrespective of the stands of their countries' rulers.

His excellency was well aware that several parties would try to cast doubts on the relationship between the peoples of the two fraternal countries, Iraq and Egypt, when he said: I call on you to treat the sons of beloved Egypt in a way befitting of my love for them and befitting their good nature and love for Iraq. They are our sons and brothers, and our support in the face of deviation and treason.

The paper affirms that such a noble call by our leader to the steadfast Iraqi people does not stem from transient circumstances, but is the embodiment of a firm course which realizes that the factors separating the one people in the various Arab countries are not in line with the unionist ideology in which all workers should believe for the enhancement of the principles of pan-Arabism, and which also holds that the Arab rulers are not always those chosen by the Arab people in this or that Arab country, but that most of them have been chosen by the foreigner.

The paper says that humanitarian principles still govern the ideology of the leader, although Iraq and the Arab nation are being subjected to the fiercest enemy onslaught against the entire pan-Arab existence. The sense of superiority and capability did not lead him to humiliate the region and the sons of the people who were forced to come to the Arab region to fight the sons of Iraq. For this reason, the leader does not wish for the two groups to enter into a confrontation, so that the sons of the U.S. people will not face inevitable death by the intense firepower of the Iraqis in the scorching Arab desert.

AL-JUMHURIYAH stresses that the principled ideas contained in Saddam Husayn's letters following the developments in our Arab region do not stem from a weak position, but are based on the well-proved Iraqi capability. It is the humanitarian element which makes Iraq through its leader Saddam Husayn reiterate on more than one occasion the importance of averting from the region the tribulations of war, because if war erupts,

no one can check its flames, or keep it from spreading to other places. That is why President Husayn's letters sought to emphasize these humanitarian aspects from the premise of the firm and principled course in which Iraq believes, so that peace will be a goal that all will seek to enable this world to enjoy stability.

Editorial Threatens 'Violent Death' Awaiting Americans

JN2308082790 Baghdad Domestic Service in Arabic
0500 GMT 23 Aug 90

[Text] Ladies and gentlemen, in its editorial today under the headline "If the U.S. Administration Understands" the newspaper AL-JUMHURIYAH writes: It seems the U.S. administration has not yet understood that we in Iraq are not like others in other parts of the world. This administration, which surrounds itself with all sorts of consultants and uses the most modern technology, should have understood that Iraq and its leadership constitute a different case than those it knew in Asia, Africa, and Latin America, including some Arab countries.

The Iraqi regime—if the U.S. administration likes to use this term—cannot be overthrown by warships and squadrons of warplanes, nor can it tremble from the furor of propaganda and noise of statements. It is a revolutionary regime that proceeded from the ranks of the masses, led by a revolutionary struggler who emerged from the poor masses of the people, and who has never viewed power except as a means to realize the dreams of the poor, the wronged, and the persecuted in Iraq and the Arab homeland.

The Iraqi people, which now number 18 million, do not panic when they hear about the notorious [U.S.] Marines; indeed, they consider them as scrap, out of which the U.S. propaganda, including U.S. movies, tried to make heroes so as to invade peoples' minds with this false image while the star of U.S. imperialism at that stage was in ascendance. But the miserable facts about those Marines appeared when they waged unjust battles in Vietnam and other places.

The U.S. administration, which is now embroiling America in a crazy adventure, should remember that its fleets and warplanes cannot decide a single battle on the ground, because the ground is owned by those who fight on it, and its masters are the men of infantry and armor. For the United States to launch any attack, it should concentrate forces at least three times larger than ours. Why, then, is this ridiculous propaganda crowing? The United States and all its allies cannot mobilize half the forces we can. Does the U.S. administration imagine that its men or those of its allies would fight for Fahd or the al-Sabah family as the Iraqi would fight for the dignity, honor, soil and national wealth of Iraq? Or does it imagine that the Arab soldier, whether from Egypt or Hijaz [Saudi Arabia], will fight against the Iraqi soldier while knowing the true identity, links, and objectives of those who sent him to fight his brothers?

The U.S. administration knows only too well that involvement with Iraq is not like involvement with Vietnam, and the weapons of the fifties are not the weapons of the nineties. Vietnam did not possess what Iraq possesses now, and the war in the Middle East and on the edges of the oil fountainheads is not the war in the Far East and South East Asia. However, the U.S. administration continues its empty noise, deluding itself into thinking that by this it can invade our souls and remove the fear from its soldiers, who do not know what dark days are awaiting them and their mothers, fathers, wives, and children back in their faraway country.

Had the U.S. administration learnt the lessons of the war between Iraq and Iran, it would have realized that the Iraqi people and leadership do not fear saber rattling, and are ready to fight on every inch of Iraq's soil, from the remotest coast to the remotest mountain, when the call for jihad is given. There is only one thing between the aggressors and their target; namely, death. If the U.S. administration knew the meaning of violent death, we would tell it that this is what would befall its soldiers if they attacked us.

The U.S. administration should not be tempted by the fear and submission shown by some Arab regimes. These are not representatives of the Arab's courage and nobleness; they embody their own fear for their shaky positions among their peoples and the unlawful wealth they stole from the national wealths and the mouths of the people. The true image of the Arab is that represented by the knight Saddam Husayn through his courage, steel will, and determination. In its simplest forms, it is the image of that resolute Palestinian child who refuses but to throw his stones at the faces of the Zionist occupiers.

In brief, we tell the U.S. administration and Bush personally that we are a nation that neither likes war nor is seeking it. Together with our leader Saddam Husayn, we believe that peace is the law of nature. But when attacked, we are renowned fighters. Martyrdom for the sake of God and the homeland, and fight against the unjust and corrupt on earth is our top duty. In return for every drop of Iraqi blood, many of Bush's soldiers will fall dead.

Italians Respond to Fallout From Economic Sanctions

90AE0240A London AL-SHARQ AL-AWSAT in Arabic
10 Aug 90 p 9

[Article by Midhat Maqqar: "Financial Ramifications of Gulf Crisis: Italian Firms and Banks Count Their Losses as Result of Financial and Commercial Boycott of Iraq"]

[Text] Rome—With the commercial boycott going into force, with the freezing of assets, and with the ban on dealings in the military and technical fields, Italian firms tied to Iraq by commercial contracts entered the "danger circle" yesterday amidst fears in the economic, trade,

and financial circles about the expected transactions which have been roughly estimated at hundreds of millions of dollars.

Even though the Italian economic circles do not conceal the obvious concern they feel as a result of the vast trade and financial relations with Baghdad, the eyes are focused on the major transaction which has a value of more than \$2.8 billion and which has been concluded between Iraq and (Fincantieri) Shipbuilding Company. The deal calls for the delivery of 11 naval items (four frigates, six cruisers, and a support ship), in addition to 11 helicopters included in the original contract. This deal was facing major (obstacles) because of Iraq's objection to the payment terms and the value of the sums and interest due.

Rome's interest is focused on the fate of this gigantic deal by virtue of its prominence in the forefront of the articles of the embargo imposed by the resolutions adopted by the European Community at the end of last week.

An informed quasi-government source has told AL-SHARQ AL-AWSAT that it is most likely that the commercial and economic boycott measures will affect all the firms that deal with Iraq, including the firms that invested funds and efforts jointly with Fincantieri, such as (Agusta) for aircraft production, and the metallurgical ("Le Auto Metallier") firm, in addition to other firms such as (Finbreda, Selenia, Sag), the Fiat branch for the production of aircraft, (Elmer, Whitehead) and (Senia) firms.

At present, the Italian Government is focusing on determining the form of the administrative measures expected to be applied in light of its interests within the context of the concluded contracts.

AL-SHARQ AL-AWSAT has learned that the likely economic sanctions may include a number of other major deals concluded with a major energy-production consortium—with (Snamsprogetti, T.P.L.) and (Falck)—for construction projects being implemented in Iraq.

At the same time, an Italian committee, jointly with officials from the European community, is discussing how to freeze the various forms of current scientific and technical cooperation with Iraq. In any case, it is expected that the comprehensive boycott will include aspects concerning this cooperation in the civil contracts concluded between the two countries.

As a consequence of the measures adopted amidst the European industrial coordination emanating from Iraq's invasion of Kuwait, Italian circles expect that Baghdad will adopt countermeasures that may result in further losses to Italian firms.

Meanwhile, it has been learned that the size of the cover provided by the Italian Government's Trade Insurance Organization was increased prior to the invasion to \$2.5

billion, which indicates the size of the transactions which may be affected by the freeze of commercial relations.

Commenting on this, Foreign Trade Minister (Renato Ruggiero) has stated that his government cannot avoid the grave economic consequences of the political developments in the Gulf region.

AL-SHARQ AL-AWSAT has learned from informed financial sources in the Italian capital that the recent international measure against Iraq has practically led to the collapse of the Italian Government's endeavors to reschedule nearly \$830 million in debts payable by Iraq to Italian firms for civilian enterprises. A high-level Iraqi delegation had visited Rome a week before the invasion in an endeavor to arrange the repayment of these sums in installments.

Even though Italian financial circles stand perplexed in the face of the lightning-like developments and even though they fear that financial crises and bankruptcy cases will develop, the foreign trade minister yesterday tried to calm the fears of the establishments most severely exposed to the consequences of Iraq's invasion of Kuwait by saying that the embargo may not affect some contracts concluded between the two countries in the civilian sector.

In a statement by an official of one of the firms concerned, chairman of the Executive Board of (Poterio) Company which is tied to major construction projects in Iraq has said that the long-term character of the contract concluded between the two sides may spare his firm the expected economic difficulties by virtue of the possibility of finding a solution to the problem before the arrival of the final payment dates.

(Banca Nazionale del Lavoro) is one of the Italian financial institutions most deeply involved with Baghdad by virtue of the fact that its Atlanta branch has provided [Baghdad] with no less than \$2.7 billion in credits. But bank sources believe that the bank rights are guaranteed in the "long run."

It is believed that in case due Iraqi financial payments are not paid this year, the bank budget will incur a loss of \$35-40 million, which is the value of the interest due for this period. As for repayment of the original debt, it will not, according to an agreement concluded in Atlanta, begin until 1995.

But if the Banca Nazionale del Lavoro management is not concerned about the possibility of recouping its debt, the Italian bourse has not shared its confidence. This bourse has registered a loss of 10.89 percent of its original value. The value of the bank's shares dropped from 15,880 Italian lira per share on the second day of the Iraqi invasion to 14,150 lira as a result of expectations of the occurrence of a military withdrawal.

In a related development, there have been general reports to the effect that Banca d'Italia, the central bank, has started urgent contacts with the branches of the

major and local banks to begin actual implementation of the decision made by the cabinet last week to freeze Iraq's funds and assets in Italy, as well as freezing Kuwait's assets for precautionary purposes.

Study Examines 'Aflaq, Arab Unity

90AE0178B Baghdad AL-THAWRAH in Arabic
25 Jun 90 p 3

[Article by Niqula al-Farzali: "Arab Unity in Michel 'Aflaq's Thought"]

[Excerpts] This study was presented to the national symposium held in Baghdad from 23-26 June 1990 on the occasion of the first anniversary of the death of Michel 'Aflaq, the pioneer of modern pan-Arabist thought and founder of the Socialist Arab Ba'th Party.

At the outset of this century, Arab life was experiencing a conflict between two axes: An ancient world, about to fold up and to turn over with it dark pages abounding with injustices and tragedies, which aimed to obliterate the Arab identity and distort its heritage and civilization and a new world, advancing and carrying with it its ambitions and history that abounds with invasions, seditions, and wars, which also aspired to destroy, westernize, and wipe out the Arab identity.

Those two worlds struggled with each other and the Arab citizen fell between them like he who falls between the rock and the hard place: Between the retreating world of the Ottoman sultanate which was being subjected to defeat and disappearance and the imperialist western world that was advancing to inherit the sick man's bequest and to spread its domination over our greater Arab homeland. [passage omitted]

As he considered the 1958 Syrian-Egyptian unity, the Arab people's answer to the 1948 disaster, Michel 'Aflaq believed that the valiant Palestinian intifadah [uprising] combined two fundamentals: The national fundamental that is based on attachment to the land and to the history of the Palestinian struggle and the pan-Arab fundamental, which reflects Palestine's pan-Arab affiliation and its place in Arab unity in the renaissance phase. These youngmen and children have taken over the banner from their parents with the faithful and confident feeling that the Arab nation is present in their struggle and in their aspiration for the future, that they are fighting and standing fast with the strength of the entire Arab nation, and that the open and boundless struggle they are waging is nothing but a part of the Arab struggle on the path of unity and renaissance.

Nearly 40 years ago, the analysis of the pioneer of the progressive pan-Arabist thought of the difficulties encountering the accomplishment of Arab unity from within and from outside was a scientific analysis whose soundness has been proven by the experiences. That analysis made the following conclusion: Unity needs its own struggle and its own education and organization, that developments are not moving in the direction of the

interest of unity, that the struggle for unity is a fight against the current and a revolutionary act, rather the most revolutionary act, and that this struggle needs a revolutionary movement that undertakes it and devotes itself to it. The Ba'th Party promised that this is its task. Unity is the only scientific fact in Arab life because in unity lies the salvation from the dangers of annihilation, enslavement, annexation, and marginal living. Unity also harbors the possibility of release, of progress, and of building the civilized forces capable of standing fast in the face of the forces coveting our land and our homeland's riches.

In the viewpoint of the Ba'th founder, unity means approaching the living Arab reality—the reality of the countries and the reality of the people in every country—in a sincere and open manner. The Arab differences can only be overcome through communication, familiarization, and persuasion. The particularities of every region are a reality that cannot be ignored or overlooked. Approaching the people means listening to their voice and opinion, rather the people's various opinions that are as varied as the people's factions and levels, and opening up to these opinions with love and respect.

Also, Arab unity is especially the unity of the revolutionary struggle experience or rather the experience of unifying this struggle throughout the entire Arab homeland. This is not the unification imposed forcefully but the unification emanating from participation, dialogue, interaction, and from learning from the successes and failures of the numerous and varied Arab revolutionary experiences, and even learning from the aspects of strength and weakness in the world revolutionary experiences. [passage omitted]

In Michel 'Aflaq's mind, the link between Arabism and Islam and between unity and democracy was always clear. His speech of 7 April 1988 on the occasion of the anniversary of the party's foundation stresses that the accomplishment of unity is an act of popular struggle because the Ba'th's vision of unity is a democratic vision compatible with the party's cultural vision of society's and of the citizen's makeup. In the absence of democracy, the people's store of capabilities is obstructed, the spirit of struggle and defiance atrophies, awareness lags behind, the citizens' interests drop low, survival and living affairs predominate, and morbidity develops among the enlightened intellectual groups who consequently live a double life at the expense of the power of giving and of creativity and the expense of a single identity that is in harmony with the public objectives.

Unity and democracy are a form of struggle that requires the presence of the people's masses in the arena of national and pan-Arab action, their playing a fundamental role in building the new life and new society and in defending the homeland and the nation, and their participation in making all the important and fateful decisions. Democracy is a major guarantee for developing the elements that facilitate the attainment of unity and the bringing of countries closer to each other.

Democracy ensures that the people control their fates, open the path to renaissance, resist domination and oppression, and expose subservience to the foreigner and conspiracy against independence and against the nation's future as whole. It also ensures that the people expose class exploitation, fight corruption, tend the liberties, defend human rights, and are eagerly concerned with the soundness of the national and pan-Arab tendency that is conducive to renaissance and to progress and with the nation's character, identity, and link to its heritage. Democracy ensures that people will fight the anti-Arab tendencies and the imperialist plots, will defend the pan-Arab bond, and will develop the nation's awareness of its unity and its single destiny. Democracy is a fundamental and vital requirement for the unionist struggle because it creates a climate for enlightenment, dialogue, and popular struggle. [passage omitted]

In this context, Michel 'Aflaq believed that a primary fact concerning the Arab Cooperation Council is that it is the son of the victory scored by Iraq and that this council is the fruit of cooperation between the countries that responded to the battle and participated in it. This participation and this response created a moral foundation and, at the same time, a popular base for the meeting and the cooperation. This is because these countries' participation with Iraq during the war was not confined to the regimes but went beyond to broad sectors of the masses.

As for the federation of the Maghreb countries, the Ba'th founder believes that it meets an old popular aspiration of these countries' masses for the unity of the Arab Maghreb, for strengthening the elements of rapprochement with the Arab East countries, and for interacting with these countries in the direction of the comprehensive Arab unity. Interaction at the popular and official levels is what matures the historical process of Arab unity on the one hand and, on the other hand, provides the main guarantee for steering the unionist steps in this or that part of the Arab homeland away from the possibilities of isolation and narrowness.

In the Ba'thist theory, we have always noticed that the credibility of these unionist steps lies in their openness to the masses. The regimes that possess the capability to make initiatives at this level are also supposed to be courageous in the application of democracy and in strengthening the technical official steps with the pan-Arab social awareness which is the product of the masses' participation. The problems that may arise from the lack of full conditions for the application of democracy or from a flaw in the practice of democracy are more than counterbalanced by the good, the giving, the creativity, the inventiveness, and the gaining of virtues which can only blossom and mature in a climate of freedom.

The cooperative formulae established in the Arab homeland are required by the Ba'th founder to constantly prove that they are open to each other and to underline

their eagerness to attain the fundamental objective, namely comprehensive unity and not partial unions. These formulae's failure to open up to each other culturally, economically, and politically will, on the other hand, constitute an obstacle on the path of unity because interests and customs will develop and regionalism will be entrenched and it will be difficult to overcome them.

Michel 'Aflaq departed this world after he said his immortal word. Perhaps it is permissible to consider his will the address he delivered on 7 April 1989 on the occasion of the party anniversary, i.e. nearly 2.5 month before his death. It was, in any case, the last of his venerable words to be heard by the Arab nation. The bannerline of the historical phase that begins now is democracy. Unity is a promise and democracy is, as is unity, the process of the nation's salvation. The two issues, namely the issue of unity and the issue of democracy, must remain coupled as if they were a single entity. We cannot achieve unity without democracy, i.e. without the masses' vigilant movement, and we cannot achieve democracy without a cultural pan-Arab liberationist objective that rises up to the level of the unity objective.

This briefly, or perhaps without elaboration, is a review of Arab unity in Michel 'Aflaq's thought. This unity has become a characteristic of the age and I have decided that the best introduction with which to introduce it is found in the words of the Ba'th founder himself which undoubtedly reveal the profoundness of his thought. I will leave it to others to debate, criticize, and analyze this thought. Now and in the past, I have not been a critic of Michel 'Aflaq's thought but a believer in this thought.

The death of those we love is a hard ordeal under all conditions and circumstances and the death of the great is a historical ordeal. But Michel 'Aflaq has not died. He is always present among us with his thought and with the model he has provided with his sincere struggle and his lofty and noble conduct. If the agony of grief could turn on this anniversary into overwhelming joy with the return of the soul, then there is no doubt that this joy was there when the masses received hero President Saddam Husayn with all their emotions and with their deepest feelings upon his entering the hall in which the Arab popular conference was held in Baghdad for solidarity with Iraq. Leaders of political, party, and intellectual action from the Gulf to the ocean attended this conference and contributed to it.

ISRAEL

Anti-Israel Leaks in U.S. Press Reported

90AE0202A Tel Aviv HA'ARETZ in Hebrew
3 Jul 90 p 1b

[Article by Ze'ev Shiff]

[Text] There is an almost fixed model for the way in which slanderous security news about Israel is leaked in

the United States. The moment that tension arises between the American administration and the Israeli government, a spring bursts forth issuing news intended to harm Israel in terms of American public opinion.

The issues repeat themselves. In the first place there is the military link between Israel and South Africa. The same details, correct and incorrect, that have been published over and over again about Israeli arms sales to South Africa, about joint military projects between the two states, and about the supposed nuclear link between Jerusalem and Pretoria. If Israel complains about a big arms deal between the United States and one of the Arab countries, details are generally leaked about Israel's supposed nuclear capability in order to prove how powerful it is, it following that there is no basis to worry much about sophisticated weapons that are being put in the Arabs's hands.

The leakers also love stories about the military link between Israel and China, not only to point to the supposed sale of American military technology to the Chinese, but also about the intention to hinder Washington's policy.

Two new subjects were added recently to the list of leaks. A planned supply of Israeli weapons to South American drug lords and Israeli cluster bombs to Ethiopia. The story about the cluster bombs is especially serious. Israel is being accused of direct responsibility for the deaths of thousands of Ethiopians in the civil war. No one, of course, refers to the plentiful Russian and American weapons in the hands of the warring factions in Ethiopia. No one accuses the Soviet Union or France, for example, for the hundreds of thousands of deaths in the Iran-Iraq war because they supplied tremendous quantities of weapons to the warring sides, or the United States for massacres in Lebanon perpetrated with American weapons. With regard to Israel, anything goes. An atmosphere is developing in which people believe that the Jewish state is capable of the worst and most dastardly things. Isn't that another aspect of anti-semitism?

The method of leaking is primitive. The American press tends to swallow the leaks hook, line, and sinker. That is certainly the situation with most of the European newspapers.

The American press, which is rich and satisfied, is disappointing from the viewpoint of the professional journalist. There is no examination, there is no effort at all to verify details. Generally, they don't ask for Israel's response, and in any event the denials don't help. Even Jimmy Carter did not succeed in refuting hints that Israel is supplying the cluster bombs to Ethiopia.

If they would check properly, they would find that the American government knows exactly which country is responsible for supplying cluster bombs to Ethiopia—and that it is not Israel. The C.I.A. and the military intelligence of the U.S.A. know what country is being referred to. A simple examination of the parts of such a

bomb would reveal that it is manufactured with different technology from that used by Israel in manufacturing cluster bombs.

To the main issue: About 13 years ago, in 1977, Israel sold various weapons to Ethiopia. Moshe Dayan announced that in an interview. These weapons no longer exist. When diplomatic relations were restored, an Israeli delegation was sent to Ethiopia, and it recommended not selling modern weaponry to that country.

Not only are there no Israeli cluster bombs in Ethiopia, there are also no military advisors or IDF [Israel Defense Forces] instructors, as related in the American press.

It is also important to know that the American administration received from Israel reports on the highest level about what it has sold and to whom. Details of arms deals liable to be considered problematic were transmitted personally to Secretary of Defense Weinberger, to his successor Carlucci, and to present Secretary of Defense Cheney. This was the case as regards Ethiopia, and also as regards China and others. It was made known to Washington that Israel had not sold to China the technology of the Lavi, whose development was cancelled under American pressure. Israel even proposed to coordinate things with the United States, in order to prevent competition.

Israel coordinates with Washington many of its military deals, and at least reports them. It is doubtful whether there is another independent country that does this with such caution and without evasion as does Israel, despite the fact that from time to time there are persons in the American administration who try to foil Israel with methods not used between friendly countries.

Danger Seen in Sharon's Emergency Regulations

*90AE0225B Tel Aviv HADASHOT in Hebrew
6 Jul 90 p 2*

[Article by Moshe Negbi]

[Text] Yosef Harish will certainly find it difficult to understand this, but there was once an attorney general who preferred to resign, rather than come to terms with the use of emergency regulations. The background for the employment of the regulations was the decision on West Jerusalem as the capital of Israel. Since this declaration was a matter of severe international controversy, there was a supreme national interest to hurry and create a fait accompli. Therefore, the government sought to authorize then finance minister, Elazar Kaplan, to issue emergency orders that would enable him to expropriate—even in contravention of the law—private buildings in Jerusalem, in order to house government offices being transferred from Tel Aviv. The first attorney general, Ya'aqov Shimshon Shapira, warned Ben-Gurion about the antidemocratic character of the regulations, and when the cabinet ignored his objections (as it ignored Harish's feeble protests this week), he left his position with a loud slamming of the door. When Minister

Kaplan asked whether he did not believe him that he would not make arbitrary use of the regulations, Shapira responded: "It is a matter of principle, and not a matter of belief."

Shapira, of course, was right. When the government allows its ministers to legislate regulations that nullify or suspend laws of the Knesset, it undermines the two fundamental principles of a democratic state of law: the separation of powers and equality before the law. In every democracy, the exclusive authority to amend or nullify laws is given to the legislative branch (i.e., the Knesset), while the executive branch (i.e., the government) must obey these laws, like any ordinary citizen. He who gives a minister the power to suspend the validity of a law in effect releases him from the restraints of obedience to the law. This situation leads, at worst, to dictatorship, or in a lesser case, to anarchy. And indeed, if the government allows the minister of housing to trample the limits of the law for planning and construction, what chance or moral justification will it have to enforce these limits on young couples in distress who are establishing homes or tents in public areas without a license? As Attorney General Yitzhaq Zamir warned at the time: "A government that does not consider it an obligation to obey the law, eliminates the moral basis therein and challenges the citizen's willingness to obey the law."

There is but a single case in which it is perhaps justified for the government to change or nullify laws of the Knesset, and that is when the Knesset itself is not capable of holding its sessions. That was precisely the situation when the authority to legislate emergency regulations came into effect. This authority was granted to the ministers in the first law legislated in the independent state of Israel. This was done a short time after the invasion of the Arab armies, when Jerusalem and other settlements were in danger of separation, siege, and occupation. There were then tremendous grounds for the fear that it would not be possible to convene the Knesset for a debate or an urgent vote. The problem is, however, that the cabinet continued to exploit this deviant authority after the war had terminated and the defense situation had improved drastically. Attorney General Shapira was the first to complain about this, but definitely not the last. Professors Yitzhaq Klinghoffer, Amnon Rubenstein, and Shevakh Weiss proposed, during different periods, to limit the authority to issue emergency regulations in cases where there was an "absolute impediment" for holding debates of the Knesset, but none of the proposals came to pass. The previous attorney general, Professor Zamir, warned the ministers at the time, that they must exercise the authority only under extreme circumstances of emergency. When the shekel was replaced by the new shekel, Zamir forbade the finance minister to legislate emergency regulations, and demanded that he receive the approval of the Knesset for this. "Excessive or uncircumspect use of this extreme authority," Zamir wrote in a detailed guide to the ministers, "is likely to endanger the basis of the democratic regime." It is doubtful whether he then imagined

that his successor would volunteer to defend such excessive and uncircumspect use of the regulations.

Minister Sharon's substantiation of the publication of emergency steps only exacerbates their danger to democracy and the rule of law. The limits of the law for planning and construction will delay the realization of the Zionist goal toward absorbing immigration—says the minister of housing—and therefore it is suitable and justifiable to ignore them. The argument that there is a contradiction between the law and Zionism is no less aberrant and dangerous than the familiar and unpleasant argument that there is a contradiction between the law and defense. In effect, this is an updated version of the classic argument that serves ideological offenders from all camps—the fact that a certain law prejudices (in their opinion) the “public welfare,” constitutes approval of its violation. Sharon only forgot—like the ideological offenders—that in a democratic state “public welfare” is not determined by any one individual (even a minister of great weight and power), but by majority vote in the legislature. If the minister of housing maintains that “public welfare” requires the amendment of the law of planning and construction, he will persuade the majority of the people and the Knesset in a kindly manner. If he cannot, this is a sign that the majority does not share his view of “public welfare,” and as a minister in a democratic state, he must respect the decision of the majority.

Patriotism is, as known, the last refuge of the scoundrel, and the case of the emergency orders is not, of course, the first in which Zionist and nationalist arguments are being used in order to camouflage and purify a disgraceful act against democracy and the rule of law. I fear that this is also not the last case. Minister Yuval Ne'eman informed us this week, for example, that the criminal law according to which Rabbi Moshe Levinger was tried and jailed is an “erroneous and bad law.” He even expressed hope (totally legitimate) that a majority will form in the Knesset that will change the law. Now he is learning from Sharon that there is no need at all to persuade the majority in the Knesset. It is sufficient that Minister Ne'eman himself issue emergency regulations to suspend the criminal law regarding Jews who shoot stonethrowers in the territories. One must be a sworn optimist to believe that the current government would refuse to approve such emergency regulations.

It was, it seems, Abba Eban who once said about Ariel Sharon that he is the only elephant who carries with him on his back his own china shop to every place he goes. Since the china at hand here is our fragile democracy, this apt image is not amusing in the least.

Study on Limits of Israeli Arabs Toward Intifadah
90AE0201B Tel Aviv 'AL HAMISHMAR in Hebrew
26 Jun 90 p 9

[Article by Qasim Zaid: “The Green Line's Red Line”]

[Text] The question of the involvement of Israel's Arabs in the intifadah has preoccupied the government, the

academic community, the public and the media in Israel. The question that arises is whether the intifadah has already crossed the Green Line, or at least is in advanced stages of transition that would be hard to stop, as government and right-wing people claim.

On the other hand, people ask if the Arabs in Israel are standing on the Green Line and reexamining their strategic orientation for the future; can they choose between participation in the intifadah or a “mini-intifadah” within the confines of the Green Line, on the one hand and maintaining the status quo, on the other?

The discovery of the gang in Um al Fahm, whose members are suspected of planning the hijacking of a bus and the murder of collaborators; the “mini-intifadah” in Nazareth in protest over the killing of the seven Arab workers in Rishon le Tzion; the throwing of Molotov cocktails at Israeli vehicles within the Green Line—are these the buds of intifadah that will quickly grow and become a full-fledged intifadah, or are they simply isolated incidents?

The key questions are whether the leaders in the territories are really interested in the active involvement of Israeli Arabs in the intifadah, and whether there are political elements among Israel's Arabs who are interested in blurring the Green Line. Two investigators struggling with that issue are As'ad Ganim of the Jewish-Arab Center at the University of Haifa and Sarah 'Usatzqi-Lazer of the Institute for Arab Studies in Giv'at Haviva.

In work that the two just completed entitled “The Arabs of Israel Vis-a-Vis the intifadah,” they assert that the intifadah, which has been going on in the West Bank and the Gaza Strip since December, 1987, has presented the Arab Palestinian citizens of Israel with a new system of challenges and problems on the question of their complex relationship to the State on the one hand, and with their fellow Arabs, on the other.

“During the 40 years of their lives as Israeli citizens, the Arabs reached a balance described by investigators as the ability to distinguish between the Israeli citizen component and the Palestinian national component in their identity and in their daily lives—difficult tests and significant twists of fate. With the coming of the intifadah it seemed that, at least in its first few months, the moment of truth had arrived, and the Arabs of Israel would have to decide on which side they belong and which side they support.”

Ganim and 'Usatzqi aver that broad Jewish circles, including government people, believe and even give public expression to the belief that Israeli Arabs have in fact joined the intifadah, or alternately, would like to participate, but have only been prevented by the deterrent measures of the security forces.

Their conclusion is that the Green Line has become a red line that “Israel's Arabs do not consciously cross. The

intifadah has placed a clear barrier between the Palestinians in the territories and the Palestinian citizens of Israel on the question of their future, and, because of that, in their forms of action and their ways of protest."

"Despite the fact that the overwhelming majority of Israel's Arabs empathize with the intifadah and share its declared goal—to bring about a withdrawal of Israel from the territories and the establishment of a Palestinian state in them alongside the State of Israel—they do not see themselves as an integral and active part of this struggle."

It is worth noting that the research says: "they even got legitimacy for that approach from the Palestinian leaders in the territories and from the PLO abroad. Within the framework of the 'division of labor' between the various groups of Palestinian people, a place was reserved for Israel's Arabs for political activity in legitimate ways within Israel and for support for the intifadah and its goals without joining in it."

"Despite a significant increase in violent activity within the confines of the Green Line and the extraordinary outbreaks on 'Equality Day' in December 1987 and in Tayba on 'Land Day' in March, 1990, and during the course of the protest strike against the murder of the Arab workers in Rishon le-Tzion, we believe that participation in the intifadah is contrary to the vital interests of Israel's Arabs, and their behavior will prevent any attempt by fringe circles to drag them into it." That is one of the interesting and important conclusions of the two investigators.

The essence of the work of Ganim and 'Usatzqi treats the various perceptions of investigators and public personages dealing with the issue. The research shows that one perception has the intifadah already crossing the Green Line or at least in advanced stages of transition, but "it is hard to find spokesmen who will say that explicitly. And, there is a significant measure of fog and ambiguity in what they do say. Among people with official positions who express themselves on the issue, there are even those who take a cautionary line."

In an interview held in March 1988 with 'Amos Gilbo'a, former advisor to the Prime Minister on Arab affairs and today a reporter for MA'ARIV, he said that in his opinion the Green Line had been erased from the consciousness of Israel's Arabs and that they had moved from empathy to practical identification. Nevertheless, he said that the situation was not irreversible.

In an interview that Gilbo'a held with Professor 'Arnon Sofer of Haifa University, the latter said that "it is true for this moment (June, 1989) that the intifadah had penetrated the Green Line, gradually but continually. Since I do not see a short-term solution for the intifadah in the territories, it will continue to penetrate the Arabs of Israel. That is one of my worst fears, but under the circumstances it really cannot be prevented."

'Eli Rekhes, who investigates the issue of Israeli Arabs at Tel Aviv University's Shiloah Institute, said in March, 1988 that "we are witnessing a low-profile partial copying of the popular struggle in the territories by groups from among Israel's Arabs." Minister Roni Milo, when he was in charge of Arab affairs, blamed the Higher Arab Tracking Committee for crossing the lines and the transition from empathy to practical identification with the PLO because of the program to send the "ship of exiles."

Minister 'Olmert likes to stress in his speeches his belief in the loyalty of the overwhelming majority of Israel's Arabs to the State of Israel. But he has also said recently that more and more Arabs are casting doubt on their ability to be citizens of the States as it is. "They proclaim their integration a failure and talk of national autonomy, autonomy in education and about independent systems that would cut them off from the mainstream of the country's life."

The minister expressed his opinion that if a Palestinian state were to arise, Israeli Arabs would be unable to reconcile themselves to the fact that they would have a different political status from that of their brothers on the West Bank. That doctrine, which has not stood the test of reality, is fed by the ideological view that says there is no difference between Israeli Arabs and the Arabs of the territories in their aspirations and orientation, in their attitudes toward the State and the ways they struggle against it.

The other perception, according to Ganim and 'Usatzqi, is that Israel's Arabs are standing on the Green Line and reevaluating their strategy for the future. "This perception hints that they can choose between joining the intifadah or setting up a 'mini-intifadah' within the Green Line, and preserving the status quo ante."

All of those who maintain this view are Arabs, and one of their leaders is Dr. Majid al Haj of Haifa University. In an article that he published in July, 1989, al Haj claimed that the Green Line still exists despite the intifadah in the territories, and one can say that Arabs in Israel are standing on the Green Line. They are reexamining their position and the strategy of their existence in the State of Israel."

In a public lecture at the Arab University in Jerusalem, al Haj claimed that the hostility of the Israeli public toward the Arabs, which recently acquired legitimacy from a part of the leadership, increased the distress of the Arabs even more. "If they push the Arabs in Israel still further, it is hard to tell what their reaction will be, whether they will adopt the strategy of the intifadah or other forms of struggle for achieving their objectives as citizens."

Dr. 'Aziz Haydar of the Truman Institute of the Arab University in Jerusalem believes the Israeli Arabs are today working toward the goal of achieving recognition as a national minority; i.e., changing the nature of their relations with the State. During that same opportunity,

Dr. Haydar added that he does not know if the Arabs of Israel will join the intifadah, but it is clear they are losing patience and that disaster is near.

"That perception conditions the strategic directions of the Arabs in finding a solution to the two central questions that occupy them today—the question of their civil equality in the country and the question of a solution for the territories, which, in their view, is not the establishment of a Palestinian state alongside the State of Israel. In fact, this perception hints that the Arabs have not yet completed their citizenship of the country, and that their relationship toward it is conditional. The responsibility for the change in orientation is laid squarely, according to this approach, on the authorities of the State and society, and is conditioned on their attitude toward the Arabs within Israel and their activity in the political sphere.

Alongside these two perceptions, Ganim and 'Usatzqi present another approach that claims the intifadah has actually brought about a strengthening of the Green Line and an emphasis on the differences between the Palestinian Arab citizens of Israel and their brothers in the territories.

This is based on the theory of politicization developed by Professor Sami Samuha that says the position of the Arab minority in Israel was decided back in the days of the establishment of the State by granting citizenship and equality under the law. "The Arabs of Israel are undergoing processes of politicization by being an organic part of Israeli society, and they use political means to advance their interests just like other groups within the population. In our view, the intifadah accelerated and strengthened this alternative and strengthened its two central components which appear to be contradictory:

- The Israeli component in their identity and the feeling of belonging to the State of Israel through action in their struggle for civil rights and,
- their Palestinian identification and empathy with the residents of the territories that have grown through the attempt to express solidarity through humanitarian aid and demonstrations."

Reality in the field proves that Professor Samuha's approach is the most practical. The "mini-intifadah" in Nazareth and Tayba, the terrorist network caught in Um al Fahm and the throwing of Molotov cocktails within the confines of the Green Line have not succeeded in dragging the Arabs of Israel into taking active part in the intifadah. The leaders of the territories, for their part, call night and day for the Arabs of Israel not to copy the intifadah within the Green Line. There is general agreement among the leaders of the Arab public and all the political movements to prevent any attempt at extremism.

New Finance Minister's Decisions Questioned

90AE0225A Tel Aviv 'AL HAMISHMAR in Hebrew
6 Jul p 7

[Article by Gadi Yatziv]

[Text] The new finance minister, Yitzhaq Moda'i, is starting off badly. On the one hand, it must be said that he is really only starting, and perhaps the continuation will be more reasonable. On the other hand, the beginning is not only bad, but it is very, very bad. The beginning is bad because it is based on a bad general perception, on bad principles.

Here are three cases for exemplification. One case is already taking place, and the other two are still only declarations.

The first case—the arrangement with the Kupat Holim doctors. This arrangement, whereby doctors received a wage increase in exchange for working additional shifts, which shortened the wait for operations, was not an arbitrary one. The arrangement put an end to a long period of anarchy and shocks within the health system. Its essence is that it was an answer to a real need of the entire system: It alleviated the suffering of patients waiting in line for an operation and slightly improved the shameful salaries of some of the doctors in Israel. Since this was not a legal arrangement, but an ad hoc one deriving from the irregularity of the system, it was necessary, and also possible, to amend it in such a way that would be consistent with the law—without returning the health system to the most severe period in its history.

All of the arguments by the ministers of finance and health in favor of nullifying the arrangement by an order of the court are irrelevant at best. The arguments are totally irrelevant. Kupat Holim receives money from the government in order to cure the citizens of Israel, whose health is the responsibility of the government of Israel. Therefore, the essential arguments must be directed toward the very arrangement, and not toward the fact that the arrangement was instituted by Kupat Holim.

In effect, the minister of finance did not present any real arguments against the arrangement itself, but exploited the crisis that he initiated in order to settle accounts with Kupat Holim. A government can nullify many things and execute many things, but it cannot cancel a real social need without executing alternate arrangements which will answer and fulfill it.

This refuted experience is a first example of Moda'i's bad start.

The second case - the declaration regarding the cancellation of linkages. The second example currently refers to a declaration only, however it has a common denominator with the first example. The linkage of the value of the shekel to some stable element which maintains the real value of the money is not an arbitrary arrangement. It is an answer to a real need of people who earn money,

purchase with money, save money, and live in conditions of chronic inflation. The finance minister's declaration that he intends to cancel the linkage arrangements says only that, from now on, only those who succeed in creating for themselves independent and private linkage arrangements not protected and conducted by the government, will profit from inflation. On the other hand, everyone who the government had protected until now with the help of legal linkage arrangements, will now become a victim of inflation.

The cancellation of linkage arrangements, without seeking an alternative for maintaining the value of the money of the citizens of Israel, is an unreasonable, refuted, and unjust act. In addition, it does not stand a chance. The linkage arrangements will be cancelled only when they lose their value; i.e., when inflation is cancelled, and its rate drops below four to five percent annually.

The third case - the declarations about wages in a period of unemployment. This was a declaration of principle by the finance minister, but it is indicative of his perspective and explains, more than anything else, why he has started off so badly. Yitzhaq Moda'i read in the textbooks of Economics 101 that in conditions of surplus in the work force, when there is unemployment and many candidates are competing for every available job in the free market, wages must not rise. This is written explicitly, and the minister expressed his wonder at why our market does not behave as the economists order it to, and how dare the heads of trade unions demand suitable wages in such conditions. Again, like in the previous cases, the new minister does not understand that here we are not speaking of irresponsible, economically ignorant workers who are raising arbitrary demands, but of a real need which must be satisfied. Wages in Israel are disgraceful by any criterion, according to any standard, and on the basis of any international comparison. The only way to prevent labor conflicts and appease employees is by relating in a serious and relevant fashion to their demands, by serious and honest examination of each demand, and by understanding the need to run the Israeli economy with workers who make an honorable living from their work. The attempt to ignore this real need of the workers and to abandon them to the forces of the "free market" is also hopeless, in addition to being patently unjust.

In all three of the above examples, the finance minister is imagining a market free not only from governmental intervention, but from the workers' intervention in determining their fate. He imagines a market ruled only by elements not interested in fulfilling the real needs of most of the population of Israel, who are solely concerned with their own greed, and who are doing well for themselves even without: government concern for public health, nor government concern toward maintaining the value of money during an inflationary period, nor government concern for a level of wages deserved by large numbers of workers. This is the market described in theoretical models from which the finance minister's

arguments and declarations are taken, and this is the market that the finance minister is risking in the refuted attempt to base himself upon and defend its existence. This is a market that does not exist, a fictitious one. This is a market that will not exist in Israel today, because we will not allow it to exist in our society.

He who identifies and plans his first steps on the basis of reading a map of a place that does not exist, and on the basis of a delusion of an impossible reality, starts off very badly, badly for him and badly for us, badly for the entire Israeli society. On the other hand, as stated, this is only the beginning and the gates of repentance are open, and it is still possible to begin differently.

Efforts To Improve Relations With Druze

90AE0188A Tel Aviv DAVAR in Hebrew 10 May 90 p 7

[Article by Shim'on Weiss]

[Text] The heads of Jewish settlements in the Golan Heights relate that key Druze figures from the villages of the northern Golan called them after the Mubarak-al Asad meeting and the news of the Egyptian-Syrian rapprochement. "Will Israel sell us" a Druze supporter of Israel asked Yehuda Welman, the chairman of the Golan Heights Regional Council. According to Welman, this was a typical question, variously worded, that expresses fear of an Israeli concession of parts of the Golan based on a settlement with Syria.

More than 17,000 Druze currently live in four villages in the northern Golan. Most of them are engaged in agriculture, a minority work in construction and services in the settlements of the Galilee and the Golan, and a few are engaged in commerce in their villages. Since the Six Day War, the standard of living has increased considerably, which, in the view of Jewish settlement leaders, exacerbates the trouble the Druze are having regarding the "worthwhileness" of supporting Israel or Syria. In the last two years, there has tended to be a relaxation of nationalistic activities in the Druze villages in the Golan. However, from time to time, the Syrian flag is still displayed and slogans denouncing Israeli rule are written on the walls. People on the two sides of the Israeli-Syrian border still exchange calls on the famous "hill of shouts."

Until two years ago, three dates had significance for the Druze in the Golan: The date on which the Golan Law [annexing the Golan Heights] was approved and Israeli identity cards were distributed, Ba'th Day, and Syrian Independence Day. These dates were accompanied by demonstrations and growing violence. The militant activity reached its peak five years ago, when Shim'on Peres, then prime minister, was visiting Majdal Shams. An angry mob attacked him and his entourage, and it was only through great effort that the prime minister was extricated without injury.

Israeli sources explain the relaxation in the last two years, among other things, by the fact that most of the Druze residents do not understand, that to the extent

that they preserve the calm, Israeli authorities will lighten their yoke and permit the exit of contingents to Syria and family visits. When the Druze return from their visits in Syria, they tell of the economic difficulties there, and these remarks are well absorbed by their brethren on the Israeli side.

Israeli administration officials in charge of the Druze in the Golan are at pains to maintain the calm. It has already been proven in the past, they say, that quiet efforts are much more effective than headlines and public statements, which only incite the nationalist trend.

At present, one can plainly discern an Israeli "going" toward the Druze in the Golan. According to Israeli sources, "the carrot and stick approach works well here." Not long ago, Israeli and Syrian authorities permitted a meeting between a young Druze and his elderly father who had not seen each other since the Six Day War. The Israeli authorities approved this meeting in the light of the relative quiet prevailing in the Druze villages.

Not for attribution, senior Israeli sources in the north state that, along with the carrot approach, they are continuing to follow extremist activists and are treating them unbendingly and strongly, responding harshly to extremist acts. Those entitled to citizenship privileges of crossing into Syria and family meetings are not counted among the extremist activists. The Israeli authorities know that they are unable to transform the Druze into lovers of Israel, but they are also currently striving to avoid hurting their feelings unnecessarily, as they did, perhaps unintentionally, in the early 1980s.

Quiet efforts are also being made regarding everything related to ties of friendship, work, and neighborliness between the Jewish and Druze sectors in the Golan. Last Israeli Independence Day, more Druze came to Qatzrin to participate in celebrations in the Jewish settlements than did two or three years ago. Two or three years ago, individuals attended such celebrations, such as Muhsin Abu-Salah, the head of the Mas'ada village council and an old, open friend of Israel in the Golan. Now, several dozens of Druze are seen there, but they came only to observe. Nonetheless, their presence, according to the Jewish settlement leaders, no doubt expresses a certain position.

Settlers Remain Quiet on Immigration Issue

90AE0190D Tel Aviv HA'ARETZ in Hebrew
17 Jun 90 p 1B

[Article by Nadav Sarga'i]

[Text] Settlers and the Judea, Samaria, and Gaza Council have good reasons to remain quiet. Gorbachov is threatening to end immigration, the prime minister is refusing to build ghettos, and Uri Gordon, who is in charge of immigration affairs for the Jewish Agency, recommends, no less and no more, the closure of the territories to new immigrants. The only ones not being

heard are the settlers. They have more than one good reason to maintain their silence. First, the tactical reason: Why do they need to deny official information published by the Jewish Agency to the effect that only 316 immigrants settled in the territories in the past two years?

Why? It is not that this information is far from the truth. However, the Jewish Agency's definition of an "immigrant" is far from that of the Judea, Samaria, and Gaza Council, for example. "An immigrant," according to the Jewish Agency, is a registered immigrant. A student in a Hebrew language course or an immigrant who arrived in Qiryat Arba', after registering as an immigrant in the city of Bat-Yam, is not included in the official statistics [of immigrants who settle in the territories]. Another reason for their silence is the delegations. During the past year, almost every, self-respecting local Jewish council in Judea, Samaria, and Gaza has sent a delegation on its behalf to the Soviet Union. Members of these delegations do not disturb the activities of [official Israeli] immigration emissaries or the Soviet authorities.

So why should the settlers talk now? So that the Israeli authorities will issue orders blocking them from leaving Israel?

Incidentally: The results of the [unofficial] delegations can already be seen in the field. Hundreds of new immigrants have asked to settle in the Etzion Bloc in recent months. There are no vacant apartments within jurisdiction of the Etzion Bloc local council, and the council has therefore had to turn down most of the requests. The demand is also great in Elqana in Samaria, as well as in Efrat, Ari'el, and elsewhere. According to testimonies, these non-establishment delegations have generated great enthusiasm in the Soviet Union.

The testimonies reaching relatives and friends in the Soviet Union speak of the abundant human warmth showered on the newcomers. The immigrants need no more than this. They are not Zionists. Their Jewish awareness aspires to zero. Their primary desire, beyond obtaining work and housing, is successful social absorption.

Another reason for the quiet is fear on the part of several public leaders in Judea, Samaria, and Gaza that, sooner or later, the pistol threatening the cessation of immigration will be shifted from the politicians' temple to their own. At present, the world's charges are being levelled against the politicians in Israel. But what would happen if the politicians shift the responsibility toward the settlers? Could the settlers bear the responsibility for the cessation of immigration?

To be honest, even if the very meager flow of immigrants to the territories stopped, the Judea, Samaria, and Gaza Council would not cry. As far as the settlers are concerned, where the immigrants live is not important, as long as they reach Israel. Hundreds of thousands of additional immigrants shake the left's arguments regarding the demographic threat.

The settlers are also encouraged by the establishment's demonstration of its need for their services and its willingness to use them. Settlers from Judaea, Samaria, and Gaza make up a significant percentage of the volunteer manpower aiding in the absorption of immigrants inside the green line.

However, above all, the people of Judaea, Samaria, and Gaza are imbued with the feeling that the reality of hundreds of thousands of immigrants flooding the country will leave the state no alternative but to channel to the territories those immigrants for whom housing cannot be found inside the green line.

Military Value of Settlements Disputed

90AE0201A Tel Aviv DAVAR in Hebrew 21 Jun 90 p 7

[Article by 'Amir Rozenblit]

[Text] Do the settlements that the State of Israel erected all along the confrontation lines on the Golan Heights and the Jordan Valley really serve the goals for which they were put up—a demonstration of presence in the territory and the strengthening of security? Dr. David Neuman of the faculty of Ben Gurion University asked himself this question in new research he conducted on the topic of settlement and security borders.

As for the first goal, his conclusion is that in an era of modern warfare it is very doubtful if isolated settlements or even several settlements together at the regional level, could block the invasion of an armed force. "Not only do they not constitute a substitute for military strength," he says, "but, on the contrary, each new settlement that goes up requires additional soldiers, whose job is to guard the new settlement." Despite the security goal, the implementation of which is doubtful, settlement continues to be, in his opinion, "an important component in everything having to do with presence in the area."

Neuman found the common denominator between the Golan Heights and the Jordan Valley to be their peripheral location along the country's borders or adjacent to them, but the political-diplomatic character of the two borders in those areas is dissimilar. In his words, from a formal point of view, Israel's borders with Jordan and Syria are sealed and are, in fact, lines of confrontation. On the Syrian side, the border is also sealed in practice, and there is no contact at all between the two sides of the dividing line. On the Jordanian side, the border is, in fact, closed, but in practice there are contacts between the two sides, especially between Jordan and the Arab residents of the West Bank, by means of the open bridges and commercial ties. The physical danger and military threat are not felt along the Jordanian border the way they are felt along the Syrian border.

Even though the demonstration of presence in the area continues to be an important goal, Neuman claims, the number of Jews in the two areas has not reached the projected minimum. Planners of the "20,000 program"

predicted 20,000 Jews would populate the Golan Heights by 1990. Today just 8,000 residents live in the area.

In recent years it is not just that new settlers are not moving in but that veterans are leaving because of the dire financial straits of most of the settlements there, even though, in contrast to other areas—areas of political settlement, especially in the mountainous Galilee and in Samaria—the demographic question was not the main problem on the Golan Heights and in the Jordan Valley. The most difficult stumbling block on the road to attracting additional settlers to those areas is the lack of employment. The settlements were established from the beginning as agricultural settlements even though in those areas the means of production (water and soil) are not optimal. To that, in recent years, was added the decline in agriculture and modern mechanization that have reduced the demand for working hands in agriculture.

The entire settlement system, which is looking for long-term viability, has to get its act together from an economic and employment perspective and go through a process of internal growth, notes Neuman. Nevertheless, the settlers on the Golan Heights and in the Jordan Valley point to the dismal economic state of their settlements and to the fact that the authorities are not helping them improve themselves. Future development, he reminds us, depends not only on financial arrangements for the settlements' debts, but also on the creation of employment to attract additional population.

"The peripheral location on the one hand, and the relative abandonment by the authorities in the development and subsidy of settlement systems in those two areas on the other, place in doubt their continued existence and growth over the long haul. It may be that this situation is symbolic of the problems in distinguishing between conflicting goals on the part of the government, and, especially, between the short-range view—i.e., the need for a presence all along the border—and the long-range goal: the prospect of a political arrangement that would require the return of the territories." The precedent of the settlements in the Yamit area, he notes, would in fact facilitate the evacuation of settlements in other areas as well, and therefore it is no surprise the settlers fear that might happen in the Jordan Valley or the Golan Heights.

Neuman sums up: "The consideration that this area or another would be returned in the future will result in public investment only for the short-term, only with the aim of holding on to what already exists, while long-term investments will not be considered worthwhile in such a situation. The special significance of the settlements of Hevel Shalom in the western Negev is that those settlements were set up along an agreed-upon border and in the wake of a peace treaty with an Arab state, but here, too, the possibility cannot be entirely discounted that the area might become a confrontation line once again.

Without disparaging the right of establishment and existence of the 'suburban' settlements of the 1970's and 1980's, the fact that the settlement institutions provide benefits and financial aid to a large portion of those settlements points to the inability of the political echelon to establish settlement priorities at the national level. The scarce resources at the state's disposal cannot develop complete settlement systems in so many areas at the same time. The uncertainty as to those areas and the lack of national priorities prevent those areas from moving to full development, despite the importance of their location along the boundaries of the State of Israel."

Thus, apart from a few settlement nuclei that continue to see this type of settlement as a challenge and a contribution to the country, the residents of Israel will continue to set up their homes in a settlement further from the dangerous points of confrontation or in a settlement that enjoys the benefits and financial aid of the settlement institutions.

Port of Ashdod Development Described

90AE0188B Tel Aviv DAVAR in Hebrew 13 May 90 p 9

[Article by Dani Tzadqoni]

[Text] About 25 years after its establishment, the Port of Ashdod is taking its rightful place in the state's economy. The port has passed through the birth phase and has reached adolescence, states Port Director Gid'on Shamir. Shamir, who is from a religious kibbutz and is a former paratrooper, began his career at the port as the deputy security officer. He subsequently became the security officer and the head of the personnel department. For five years, he served as the deputy director of the Port of Haifa. Two years ago, he returned to his home port as its director.

Last year, the southern port recorded a peak in the handling of cargo, 9.2 million tons, strengthening its standing as Israel's largest port. Until five years ago, seniority was given to the Port of Haifa, because of troubled labor relations in Ashdod. Currently, about 62 percent of the cargo arriving via the Mediterranean sea passes through Ashdod, and last year, Ashdod recorded a nine percent increase in cargo traffic.

These achievements are attributed primarily to stable labor relations at the port. In the last two years, the port has known only one strike day, which stemmed from an incident involving a member of a [labor] committee on one of the piers. This does not mean that harmony prevails at the port. Rather, it means that labor and management are investing considerable energy in cultivating mutual understanding, and that they are endeavoring to patiently solve the problems that arise daily at this complex place of work, in which 10 committees represent port workers. This process has been accompanied by an ongoing rationalization. In the last five years, the work force has been reduced from 1,550 to 1,050. The workers who are currently being absorbed at the port

are greatly limited in number and represent professionals in exclusive areas of expertise needed by a modern port, i.e., computerization, electronics, and mechanics.

Because tariffs at the Port of Haifa and the Port of Ashdod are equal, the only way for them to compete with each other is to improve their client services, ability to prevent damage to cargo, and productivity. Progress in the last area is marked by a continuous increase in the productivity of the on-duty team.

The Port of Ashdod has also bested Haifa in an area in which the latter has always been ahead, passenger ships. Tourism companies prefer Ashdod to the northern Port of Haifa, because of Ashdod's proximity to the holy places in Jerusalem and Bethlehem. Cruise ships arrive there in the morning, after a night cruise from Cyprus or Egypt, and tourists can leave Ashdod for a tour of the holy places and return to the port in the evening.

This year, the Port of Ashdod handled 90,000 of 250,000 such tourists, and it plans to receive 280 passenger ships. In the near future, construction of a new passenger terminal will begin. Built using the modular system, it will be able to receive new immigrants from the Soviet Union if a decision is made to bring these immigrants to Israel via the sea. Warehouse 207 at the entrance to the port is already receiving the moveable property of immigrants from the Soviet Union. Signs in Russian, and retired port workers who know Russian, help the immigrants to orient themselves.

At Passover, the era of coal began at the Port of Ashdod. The Panamanian ship, Leon, docked at pier nine, which was equipped to receive coal after it was determined that the development of the northern port of Ashdod would be postponed until the 2000s. The pier, which is intended for the unloading of coal destined for the Rottenberg station in Ashqelon, will serve for the docking of coal ships with capacities of up to 100,000 tons.

The rate of coal handling depends on the activation of the station at Ashqelon. This year, the station will burn about .75 million tons, and within three years, five million tons. This year, \$20 million dollars will be spent on thickening and reinforcing the port's main breakwater. Additional sums have been invested in the renovation of equipment, the construction of offices in the port's rear, and the expansion of the road connecting the port to its mother city.

At present, the Port of Ashdod, with its current make-up and dimensions, is approaching the full use of its existing handling potential. Any government that is established in Israel will not be able to evade the need to invest, as soon as possible, hundreds of millions of dollars in developing and expanding the area north of the southern port, so that it will be able to continue serving the needs of Israel's developing economy in the next century.

Annual Military Courts Report Released

90AE0188D Tel Aviv 'AL HAMISHMAR in Hebrew
17 May 90 p 8

[Article by Avi Benyahu]

[Text] Last week, the president of the military court of appeals, Major General Ben-Tziyon Pirhi, submitted a special report to the chief of general staff and the commanders of the IDF [Israel Defense Forces], which contained a summary of the activity of army courts and appeal authorities. One can learn much from this internal report about the scale of crime and types of offenses in the IDF, information that should signal a warning to senior officers in the Army.

In the report's introduction, Major General Pirhi writes: "It is necessary to view with concern the increase in the illegal use of weapons throughout the IDF, despite the severe punishment imposed for such offenses by the military courts." The annual report shows an increase of 14 percent in this type of offense compared to the previous year, and it should be attributed, without doubt, to service in the territories. Many of these cases appear in the headlines from time to time, while others do not come to the public's attention. Last year alone saw the issuance of 165 verdicts for this offense, which involves firing without justification or opening fire without need.

There was also an increase this past year in violent offenses, which resulted in the issuance of 113 verdicts by the military courts. A portion of these offenses are committed by soldiers against other soldiers, some are committed by soldiers against civilians, and the rest are committed by soldiers against residents in the territories. The increase in this type of offense should also be linked, albeit partially, to engagement in the territories and the intensive friction among and between soldiers and the local residents.

The report devotes a special chapter to the subject of offenses that were committed in the territories and that were tried by the military courts. In the year covered by the report (April 1989 to April 1990), the courts handed down verdicts in two cases of homicide, two cases of negligent homicide, three cases of the illegal use of weapons, four cases of mistreatment, eight cases of theft from local residents, four cases of assault under aggravated circumstances, two cases of abusive behavior, and other types of offenses. It should be remembered that the report deals only with indictments that were tried in the courts, and excludes the hundreds, perhaps thousands, of cases that were judged in judicial processes and by unit commanders exercising disciplinary judgement.

There was also a steep rise in offenses involving "failure to protect property": 94 verdicts compared to 46 last year. This heading includes cases that resulted in the loss of military property worth millions of dollars, mainly due to neglect.

During the period covered by the report, 22 verdicts for "failure to protect weapons" were handed down. In this respect, the IDF can pride itself on a 46-percent decline compared to the previous year, which is attributed to the greater severity of sentences and greater efforts by commanders to instill awareness in soldiers regarding the loss of weapons and the possibility that lost weapons might fall into the hands of hostile or criminals elements. The report indicates that the IDF lost 29 weapons last year, most of them rifles and sub-machineguns.

Another decline is recorded under the heading of "the removal of weapons and ammunition from the Army's domain." Thirty-five verdicts were handed down last year for this offense. Most of these cases involved "dilettante" soldiers, who remove from the army's domain flares, firecrackers, ammunition, and sometimes even detonation bricks, and fuzes.

Despite the wave of publications regarding mistreatment and humiliation of soldiers by commanders, the report points to "stability" regarding offenses designated "mistreatment and domination of subordinates." Regarding violations of this type, 18 verdicts were handed down the past year. However, it should be remembered that other cases are still being deliberated or investigated by the commissioner for soldiers' complaints.

The report shows a 20-percent decline in the number of "theft and smuggling" offenses. A notable case under this heading involves a Golani company that habitually smuggled video equipment and other goods from Lebanon into Israel.

During the period covered by the report, 3,031 verdicts were handed down by the military courts, of which 1,968 were handed down for "absence from duty." This heading pertains to desertions by regular and reserve soldiers, severance of contact with units, and so on. IDF commanders were mustered to fight this plague to the end, and this year, 60 verdicts in this category were handed down, which is two percent compared to the previous year.

Regarding drug violations, 247 verdicts were handed down for varying degrees of offenses, such as the sale of drugs and the use of drugs. This 10-percent decline in the number of drug offenses is attributed to more severe sentencing by the military courts over the past three years.

During the year covered by the report, 73 officers of all ranks were tried in the IDF's military courts, compared to 62 officers in the previous year. Ten verdicts were handed down against officers for causing death, eight for the illegal use of weapons, and 82 for mistreatment and domination of subordinates (it should be indicated that, in some cases, officers were tried on a number of charges). Twenty-nine officers were sentenced to imprisonment of more than three months, and 29 were demoted.

Other data from the report: 4,170 verdicts were handed down in the courts for traffic offenses, of which 2,748 were for moving violations and 1,442 were for traffic accidents. Twenty-nine percent of the sentenced violators are IDF officers of all ranks. There was a decline of 13 percent in offenses arising from traffic violations and accidents.

Finally, it should be remembered that the chief of general staff, the heads of commands, and the commanders of arms are authorized to commute the sentences of, and pardon, personnel who are convicted. The most famous recent case was the pardon granted by the head of the southern command to four Giv'ati Brigade defendants.

Despite the impression that there is a norm with respect to pardons, the report presents an entirely different picture. In the past year, 3,031 requests for pardons and commutations were submitted to the chief of general staff and the senior commanders, who granted only 32 requests, or one percent of all appeals. Those receiving pardons included 30 regular soldiers and two officers. This is a decline compared to the previous year, when the senior command granted 46 commutations.

The report gives the impression that the IDF's war against offenses and phenomena that reduce its ethical and operational strength are bearing fruit. At the same time, special attention should be given to the worrisome increase in offenses arising from activity in the territories.

KUWAIT

Minister in Exile Predicts War If Iraqis Remain

OW2708045090 Tokyo KYODO in English 0408 GMT
27 Aug 90

[Text] Taif, Saudi Arabia, Aug. 26 KYODO—Exiled Kuwaiti Foreign Minister Shaykh Sabah al-Ahmad al-Jabir al-Sabah said here Sunday that war will be unavoidable if Iraq continues to occupy Kuwait and refuses a peaceful settlement to the Persian Gulf crisis stemming from Iraq's invasion of Kuwait on August 2.

Al-Sabah, in an interview with KYODO NEWS SERVICE in this Saudi Arabian city, said Kuwaiti citizens have continued resistance against the Iraqi occupation force and that the exiled Kuwaiti Government has kept in continuous contact with the resistance movement in Kuwait.

Al-Sabah, referring to Iraq's iron-fisted stance, said such an attitude, if maintained, would leave multinational military force as the only way to liberate Iraqi-occupied Kuwait.

The Kuwaiti minister said the resistance movement is so active in some parts of Kuwait that Iraqi troops cannot enter the areas.

As the Kuwaiti resistance gains ground, however, Iraq's crackdown assumes more violent proportions, Al-Sabah said, expressing fear that the crisis may develop into a civil war.

Al-Sabah regretted mounting speculation abroad that the government of Amir Shaykh Jabir al-Ahmad al-Sabah may not be reinstated under present circumstances, saying that he awaits the day of return to power in Kuwait.

He indicated determination to step up efforts to organize overseas Kuwaiti nationals in an effort to cement the foundation of the exiled government.

The governments of the Persian Gulf states have changed their diplomatic policies completely since the Iraqi invasion and subsequent annexation of Kuwait, Al-Sabah said.

Al-Sabah said he has visited all the five permanent member nations of the United Nations Security Council, except the Soviet Union, after the Iraqi invasion and that he has been heartened by them. The Kuwaiti foreign minister said he would also visit the Soviet Union before long.

The Kuwaiti Government is awaiting the coming of the time when it can return home, he said.

Al-Sabah called on Iraq to allow International Red Cross personnel to enter Kuwait as soon as possible to give full medical aid to Kuwaiti citizens wounded since the invasion.

The foreign minister asked Japan to throw greater support behind Kuwait and render it more assistance, while saying he knew that constitutional constraints barred Japan from sending troops to the Persian Gulf.

Most cabinet members of the exiled government who fled the Iraqi invasion have taken refuge in Taif, a highland desert resort in Saudi Arabia, together with their families.

Cabinet meetings are held every day to discuss ways to cope with the situation, Kuwaiti officials said.

The Kuwaiti Foreign Ministry is now operating out of the Kuwaiti Embassy in Riyadh, the capital of Saudi Arabia.

Schools Instructed To Change Names

JN2408170790

[Editorial report] In its 20 August issue, Baghdad AL-THAWRAH in Arabic publishes on pages 3 and 11 an approximately 600-word report on a decision handed down by the Ministry of Education on 19 August 1990. By this decision, the ministry replaces the names of Kuwaiti schools that carry the names of the "traitorous family." The renamed schools listed total 38. The list shows the new names to be either popular Iraqi names or names that reflect pan-Arab concepts and ideals:

"'Abdallah al-Salim High School for Boys," for instance, is renamed "Saddam Husayn High School for Boys"; the al-Salimiyah Kindergarten becomes the al-Hurriyah (freedom) Kindergarten.

The decision states that all school administrations should take the necessary measures to apply the instructions before the teaching staff starts reporting for work on 1 September 1990.

Traffic Directorate Changing Kuwaiti License Plates

*JN2108090290 Kuwait City AL-NIDA' in Arabic
18 Aug 90 p 1 (Tentative)*

[Text] The General Traffic Directorate has issued a communique calling for replacing all Kuwaiti license plates with Iraqi ones. The General Traffic Directorate called on all those who own cars with Kuwaiti license plates to check with the Basrah Governorate Traffic Department about replacing these plates.

Resistance Claims To Kill 'Scores' of Iraqis Daily

Jiddah 'UKAZ in Arabic 14 Aug 90 p 1

[Unattributed report: "A Kuwaiti Resistance Leader Tells 'UKAZ: We Kill Scores of Invaders in Kuwait Daily"]

[Text] Kuwaiti resistance men have continued their operations against the invading Iraqi forces. Shaykh Sabah al-Muhammad al-Sabah, a resistance leader, has told 'UKAZ that Kuwaiti resistance fighters inside Kuwait kill at least 30 Iraqi soldiers daily. 'UKAZ has also learned from Kuwaiti popular resistance sources that resistance fighters have captured an Iraqi Army colonel together with five soldiers. The colonel's name is Falah Husayn Muhammad. He has been moved to a safe place.

Shaykh Sabah al-Muhammad al-Sabah said that resistance fighters the day before yesterday killed six Iraqi soldiers in al-Fintas area.

He told 'UKAZ that despite the Iraqi Army's superiority with regard to the resistance's arms and military equipment, Iraqi soldiers hide at night for fear of Kuwaiti popular resistance fighters. He denied that the Kayfan area is under siege.

'UKAZ has learned that by the day before yesterday 255 people had joined the Kuwaiti popular resistance movement. Resistance sources have said that many young Kuwaiti men continue to join the resistance.

The information coordinator of the Kuwaiti popular resistance movement has told 'UKAZ that the resistance has achieved a major part of its objectives of hitting the unjust Iraqi aggression. He added that resistance fighters have encircled a large number of residential areas.

Meanwhile, some people coming from Kuwait told 'UKAZ that the Iraqi soldiers revealed to them that Iraqi President Saddam Husayn pushed them into Kuwait by force.

Editorial Claims Husayn's Action Brought Foreign Fleets to Gulf

*PM2408152890 Cairo AL-ANBA' in Arabic
22 Aug 90 p 1*

[Editorial: "Who Brought Foreign Fleets"]

[Text] It is the Arab people's duty to face realities and to ask themselves prudently: Who brought the foreign fleets to the Arabian Gulf? Who prompted Arab and multinational forces to march to the Kingdom of Saudi Arabia and then to any other state exposed to Saddam Husayn's threats? They should calmly and quietly ask: Who has destroyed pan-Arab security and eliminated the stones revolution from the vocabulary of Arab daily life? The Arab people should judge realities in accordance with the rule of action and reaction and people's right to their freedom, homeland, sovereignty, and choices. If they do so, they will find that Saddam Husayn alone is responsible for all this. And that the way out of the crisis lies in a single wise decision—the Iraqi forces' withdrawal from Kuwait and the restoration of that Arab state's freedom and political system chosen by its people over centuries. The people of Kuwait accepted that system and enjoyed prosperity granted by God for 40 years. They built a state of prosperity, peace, stability, and security. And, most important, they built a state of freedom.

Kuwait is the only Arab state which never experienced night or dawn callers and never suffered the calamities of military coups. It defined for itself a democratic formula which enjoyed the support of the overwhelming majority of the people. Kuwait should be proud that its prisons were never used to confine an advocate of any view or ideology whatever. And the doors of the state's leader, the amir, and the heir apparent and prime minister, and all ministers were always open to people for an exchange of views and consultations. Kuwait is entitled to be proud of the fact that, from its very inception until the sinful assassination attempt against him on 25 May 1985, its amir used to go to the Royal Court accompanied only by God and the people's satisfaction with him: no guard, bodyguards, or motorcade. Like his predecessors, the al-Sabah amirs, Jabir al-Ahmad was surrounded by love granted by God and the people's confidence and satisfaction. The Kuwaitis have never been spiteful even in times of anger. The relationship between ruler and people was enviable. As a result of that relationship, the state of peace, freedom, and mutual Arab aid was established. Kuwait's policy was characterized by calm. It expressed its positions toward its Arab sisters and emphasized the principles in which it believed.

Perhaps those were some of the things which led to the mad storm that assailed it from across the border and that threatened its sisterly neighbor, the Kingdom of

Saudi Arabia. But certainly that is not the only reason for that storm. Because no wise person could believe that Kuwait's stability, security, and prosperity can be used as a justification for such a barbaric invasion as that suffered by Kuwait. Other calculations must have led to Baghdad's decision to invade Kuwait, hence the ridiculous annexation to the Iraqi state.

Foreign fleets and forces came to the Gulf twice. On the first occasion Saddam Husayn was to blame. It was an undeclared invitation from him. This time, too, Saddam Husayn made a declared and overt invitation. This is because if Saddam did not take into account a foreign intervention after swallowing up Kuwait and then turning his open mouth toward fraternal Saudi Arabia; if he did not realize that there was a U.S. commitment to defend fraternal Saudi Arabia, world peace, and the peoples' interests in the most dangerous and precious region in the world; and if he thought that the world would keep quiet about his crime, then it was a deadly miscalculation that can never be corrected.

It is our duty to tell Iraq's president that it was his decision to invade Kuwait which brought the fleets to the region and that turned it into an blazing volcano which will not subside before the Iraqi forces withdraw from Kuwait's Arab territory and restore the legitimate authorities under our great amir, Shakh Jabir al-Ahmad al-Sabah. This is the only thing that can bring about the foreign fleets' and forces' departure. Their arrival was the only wise option in the face of the barbaric invasion and the threat to swallow up the entire territory.

Jasim Responds to Egyptian Concern for Nationals

*JN2108081590 Baghdad INA in Arabic 2120 GMT
20 Aug 90*

[Text] Baghdad, 20 AUG (INA)—Culture and Information Minister Latif Nusayyif Jasim has stated the following in reply to the statements by Egyptian Information Minister Safwat al-Sharif: The Egyptian brothers in Iraq, who had lived with us and shared our bread for many years, have a special place in our leader Saddam Husayn's heart and not a single one of them has been harrassed. The empty claims about their safety and security are groundless and inaccurate and are meant to confuse matters for well-known reasons.

The culture and information minister added that Kuwait is a vital part of Iraq and that the defunct Al-Sabah regime had usurped this land, exploited its resources to serve its own objectives, and distributed funds to the hirelings and enemies of the Arab nation and pan-Arab struggle. The defunct regime had also deprived the Arab nation, including the Egyptian people and the other poor Arab countries from any basic assistance. Just the opposite, this regime resorted to dishonest means and used its funds to undermine moral values. Jasim said that Mr. Safwat al-Sharif knows all this and when God has stricken these people from the face of this earth and eliminated their regime, the good men everywhere

rejoiced, with the exception of a parasitical handful and those with parochial interests.

The Iraqi minister added: We do not know who threatens the two holy mosques for which Safwat al-Sharif is so concerned and whether the protection of these two holy mosques can take place with the help of the U.S. forces, U.S. female soldiers, and the Israeli forces? If this is our understanding of how to protect the two holy mosques, then there is a serious misconception that should be redressed to emphasize that there is nothing that threatens Hejaz and Najd [Saudi Arabia] except the fear that has filled their hearts; the fear from the Arab masses who were angered by their odious move of bringing foreign forces into the Gulf and spoliating the Muslims' holy places in Mecca and Medina.

Latif Nusayyif Jasim added: Pan-Arab solidarity and security have basic requisites, foremost being not to cooperate with the enemy, not to open the doors and have foreigners enter into the Arab house. Pan-Arab security dictates that some Arabs should not put their hands into the hands of the Zionist entity and U.S. imperialism. Pan-Arab solidarity will be enhanced by mutual confidence and action and by not conspiring, weakening and starving the Arab people for the sake of parochial and selfish considerations, as the Croesus of Kuwait had done. As a result of this, he and his aides were dispatched to oblivion without any tears being shed over them.

In any case, Iraq, which has sacrificed its young men in defense of the nation and its eastern flank, will remain loyal to its interests, and the guardian of its history and principles, and when needed will uphold the same sense of honor as our great forefathers had done to uproot the corrupt, the tamperers, those who play havoc with the people's cause, and those who collaborate with Zionism and colonialism. We would like to tell brother Safwat al-Sharif that a new dawn has risen on our nation and that the era of traitors and spies has gone forever. He added that the deluge will sweep away all those who do not hasten to carry out actions that are good for the Arab nation.

Cairo Cites KUNA Commentary on Occupation

*NC2008100090 Cairo Domestic Service in Arabic
0335 GMT 20 Aug 90*

[From the press review]

[Text] As part of Arab reactions to the effects of the Gulf crisis and the media attention given to Iraq's detention of foreign nationals on its territory and in occupied Kuwait as hostages, a KUNA political commentary says: Over the past few days the U.S. and British nationals detained by the Iraqi occupation authorities in occupied Kuwait and Iraq have apparently become the chief issue of interest to the Western media. This threatens to make the Western media fall into the trap set by Baghdad with the aim of diverting attention from the volatile situation in the Gulf and the basic crisis, which is the Iraqi

invasion of Kuwait. However dear human life is, whether British, American, Indian, or Arab, the media must not deal specifically with certain classes of people only because the Iraqi regime is not merely detaining Britons and Americans. By its action against Kuwait, the regime has imprisoned an independent, sovereign country and taken an entire Arab nation, the Kuwaiti people, hostage. It has also captured hundreds of thousands of honorable people for whom Kuwait has been a secure home over the past 30 years.

KUNA asks: Is the suffering from the Iraqi occupation's injustice and oppression by the Egyptian, Syrian, Saudi Arabian, or Palestinian who lived and worked in Kuwait for many years any different from the suffering of the Briton or American? Is the suffering of all these different from the Kuwaiti people's suffering under the occupation's tyranny and suppression?

The agency continues: The Kuwaitis have been deprived of their liberty and sovereignty, and tens of thousands of them have been dispersed to various parts of the world. Their wealth and possessions have been looted and their homes ravaged at the hands of an Arab who claims to possess the morals and principles of true Arabism and Islam. After trying to portray himself as the nation's defender and its leader in its coming battle against Israel, he drew his dagger and stabbed his neighbor and smaller brother under cover of darkness. By doing this he smeared himself with the greatest mark of shame to be stamped on an Arab in modern times.

KUNA calls on the world's countries, chiefly the United States, France, and the USSR, not to differentiate among efforts to save their own nationals and efforts to save other human beings, most of whom are being destroyed each day by the Iraqi regime as its occupation of Kuwait continues.

The agency says that the side effects will disappear completely when the causes are eliminated and notes that the current hostage crisis is merely one of the consequences of the Iraqi invasion. Hence efforts must be wholly focused on repulsing this aggression and returning Kuwait to its people. It asserts that the basic issue is Iraq's occupation of Kuwait and that any discussion of the side effects threatens to disperse the unanimous international, Arab, and Islamic rejection of this occupation which is represented by the resolutions of the UN Security Council, the Arab League, and the Islamic Conference Organization.

West Aiding Financial Interests

90AE0238A London AL-SHARQ AL-AWSAT in Arabic
10 Aug 90 p 9

[Article: "After Agreement on Necessary Procedural Steps, Western Governments Permit Kuwait to Spend from Revenue of 'Frozen' Foreign Assets"]

[Text] London—AL-SHARQ AL-AWSAT has learned that the western countries' financial authorities implementing the asset-freezing decisions have permitted the Kuwaiti authorities to use the profits of the investments managed by the Kuwaiti Investment Office for spending on essential needs, especially the need to provide security for thousands of Kuwaitis who are facing a liquidity crisis abroad and the need to ensure the continued payment of the salaries of a large number of civil servants abroad. Reliable Kuwaiti sources have told AL-SHARQ AL-AWSAT that the Kuwaiti authorities have talked directly on this issue to U.S. President Bush and to a number of prominent western officials and that they have practically reached an agreement that "practically" permits the Kuwaiti Government, despite the continued "technical" freeze, to spend from the investment revenues which range from \$4-5 billion annually.

The sources further told AL-SHARQ AL-AWSAT that the Kuwaiti understanding with the authorities concerned in the western capitals greatly "loosens" the severe restrictions that Kuwait faced in the initial phase after the assets were frozen when these capitals, at the request of Kuwait itself, hastened to take comprehensive steps as an immediate precautionary measure. But now, after discussions with the central banks, these authorities have been able to develop a clearer picture. They have, consequently, developed formulae that ensure protection but that also introduce numerous exceptions that make it possible for the Kuwaiti authorities to dispose of these rights in accordance with the dictates of their interest.

These sources have pointed out that some time was needed to establish the said facilities because their approval has required agreement on a number of procedural details between Kuwait and the western currency and financial authorities.

Petroleum Operations Switched to London

90AE0238B London AL-SHARQ AL-AWSAT in Arabic
10 Aug 90 p 10

[Article: "Sharp Increase in Insurance Rates for Shipping to Gulf; Kuwaiti Government Switches Petroleum Operations to London, Lifts Freeze on Assets of Foreign Firms"]

[Text] The Kuwaiti Government in exile has switched its petroleum operations to Britain after receiving assurances from the United States and other governments that its companies abroad will be exempted from the freeze on Kuwaiti assets and properties.

This step was announced at a late time on Wednesday, shortly after Iraq announced its annexation of Kuwait which possesses nearly 10 percent of the world's proven oil stores.

A statement by the KPO [Kuwaiti Petroleum Organization] has stated that the organization, which coordinates the activities of all the Kuwaiti government-owned oil companies and the Kuwaiti Oil Tankers Organization

which runs a fleet of 30 tankers, is being now managed from the offices of the International Kuwaiti Petroleum Company and of the Kuwaiti Oil Tankers Organization in London.

The statement also said that the three companies are owned by the State of Kuwait whose government is now operating from outside the country but which is in constant contact with these companies. The KPO, which consists of a consortium of gigantic companies that include an international refining, marketing, and distribution network, is 12th among the biggest international oil firms.

In the fiscal year ending 30 June [1990], the KPO earned net profits of nearly \$725 million.

Rashid Salim al-'Umayri, the Kuwaiti oil minister who also heads the KPO, went to Saudi Arabia shortly after the Iraqi invasion. Oil sources have said that the kingdom has assured the KPO that the oil supplies the organization needs for its operations will be secured.

The KPO incorporates three refineries in Rotterdam, Denmark, and Italy with a total production capacity of more than 210,000 barrels daily. The KPO refines 90,000 barrels more daily in other areas.

Prior to the Iraqi invasion on 2 August, the KPO managed three refineries in Kuwait with a daily production capacity of nearly 700,000 barrels. They also employed 16,000 workers.

KPO sources have said that the KPO has at present enough oil supplies to last 5 weeks. When this period lapses, the KPO will purchase oil from the international market and from friendly countries, especially from Kuwait's allies in the Gulf region.

The KPO statement also says that the United States and its western allies have responded to the request of the Kuwaiti Government in exile to freeze some assets with the purpose of protecting the assets and property of the legitimate Kuwaiti Government and of its agencies.

The sources have added that the purpose of this measure is to prevent making any payments in the interest of the "fait accompli forces" now occupying Kuwait.

The statement says that the purpose of switching the oil operations and of exempting some assets is to permit the Kuwait oil companies to continue to manage their operations in the countries where they are engaged in such operations.

The statement adds that the Kuwaiti oil marketing companies are capable of providing their clients with the products and services with which they ordinarily provide them.

At another level, the oil tankers market has been totally paralyzed because of the reluctance of tanker owners to take the risk of sending their tankers to the troubled Gulf waters.

With the emergence of the early effects of the UN-imposed economic blockade on Iraq and with the halt in Iraq's oil exports, there has been a decrease in the cost of leasing oil tankers, most of which have departed the Gulf region, the world's biggest oil-exporting region. Tanker owners face enormous costs [losses] as a result of leaving their tankers empty or running them at a loss.

An analyst has said that "if other OPEC countries fail to lend a helping hand and increase their oil production, tanker prices will continue to decrease."

Stagnation has prevailed in the tankers market since Iraq invaded Kuwait at dawn last Thursday. The two countries produced nearly 4.9 million barrels of oil daily prior to the invasion.

In view of the high oil reserves in West Europe generally, it does not seem that tanker owners are in a hurry to send their tankers to the Gulf to transport crude oil from the other producing countries, considering the escalating amassment of naval and military forces in the region.

In London, Christopher (Rhyme), a prominent expert on marine insurance, has said that Lloyds of London, the world's biggest marine insurance company, has announced a sharp increase in insurance rates on war risks for ships sailing the Gulf.

Market sources have said that tanker owners are subjected to other pressures as a result of the rising price of the heavy fuel used by ships which has risen from nearly \$80 per ton prior to the crisis to nearly \$130 per ton now.

LIBYA

Al-Qadhdhafi Addresses Medical Professions on Religious Groups

90AA0226A Tripoli AL-JAMAHIRIYAH in Arabic
25 May 90 pp 10-15

[Report on al-Qadhdhafi Address to Medical Professions; "Brother Revolution Leader Meets With Physicians, Pharmacists, Medical Elements and Assisting Medical Elements in Greater Jamahiriya; Bearded Religious Groups Are Misguided Islamic Groups"]

[Excerpt] [passage omitted]

Bearded Religious Groups That Harass Women With Beating and Threats Appear in Algeria

The leader also said: A bearded religious group appeared in Algeria, deployed itself in the streets, and harassed women with beatings and with threats during the blessed month of Ramadan. He pointed out that the Greater Jamahiriya broadcasting service has a film containing interviews conducted in Algeria's streets with politicians and ordinary citizens since the group's appearance. This group has said: "We want to rule Algeria as we wish."

In the important address that he made during the meeting, the brother leader said that the citizens with

whom the interviews were conducted said that last Ramadan was the worst Ramadan they experienced as a result of the torture they suffered at the hands of the bearded religious groups. These groups interfered with how Algerian women dressed, how they wore their hair, how they walked, and how they conducted themselves. They carried sticks and beat women in the streets. They also dragged and imprisoned women and later flogged them. This means that those groups were nothing but gangs.

The leader added that those groups said that they were acting in the name of God and religion, saying that the citizens interviewed wondered whether or not Algeria has been Muslim and whether or not Islam was revealed only this year, 1990? The interviewees claimed that Algerians have been Muslim for at least 2,000 years. So what is this new religion?

These Groups Bring New Religion That Is Not Islam

The brother leader said that these groups have actually brought a new religion that is not Islam, asserting that Islam is not a problem. We are accustomed to Islam. We fast, pray, pay the alms tax, perform the hajj, pronounce that there is no God but Allah and that Muhammad is God's messenger, and do charitable deeds. We are well aware of these matters and we do not need another person to reveal anything new to us.

The brother leader asserted that any new religious revelation is a heresy, that heresy means straying from the right path, and that those who stray will end up in hell.

The leader said: What is happening in Algeria is a result of the fact that the Algerian masses have not yet found their way toward the jamahiriya form of government. Failure to establish the people's authority makes everybody say: I want to rule Algeria. Such people include the religious group which says: We want to rule Algeria with the religious method embodied in flogging, beatings, and dragging women in the streets and in their homes. The brother leader asserted that this is falsehood, charlatanism, and exploitation of the people.

The brother leader pointed out that mosques in Algeria are mosques no longer. Nobody can pray in the mosques because if one tries to do so, one finds those who beat him from behind. Prayer has been corrupted. Sermons speaking of the day of resurrection no longer exist. Rather, the sermons speak of politics, of the religious groups, and of how these groups rule, characterizing Muslims as infidels. He noted that in Algeria's mosques Friday prayers are being delayed till the afternoon such that the time for sunset prayers arrives when congregators have not even performed the afternoon prayers. He also said that Algeria's mosques have actually been damaged, been the target of sabotage by religious groups, and been used for mischief.

Solution to Struggle for Power Is in Establishing People's Congresses and Committees

In his important address, the brother leader of the revolution added: Thus, the "Green Book" leads to these foregone conclusions to which the world pays no attention. What is important is that the time to combine these foregone conclusions has arrived and that they have become a theory and a guide for liberating the masses. He stressed that the solution to the struggle for power lies in establishing the people's congresses and people's committees.

During his meeting with the Greater Jamahiriya physicians, pharmacists, medical personnel, and medical assistants, the leader noted that the People's General Committee for Health was formed by the physicians, pharmacists, and health sector workers and that it was elevated by the masses of the basic people's congresses to determine health matters. The same applies to the people's health committees and to their municipal branches which are entrusted with examining health matters. There are similar agricultural, industrial, educational committees, as well as others. They say in the health sector that the people, acting as if it were king, imposes the committee on them, issues decrees in spite of them, and imposes individuals on them.

The leader explained: We have found that there is a conflict between the people's committee, which is formed by the people and by professionals supervised by the people's committee, whether the committee is in the industrial, agricultural, or educational sector, in the hospitals, or in any other institution. These professionals say: We do not feel that the committee has jurisdiction in the health area. For example, the group I am meeting with today also says that they feel that the people's congresses impose the committee on them.

This is true. The people's congresses formed a committee and entrusted it with managing the health sector. Specialization may be taken into consideration when forming such a committee. The people's congresses can take any individuals and form a people's committee. The congresses may take people who have nothing to do with health. This is unreasonable. It was reasonable at some time in the past. But now we want to establish the real people's jamahiriya.

God's Name Is Mentioned in Mosque

The leader noted that God's messenger, may God's peace and prayers be upon him, demolished a mosque that was used for mischief. The mosque is mentioned in the Koran because certain individuals plotted and discussed political issues inside it. God's messenger demolished the mosque on their heads.

The leader noted that God's name is mentioned in mosques, but not Algeria's mosques. Here is the Islamic Salvation Front saying: We do this and that, we recognize these regimes but not those, and we will or will not build housing for you. All this is said as part of the

Friday sermon. This means that the mosques have been sabotaged and that efforts are being made to sabotage them. This means that they have actually tried to sabotage the mosques because they have not found their way to the jamahiriyyah theory.

The leader said that religion has been revealed for issues that has nothing to do with elections. It is unreasonable [to believe] that our God gave us revelations on elections, referendums, voting, sewers, and roads.

Religion Revealed for Sacred Purpose

The leader added that religion was revealed for a sacred purpose that has nothing to do with the map drawn up by mankind. One man creates a party and another a monarchy, one man finds the right path and another cannot find the right political or economic path. He asserted that all these matters have absolutely nothing to do with religion. Religion has actually been dealt a blow by this approach. The religious groups say: We are the only Muslims. You are infidels because you are not with us in our party.

The brother leader asserted that this is wrong because it means that if I am not in your party, then I am an infidel, something which the Muslim Brotherhood and the Atonement and Emigration Group allege. These factions have declared others infidels. They have said that they are the only Muslims. As for the others, they are infidels. Atonement and emigration means that we first declare people unbelievers, then we abandon them, and then we fight them. The same goes for the Muslim Brothers. They are the Muslims. Those who do not belong to their organization, they are the devils' brothers. The leader said that this approach is used to mislead the naive and the good-hearted.

The leader noted that religion has been turned into a trick and a snare to trap good-hearted people. [passage omitted]

MOROCCO

Editorials See Danger in Western Intervention

Big Power Responsibilities

90AA0281A Casablanca AL-ITTIHAD AL-ISHTIRAKI
in Arabic 6 Aug 90

[Editorial: "Big Power Responsibilities in Military Interventions"]

[Text] Whatever one's position toward the current developments in the Gulf, the fact that has been manifest to the objective observer yesterday and today is that the responsibility for undermining legitimacy and for acting on the basis of strength falls historically on the shoulders of the big powers. To demonstrate this fact, it suffices that we cite successive examples of the events in the past three decades. The first example to figure prominently in this regard is Israel's occupation of Arab territories in the

wake of the 1967 war and Israel's invasion of Southern Lebanon where Israel's army continues to be present to this moment. This is in addition to the Zionist entity's invasion of Beirut and to its continued occupation of the West Bank and Gaza. Not only this, there is also the Soviet invasion of Afghanistan under Brezhnev's administration and the continued Soviet military presence in Afghanistan for years until Gorbachev put an end to this intervention. As for the U.S. intervention which is in violation of international legitimacy and which is based on force and the use of violence, the examples are numerous and stretch from Vietnam to Panama and to the current U.S. intervention in Liberia.

Thus, the big powers often engage in, promote, or provide protection for intervention so that this intervention may continue and may accomplish its military and political objectives. Were it not for such protection, Israel would not persist in its occupation of the Arab territories and in its rejection of all UN resolutions concerning the Palestinian people's legitimate rights. What this means is that what encourages the undermining of international legitimacy here or there are the precedents provided by the big powers in intervening or in promoting intervention.

Potential Threats

90AA0281B Casablanca AL-ITTIHAD AL-ISHTIRAKI
in Arabic 9 Aug 90 p 1

[Editorial: "Perils of Foreign Military Intervention"]

[Text] All the successive reports assert that the situation in the Gulf region is moving ever-faster toward greater complexity and toward a conflagration which will have disastrous consequences not only to the region but to the entire international situation.

Those who voted for the Arab League resolution denouncing Iraq's military intervention in Kuwait did not disagree with those who voted against the resolution on the danger of the foreign military intervention in the conflict or on the inevitability of the loss of all control over the situation if a non-Arab force is used to try to restore the conditions prevailing on 1 August.

It is true that the Security Council has adopted sanctions against Baghdad which paralleled only twice in the past 45 years. The UN resolution calls for blockading Iraq militarily, economically, and financially. Since its adoption, the various major countries from Japan to Brazil have been underlining their adherence to the provisions of the Security Council resolution. There is no doubt that what stands behind this intensifying international position is the accord achieved between Washington and Moscow and declared in the joint Russian-American communique. This accord has been unprecedented, except in confronting the 1956 tripartite aggression against Egypt. But despite this and that, several Arab capitals have not responded to the U.S. pressures advocating the use of the military option for fear that this option will not lead to resolving the crisis but may,

inversely, lead to escalating and expanding it, thus turning it into an inextinguishable fire in a dangerous and sensitive area that is stacked with various inflammable ingredients.

Saudi Arabia, on which strong U.S. pressure seems to have been exerted, especially in the wake of the U.S. defense secretary's visit to Riyadh, would have preferred to keep the conflict, as well as the means to resolve and contain it, Arab and within the Arab political institution. Perhaps this has been and continues to be the Egyptian and Jordanian position. Moreover, King Husayn has repeatedly warned of the dangers of foreign military intervention. For an Arab settlement based on withdrawal, on negotiations regarding the borders, and on compensation, the PLO and the Jamahiriyyah have crystallized a plan consisting of several points to be presented by the Palestinian president to the Arab capitals of Cairo, Baghdad, and Riyadh. The statements made by some Kuwaiti officials show that they do not oppose an Arab settlement that restores the previous situation in return for negotiation on the disputed points in the two issues of debts and oil.

Thus, numerous Arab parties view the foreign military intervention with anxiety and apprehension. But the U.S. administration, acting on the basis of its "national interests" and of its own special calculations—calculations which the U.S. press analyses and comments have explained and continue to explain—is "angered" by the Arab position and considers the Arab action toward the crisis to be slow, hesitant, and ineffective. This is why it is aiming its international campaign toward the Arab capitals to secure approval for use of the military option. The ever-accelerating developments indicate that this option is about to enter the sphere of implementation, with all the unpredictable and unfathomable economic and political consequences that may emanate from it, not only for Iraq and Kuwait but for the entire Gulf region, with its link to the conditions in all parts of the world.

TUNISIA

Ben Ali Addresses Businessmen on Export Issues

90AA0256A Tunis LA PRESSE DE TUNISIE
in French 15 Jun 90 p 4

["Full text" of speech delivered on 14 June at Carthage Palace by President Zine El Abidine Ben Ali to businessmen at conclusion of export seminar: "Export Seminar: Ben Ali to Businessmen: Quality, Imagination, Aggressiveness"]

[Text] In the name of a clement and merciful God:

Ladies and gentlemen,

History bears witness to the degree to which we have opened ourselves up to the civilizations of the world since the days of antiquity as the indelible impression

our ancestors left on the history of mankind. Our country's geographical location has made it a crossroads of civilization and a center for trade between the shores of the Mediterranean, on the one hand, and between the Mediterranean region and the rest of the world, on the other. There are, in addition, in the very temperament of our people, in our values, in the confidence that our brothers and friends bestow on us, other factors that explain why we are opening ourselves up to the world.

In the face of the technological revolution in the field of communications and data processing, in the face of the disappearance of any kinds of obstacles, we can no longer withdraw into our shell, live in a state of autarky. Recent events have confirmed the fact that the future of mankind inevitably lies in cooperation, osmosis, interdependence among all of us, and the invulnerability of nations will henceforth increasingly be measured by their abilities to adapt to the environment and to contribute to mankind's efforts.

These positive and distinctive developments notwithstanding, our country is facing difficulties inherent in the limited size of its territory, the scarcity of its natural resources, and the effects of previous years on economic budgets. It is at the same time confronted with new international challenges with the emergence of powerful combines and the radical metamorphosis that has transformed economic systems. All this merely corroborates our choice of a sensible economic strategy that is aimed at exploiting the opportunities opening to us on international markets and developing the effort by opening horizons to the outside for the products of this effort.

From this point of view, exporting appears to be an economic imperative and one of the pillars of our development strategy. If I receive you today in the same way I received representatives of farmers, workers, and the world of culture before receiving you, it is because I see in you another image, another reflection of that industrious Tunisia that is tirelessly working to guarantee all of its citizens a decent life with dignity for all, the invulnerability of every inch of its territory, and the radiance and greatness of its people in international organizations.

Today, and to crown the extremely useful effort that you have made and the thorough consideration you have applied to the issues in the course of this seminar on exporting, I would like to say to you once again how much Tunisia relies on your efforts and how much it appreciates the lofty sense of patriotism that serves to inspire your companies in this action aimed at winning the export battle.

Your efforts and the facilities and support extended to you by the state have borne fruit. Export volume doubled between 1986 and 1989. This is an achievement the importance of which appears even more clearly when we are aware that it was realized even though the portion of

our total trade volume accounted for by our hydrocarbon exports dropped from 54 percent in 1986 to 20 percent in 1989.

Thus, some sectors distinguished themselves through their ability to capture foreign markets and win the gamble of competitiveness. Similarly, a manufacturers' elite has come into being among Tunisian businessmen who are men of their times and who combine competence, a feeling for business, and an inclination to take calculated risks. This is why we now view the future with optimism and are moving forward with the implementation of our economic plans with self-assurance, without being led to lose sight of the gravity of the challenges and the steps that have to be taken to deal with them.

Ladies and gentlemen,

We are aware of the position occupied by the local market in the lives of some of our business firms and we consider the fact that they are interested in this market and rely on it for part of their sales volume to be perfectly natural and one factor among others that enables us to improve the production capacity of our economic system. But there is a danger that these firms will be satisfied with this and get used to this easy solution, which would not only jeopardize the business sector, but the entire national economy.

While we are proud of the emergence of such an elite of Tunisian exporters, we cannot but note with concern that this elite represents barely a tenth of all Tunisian manufacturers, just as much as we regret the lack of balance in the distribution of our exports by type of goods or by kinds of foreign outlets. Thus, nearly 70 percent of our exports are absorbed by the European Common Market and 40 percent of the goods consist of textiles.

These are shortcomings that it is important for us to correct as quickly as possible.

Ladies and gentlemen,

The deadline for the single European market will affect our economic life because of our geographical location and the specific characteristics of our economy. This is why private-sector manufacturers and administrative organizations in our country must all work to promote operating methods that will further increase productivity, the rate at which our products are integrated, their added value, lower their cost, and improve their quality. We will also have to adopt a new way of conducting business with foreign partners, one that is based on reciprocity and exchanges of experience to lay the foundations for Tunisian products that are really integrated and highly competitive.

We think that this is now possible thanks to the incentives, facilities, and support the state is providing you with and thanks to the simplification of administrative

procedures and the sacrifices that the national community has made, and which give it the right to expect a great deal of you businessmen, particularly for those of you who, having benefited from these incentives that were offered you, did not, as concerns exports, achieve the results obtained by your colleagues who chose the difficult, but more effective route in orienting themselves toward export activities.

The state will continue to meet the requirements suitable for a real economic upturn in this sector by standardizing the laws governing investment, further simplifying the single counter [to handle the various administrative requirements] system, examining the possibility of creating free zones, and reorganizing the shipping sector in order to better control production costs. The state will also retain its role in the administrative structuring of the export sector, providing exporters with necessary information, and implementing worker training programs so that all this will serve as an additional incentive to tap foreign investments and win the quality battle.

We hope that these initiatives will be favorably received by the other partners in this effort, among which the banking sector in particular is, in our opinion, an essential participant in the animation and reinforcement of the development process.

Ladies and gentlemen,

Industrial giants have adopted the label, "flawless," for their products. This has become a slogan applied by all those involved in production, from the worker to the head of the business. In Tunisia, thanks to the dedication of our children, the competence of our managerial personnel, and the self-denial of our workers and businessmen, we are in a position to meet the challenges and proclaim the slogan, "superiority after success," as an economic watchword that we will endeavor to realize. You yourselves, as well as all those who participate at your sides in the production effort and the acquisition of foreign markets, are called on to adopt this slogan and turn it into a reality so that it becomes the goal of everyone in the company. The fact is that winning the export battle will be a gain for the company as a whole and for our whole society.

Ladies and gentlemen,

Winning the development battle will determine the success, permanence, and stability of our society. From now on, your activities will be more closely linked to activism and patriotism than with behavior of a purely professional nature.

In organizing this export seminar, you have displayed a keen sense of the link that exists between your professional activities and your patriotic spirit. And I take advantage of this opportunity to express my high regard for the FEDEX [expansion not given] for its initiative and for the RCD [Constitutional Democratic Rally] for having sponsored it as well as my thanks to all those who have contributed to its success.

"Say: Act! God, His Prophet, and the faithful will bear witness to the fact." (The Koran)

YEMEN ARAB REPUBLIC

Journalists Hold Conference on Press Reform, Censorship

Details on Conference

90AE0229A Aden AL-THAWRI in Arabic 16 Jun 90 p 5

[Article by Hasan 'Abd-al-Warith: "Rehabilitation of National Journalists Killed Because of Their Views or in Political Struggle"]

[Text] In a unionist, aware, and responsible atmosphere, the Yemeni journalists unification conference was held in the Yemeni historic capital of San'a' from 9 to 11 June.

The conference was attended by representatives of chapters of what used to be formerly known as the Yemeni Journalists Guild and the Yemeni Democratic Journalists Organization from the provinces of Sanaa, Aden, Hadramawt, Lahaj and Ibin.

The participants in this historic conference—the first of its kind in the Yemeni national press life—took up some documents submitted by the preparatory committee in the Yemeni journalists' unification conference such as the annual report and the fiscal report. The participants also took up professional issues and the existing problems facing professional and guild activities in the upcoming stage.

The Yemeni journalists had an objectively-developed and ahead-of-its-time unionist message. Indeed, they were a vanguard force in the realm of the popular unionist current in the Yemeni arena. In this direction they have some outstanding features that today—and indeed not too long ago—have turned into national feats and progressive gains that underline the profound unionist content of the political, intellectual, and professional message adopted and defended by many Yemeni democratic and national journalists.

Therefore, Yemeni journalists were striving to unify their union and professional frameworks at an early date. Endeavors made by the Yemeni democratic and national journalists to make this dream ambition a tangible reality notwithstanding, this dream has been aborted and this ambition thwarted!

The journalists who took part in the unification conference were wondering about the reasons and factors that led to the postponement of the unification conference that had been scheduled for the middle of last May. The strange and odd answer was contained in the general report the preparatory committee submitted to the conference, followed by a statement given by committee

chairman brother Yahya al-Shukani who flatly said that "God's will" delayed the conference and put it off until 9 June!

The conference did not forget to put on record what they thought about this strange excuse contained in the reply. The final communique put out by the conference said: "The conference delegates noted with regret the fact that the date of the unification conference was delayed until after the establishment of Yemeni unity." They blamed the conference's preparatory committee of causing the delay for no logical reason, thus "denying the Yemeni journalists a chance to score the unification scoop they had been seeking and taking their unification for granted. This does not reflect the fact that they are a vanguard force in society that points out great accomplishments before anyone else."

The conference was marked by a pleasant healthy fervor that was enhanced by the nature of the theses and debates that were distinguished by unification consciousness, objectivity, responsibility, and commitment. The conference was also dominated by "true democratic climates, unmarred by official meddling or any form of pressure, as the conferees emphasized in their final communique."

Advanced Unification Documents

In their unification conference, the conferees debated, enriched, and ratified some of the documents that this conference had to put out, such as the guild's bylaws (the conference approved the name, "the Yemeni Journalists' Guild," submitted by the preparatory committee to replace "the Yemeni Journalists' Federation"), the press honor code, and other documents.

In this area, the conferees amended, changed, added, or deleted a number of sections, articles, and provisions contained in the draft bylaws that the preparatory committee had submitted.

The conference also debated and critiqued an unlimited volume of reports that the preparatory committee had submitted to the conference, thereby allowing the participating journalists to assert their professional ability and their organizational and union standard and sophistication.

Also, the advanced unification documents that the conference put out—the bylaws, the press honor code, and the sum of resolutions and recommendations—underlined the true nature of the conscious, committed, and responsible inclination of the Yemeni national and democratic journalists.

Delegates to the conference recommended to their guild leaders and competent government authorities the fulfillment of some of their demands representing the legitimate dreams and aspirations of all journalists, including:

- To rehabilitate the national journalists killed because

- of their views or during the various stages of the frantic political conflict and to care for their families.
- To broaden general liberties, including freedom of the press and of opinion, expression, and thought in all forms permitted by law.
 - To improve the living and working conditions of Yemeni journalists and grant them special travel, housing, health, and other benefits and facilities.
 - To protect the political rights of the press and the journalists and to prohibit any political, social, or administrative injustice or arbitrary [judgement] against journalists in this domain.
 - To develop the publication, circulation, and communications fields; to exempt printing paper from customs fees; to advance journalism; to establish firm and sound foundations for the journalism profession in accordance with sound journalists traditions; and to increase government subsidies for the guild.
 - To preserve the independent, democratic, and professional quality of journalism and avoid any partisan or government tendencies.
 - To reinstate all journalists who have been transferred or fired from their jobs and to restore all their rights.
 - To require all advertising agencies to give 5 percent of their advertising revenues to the guild's insurance fund.

The conferees called for organized, conscious, and responsible action to stamp out the manifestations of administrative and fiscal corruption in state establishments, rising commodity prices, rampant bribery and favoritism; to rectify the status of the judiciary and the prosecution; and to adopt a new national economic policy that considers the need to upgrade the national economy sectors and branches and raise the people's standard of living. They also called for the mobilization of all energies and capabilities to eradicate illiteracy and expand the role of education in our life; to spread radiant human and national culture; and to protect Yemeni women, safeguard their human rights, boost their active role in society, and expand their participation in all aspects of life.

Guild Chief by Consensus and New Leadership

It was a moment filled with human emotions flowing with love, splendor, and true unification consciousness when the conference hall witnessed the historic spectacle of the unanimous election of the renowned journalist 'Abd-al-Bari Tahir as chief of the Yemeni Journalist Guild.

Shortly before, some fellow journalists were getting mentally ready to join the race for this position, but they immediately withdrew when they saw the entire hall rise up in thunderous applause for the unopposed chief who was unanimously elected by acclamation. In another session, the [vote] of confidence took place among the conference members for membership in the unified guild's central council. There were 85 candidates for

these positions and, after a secret ballot, the following winners were declared, in order of the number of votes of confidence they received:

- 1. Radiyyah Shamshir.
- 2. Yasin al-Mas'udi
- 3. Wathiq Shazili
- 4. Mahbub 'Ali 'Abduh.
- 5. 'Abd-al-Rahman Bajjash.
- 6. Hasan 'Abd-al-Warith
- 7. Muhammad 'Abdallah Fari'
- 8. Muhammad Qasim Nu'man
- 9. Dr. Muhammad 'Abd-al-Jabbar Salam
- 10. Shakib 'Awad Sa'd
- 11. 'Abdallah 'Abd-al-Ilah
- 12. Ma'ruf Haddad
- 13. Kawthar Shazili
- 14. Muhammad al-Massah
- 15. Huda Fadl
- 16. Faysal al-'Awadi
- 17. 'Ali Muhammad al-Sarari
- 18. Muhammad Muhammad al-Yazili
- 19. Muhammad 'Umar Bahhah
- 20. Dr. Mahmud Jamal Muhammad
- 21. 'Abbas Ghalib Muhammad
- 22. 'Abdallah Ahmad Amir
- 23. Ahmad 'Abdallah al-Sufi
- 24. Rajih al-Jabubi
- 25. 'Arif al-Dush
- 26. Nadirah 'Abd-al-Quddus
- 27. 'Umar Bawazir
- 28. 'Abd-al-Basit Sururi
- 29. Mansur Ha'il
- 30. Ashraf 'Ali Muhammmad.

The conference also elected the members of the Freedom of the Press Committee, as follows:

- Dr. 'Ali Muhammad Zayd
- Ahmad al-Shar'abi
- Muhammad 'Umar Bahhah
- Muhammad Yahya Shanif
- Mahmud al-Sughayri
- 'Abd-al-Fattah Taha.

The guild's central council held its constituent meeting to chose its general secretariat that was composed of—in order of the number of votes received by secret ballot—the following fellow journalists:

- Yasin al-Mas'udi, secretary general
- Wathiq Shazili, fiscal and administrative committee chairman
- 'Abd-al-Rahman Bajjash, Membership Committee chairman
- Muhammad 'Abd-al-Jabbar Salam, Audit Committee chairman
- Mahbub 'Ali, Foreign Relations Committee chairman
- Muhammad Qasim Nu'man, Freedom of the Press Committee chairman
- Rajih al-Jabubi, General Secretariat member and assistant to the Audit Committee chairman

Snapshots From the Conference

- some conference members demanded the resignation of guild members found guilty of collaboration with intelligence services during the separation era, thus causing the execution, torture, pursuit, intimidation, or repression of fellow journalists.
- AL-WIHDAH newspaper, in its third edition, said that the conference's preparatory committee chairmanship spent close to 250,000 riyals for the conference's secretariat, and, despite this huge sum, the return was negligible because most of the documents did not get to the delegates and the technical measures and organizational arrangements were not commensurate with the money spent on them. So, where did the money go?
- The conference was attended by most of the 138 delegates who won in the delegates sub-conferences in each of Sanaa, Aden, Ta'iz, Hadramawt, Lahaj, and Ibin. The delegates were predominantly male, for there were only six females.
- The delegates approved 9 June, the date of the unification conference, as Yemeni Press Day.
- The delegates approved the republication of AL-SAHAFI newspaper and established a "creative journalism" award. They also drew up medals in the names of prominent journalists who lost their lives to be granted to outstanding journalists and newspapers operating in Yemen.
- The delegates recommended to the government the establishment of a college of journalism at the university with branches in the provinces and the upgrading of the Press Institute in Aden.
- The delegates asked the parliament to include Journalist Guild representatives in the upcoming deliberations on the press law before passing it.
- Most delegates belonged to various political parties and organizations. But, the profession and mission of journalism and the unity of position and destiny brought them together outside the boundaries of partisanship and political pluralism.

Editorial on Role of Censorship

90AE0229B Aden AL-THAWRI in Arabic 16 Jun 90 p 9

[Article by Shihab al-Zubayri: "On the Occasion of Formation of Yemeni Journalist Guild. Mission of Journalism."]

[Excerpt] It is a known fact that journalism, or the Fourth Estate as it is commonly known, is the profession of looking for trouble. For journalism, the search for the truth is a wide and exciting world and digging deep into it to discover the hidden contents of a new world that brings exciting, useful, and new things every day is more exciting and very important. It is a world full of priorities and irrefutable facts that are beyond suspicion, conjecture, and assumptions. This world of ours raises questions about its essence and how well it keeps abreast of developments, about the immediate and future consequences of the present state of affairs and its problems under existing circumstances with all its positive and negative aspects, and about drawing up logical concepts

and sound remedies for the people's concerns and misfortunes. There are questions that arouse our journalistic curiosity about the origin of the written word and the first printed newspapers and about when and why, precisely and specifically, were these newspapers issued. [passage omitted]

In our Arab Islamic history, the first printing press bulletin in the Arab world emerged during the time of the Orthodox Caliphs during the caliphate of 'Umar Ibn-al-khattab when a sensational headline, saying "Magus Kills Caliph 'Umar Ibn-al-Khattab," was splashed over the front page. This bulletin is one of the important documents kept at the museum of antiquities in Jordan.

In ancient times, news used to be collected by word of mouth or from government sources and displayed on bulletin boards in public places for the people to read. At the beginning of the 16th century, people began buying these printed news bulletins. In the 18th century, journalism began to develop and newspapers started to be published regularly.

Thus, journalism, the search for truth, came into being, giving rise to a new profession. It may have been in those days a form of self-expression and self-promotion. Of course, it grew and developed in successive years into the kind of art it is today, exuding beautiful styles of expression with a distinctive journalistic flavor and valuable objective content, thus taking upon itself the responsibility of discussing and losing people's concerns and misfortunes.

Journalism is a noble human mission with a lofty goal aimed at bringing out the truth fully and credibly without concealing, falsifying, or softening the issues under debate or discussion. For the truthful word is the light that illuminates the way for the readers and for all the toiling masses, the brave, honest, and objective word that reveals the way things are, without spuriousness, chicanery, or cunning, in defense of the truth so that it may shine like the midday sun in the middle of the sky, glowing over the universe to light up the darkness.

As an inevitable consequence of the state of the press in our country, journalism has risen to its responsibility to liberate our masses from past social relations and to present our revolution as a progressive revolution in the Arab environment.

Some of the priorities of true journalism are to defend the truth, adhere to the noble human and national revolutionary principles, personify revolutionary ethics, and practice self-criticism as a daily pursuit manifested at its best in our everyday life as a forum for evaluating our actions and presenting them in a better light.

And, as a definite inevitable fact, development of journalism and fulfillment of its sincere and honest mission require that circumscription and parochial commitments be dropped in favor of vaster horizons. This can only come about through our deep-rooted conviction that more efforts must be made to give free reign to unfettered democracy that appeals to the journalist's conscience and conviction and his deep awareness of his surroundings and his society as the spokesman for the proletariat, the toiling masses, and the people.

BANGLADESH

Visiting PRC Vice Minister Meets With Ershad

90AS0322A Dhaka THE BANGLADESH OBSERVER
in English 9 Jul 90 p 10

[Text] The visiting Chinese Vice-Minister for Foreign Economic Relations and Trade, Mr Shen Jueren, called on President Hussain Muhammad Ershad at the President's Secretariat in Dhaka on Sunday morning, reports BSS.

The Vice-Minister congratulated the President on his "very successful" visit to China last week.

Mr Jueren, who is on a three-day visit to Bangladesh, briefed the President on his very fruitful discussions with the Secretaries of the Ministries of Commerce, Foreign Affairs and External Resources Division regarding the review of bilateral trade and economic cooperation between the two countries and China's resumption of membership of the GATT.

The President reiterated Bangladesh's support for China's early resumption of membership in the GATT. The Vice-Minister expressed China's appreciation for continued Bangladesh's support on this issue.

During the discussions, the President hoped that both the governments should strive to find out new items and products for exports to China in order to reduce the adverse balance of trade for Bangladesh. He particularly stressed the need for setting up joint ventures in Bangladesh with Chinese support for manufacturing items like shoes, leather products, sewing machines, by-cycles and surgical instruments.

The President also felt the need that both the sides should explore urgently the possibility of setting up a urea fertilizer factory in Bangladesh with buy-back arrangement from China.

The Chinese Vice-Minister informed the President about his country's policy of buying more fertilizer from Bangladesh in future. He also said that for purchasing jute from Bangladesh. A Chinese team would be sent there in near future.

The Secretary, Ministry, of Commerce, Mr M. Mokammel Huq, and the Charge D'Affaires of China in Bangladesh, Mr Zhu Lu Chang, were present.

Chinese Vice Minister Calls on PM

UNB adds:-Prime Minister Kazi Zafar Ahmed said, Bangladesh would continue to support China on the issue of its GATT membership.

He was talking to the visiting Chinese Vice Minister for Foreign Economic Relations and Trade Shen Jueren on Sunday at his Secretariat office, said a PID handout.

Discussing the issue relating to China's entry into GATT, the Prime Minister said that as old and trusted friend Bangladesh would render all out support to China in this regard.

Bilateral trade relations existing between Bangladesh and China was also discussed during the talks.

Kazi Zafar expressed hope that China would come forward to narrow the existing trade gap between the two countries.

He said China might explore the possibilities of establishing trade creating joint venture in Bangladesh.

The Prime Minister said China could provide technical assistance for shoe making, hardware, cycle manufacturing and surgical equipments for diversification of Chinese imports from Bangladesh.

INDIA

Commentaries View Plight of Sri Lankan Tamils

Community Said Orphans

90AS0237A New Delhi JANSATTA in Hindi
6 Jul 90 p 6

[Article by Atmaprakash: "Sri Lanka Tamils—Do They Have A Parent?"]

[Text] It is natural for Indian nationalism to feel hurt because of the everyday killings of innocent and unguilty Tamils in Sri Lanka. The people who left their country have become victims of communal bias in their country of work. They do not even get the earned rights of citizens to live a life of dignity. With an intense feeling of having been neglected, guerilla organizations have declared their intention to form a separate Tamil nation. The Eelam was not to be formed nor will it ever be formed, but amidst the cross firings between terrorist guerillas and Sri Lankan forces the Tamil citizens are being killed from both sides. Waves of refugees have started coming again to the country of their origin. Whatever instinctive sympathy there was in Tamil Nadu with their fate, originally, is now waning because of the misdeeds of the Liberation Tigers.

These Liberation Tigers are so crazy about establishing an independent Tamil nation that it is not only making the life of the general Tamil people a hell, but it is also ruining other organizations which are fighting for the rights of Tamils. The path of terrorism leads one only to the ditch of suicide. But before taking him there, it also creates an atmosphere of doubts and distrust all around. Its worst victims are the terrorist organizations themselves because, whatever secrecy and distrust they maintain with others, the same behavior also separates them from each other and makes them the enemies of each other. The cruelty the Liberation Tigers have shown in killing people belonging to organizations such as EROS [Eelam Revolutionary Organization of Students], and

EPRLF [Eelam People's Revolutionary Liberation Front], has not been shown even by Sri Lankan forces against Tamil terrorists. By doing so, the Liberation Tigers are ultimately serving the purpose of extremist Tamil nationalism. But in their attempt to get themselves recognized as the sole determiner of the fate of Tamils, the Liberation Tigers are weakening their cause day by day.

So far, Sri Lankan Tamils used to count on some kind of interference from India against Sinhalese communal violence. They believed that if they went to Tamil Nadu they would at least not be thrown out. Because of the craziness of the Liberation Tigers not only has the possibility of Indian interference reduced, but also in the event of large scale Tamil refugees coming over to India any ability to pressurize Sri Lanka has also weakened. India again had to tell the Sri Lankan foreign secretary that it would not allow any activity against Sri Lanka from its land. India is also responsible for the unity and integrity of Sri Lanka. However, in lieu of all this India cannot even secure a guarantee from Sri Lanka that its forces will not kill innocent Tamil citizens and that it would make such an arrangement for their security as they might not be compelled to flee to India. The Sinhalese communal violence could result in a genocide against Tamils in the name of dealing with the Liberation Tigers. Perhaps it is already doing so.

While the responsibility of forcing India to take a neutral stand primarily lies with the Liberation Tigers, nonetheless, it also lies with the peace treaty which Rajiv's government had entered into using it as a device for a public relations campaign. Even before the July 1987 treaty, fierce fighting was going on between the Liberation Tigers and the Sri Lankan forces similar to what has been going on for the last few months. That time also the Liberation Tigers wanted India to interfere in order to protect them. It is not known whether because of some assurance from Ramchandran, the then chief minister of Tamil Nadu, or in order just to rejuvenate the magical touch of his mediating abilities that Rajiv Gandhi entered into such a treaty with President Jaywardane that puts so much responsibility on India as no country can fulfill on land of any other country. Neither the Liberation Tigers nor other guerilla organizations were included in this treaty. It was India which took responsibility on their behalf that they would surrender their arms and would participate in a democratic administration in the North and Northeast states by means of elections to the state councils.

On what basis did India accept this responsibility? The Tamil guerillas had not given India in writing [assurances] that if it entered into any treaty with Sri Lanka they would abandon the path of armed insurrection and would be sharing power with democratic participation. Ramchandran of ADMK [Anna Dravida Munnetra Kazhagam] had helped the Liberation Tigers very much, and also, the Tamils of Tamil Nadu had general sympathy with the Sri Lankan Tamil. Still did he have confidence that the Liberation Tigers and other guerilla

organizations would be biding by whatever he would say? Or, had anybody assured Rajiv Gandhi directly that if there was an honorable settlement and India was the guarantor they would surrender their arms? If no such prior agreement had taken place between the guerilla organizations and the government of India, why did India give any assurance of full cooperation on their behalf without inviting them as a party in the peace treaty? The quarrel or fight, after all, was not between Sri Lanka and India. The problem belonged to Sri Lanka and the quarrel was between its government and the Tamil guerillas. Then, why did India poke its nose in to become an unwanted mediator in this affair?

India agreed even to guarantee maintaining Sri Lanka's unity and integrity, but it did so without taking any word from the guerilla organizations not to press for their demand for a separate Tamil nation. It could secure only one commitment from Sri Lanka that it would not permit any third country to use its ports such as that of Trincomalee nor would it seek military assistance from a third country to resolve its communal problem. Rajiv Gandhi and his government considered this commitment very important for Indian defence because on a pretext of the situations in Sri Lanka no other nation would thus be able to interfere in the Indian Ocean. Did India fear American interference on this pretext? Neither Pakistan, nor Bangladesh, nor Israel could by any means commit an interference in the area so as to endanger the security of our coastal areas. Then, why for very little gain did it accept a mountain-size responsibility? Did it want to prove its hegemony in the region? Or, was the objective to distract the nation's attention from the clouds of the Fairfax, Bofors, and HDW [Howaldtswerke-Deutsche Werft, A.G.] affairs that had engulfed Rajiv Gandhi by beating the drum of at least one success in foreign affairs?

Whatever the situation may be, as soon as the treaty was signed, Jaywardane asked India to get the guerillas to surrender their arms in order to put the treaty into effect. Velupillai Prabhakaran, chief of the Liberation Tiger organization, had declared India his friend on his way back from New Delhi, but once he arrived in his sanctuary in Jaffna his tone changed. He said India had forced a treaty upon him as a gang leader and so he was not going to honor it. Consequently, his Liberation Tigers refused to lay down their arms. India had to dispatch a large army contingent to Sri Lanka. Now its main task became carrying on a fight with the Liberation Tigers. The Tigers started a fierce guerilla warfare with the Indian forces in their jungle areas. The Indian army was not prepared for it, nor was it their responsibility to do so. The Liberation Tigers mercilessly wiped out even those guerilla organizations which cooperated with India. As it happened, over 70,000 soldiers were bogged down in Sri Lanka. In this operation our daily expenses went up to about 20 million rupees. India was involved in a war with the same people who it wanted to protect and give power to by means of the treaty. While the Sinhalese already used to call Indian military action an

act of aggression, the Tamils also felt it to be repressive. Then ultimately whose interest had we gone to serve there? Was it Jaywardane's interest? Perhaps. By coming into an agreement with India, Jaywardane arranged that the country with whose strength, support, and help the Tamil guerillas had harassed his government, the forces of that same country should begin destroying them. That is, the task which was not being accomplished by the Sri Lankan army and in the course of which it was being defamed all over the world, should rather be completed by the Indian army. Thus, it would be the Indian army who would pay the price as well as earn the defamation. Jaywardane stepped aside and got the Tamil guerillas involved in an open confrontation with the Indian forces. The same guerillas earlier were incited by India itself to challenge the Sri Lankan army. There will be no better example of diplomacy than this. In the same Jaywardane government there was Prime Minister Premadasa who was not only against the peace treaty but also had openly called the Indian army an invading army. He considered its presence a challenge to its sovereignty. He had demanded an immediate withdrawal of the Indian army because he felt that it was purposefully making a delay in wiping out the Liberation Tigers so that it could occupy Sri Lanka. The Indian army had been deployed on an invitation from Jaywardane. He could not win the presidential election as long as it remained in Sri Lanka. As a result, Jaywardane moved aside after serving Sri Lanka. Premadasa was elected president on the assurance that as soon as he became president he would send the Indian army back home.

As soon as Premadasa took the oath as president, India had to recall some of its army as a guard of honor to him. Whatever limited power the Tamils were likely to get in the North and Northeast states through the peace treaty, Premadasa gradually finished its possibility. Perumal of EPRLF, who had become chief minister of the state council with the help of the Indian peace-keeping forces, proved to be just a puppet. While the Liberation Tigers were already against his state government, enmity of the Sri Lankan government also went on increasing against it with blessings from Premadasa. But, the biggest trick against India was played by the Premadasa government. In order to send the Indian army back, his government entered into an agreement with the same Liberation Tigers who had been fighting the Indian army deployed to make them surrender. The Sri Lankan army, as well as the Sri Lankan government, gave active cooperation to the Liberation Tigers in their fight against the Indian forces. Despite this, our army removed the Liberation Tigers from their hideouts, reducing their influence in all those areas. It was because of our peace-keeping forces that the Sri Lankan army could be free to deal with the Sinhalese terrorist organization "Janata Vimukti Peramuna" in the South. India lost about one and a half thousand men and thousands were injured. We also lost lots of military hardware, apart from bearing a financial burden. In return, our army was defamed there and had to come back home in disgrace. Within two months, the

same communal tension erupted again in Sri Lanka, the solution for which was sought through the peace treaty.

The peace treaty, anyway, was wrong, but it was blown up by the same government which had taken part in it and was destroyed by the same Liberation Tigers for whose sake it was signed. India has been cheated by both the Sri Lankan government as well as by the Liberation Tigers. Now, a spokesman for the Liberation Tigers is suggesting from London that India should provide moral support to Sri Lankan Tamils because he thinks that India is a peace maker in the sub-continent. Kittu, one of the leaders of the Liberation Tigers, states that India should forget whatever happened to its army as a bad dream. He adds that it was unfortunate that Jaywardane misused the Indian peace-keeping forces. He says that he has no enmity with India or its government. He considers them as his friends. He needs Indian help in solving his problems in Sri Lanka. According to Kittu, the Sri Lankan government is deceitful.

On the other hand, the Premadasa government in Colombo states that the Liberation Tigers are great deceivers and nobody should trust them. It also points out that everybody knows what they did to the Indian peace-keeping forces. It emphasizes that because the Liberation Tigers could not be trusted, it would stop only after destroying them. Premadasa said that he was grateful to India for its neutrality. His special emissary visited New Delhi to assure India that Sri Lanka would not seek help from any third country. He also assured that while dealing with the Liberation Tigers his government would not kill the Tamils, nor would it allow them to take refuge in India. According to the Premadasa government, India was doing good by not permitting Tamil terrorists to operate from its soil. Also that it appreciated India's concern for the Tamil citizens of Sri Lanka and that it was committed to protecting them. It means that the Sri Lankan government does not want India to interfere to an advantage for the Liberation Tigers. On the other hand, the Liberation Tigers want India to support the Tamils and not to be misled by the false promises of the Sri Lankan government.

India has been tricked by them both, and now both of them want to woo India to play mutually contradictory roles to serve their respective interests. Both of them are continuing to fight. They might enter into negotiations tomorrow, but would start fighting each other tomorrow again. It is, however, the faultless and innocent Tamils who would pay the price. If India does not worry about them, who will? But, what options are left open for India? Should it help establish an independent Tamil nation in Sri Lanka for the fulfillment of the ambitions of the Tamils as well as the Liberation Tigers? Or, in order to defend the unity and integrity of Sri Lanka, should it allow its government even to commit genocide against the Tamils? Or, should it thrash both the Sri Lankan government as well as the Liberation Tigers so as to force them to live together peacefully? Are these options open to India? Gujarat says that there is no other option than to remain neutral.

Tamils Everywhere Called On To Assist

90AS0237B Bombay NAVBHARAT TIMES in Hindi
6 Jul 90 p 7

[Report of Chief Minister Mr. M. Karunanidhi's Speech]

[Text] Madurai, 5 July (Press Trust)—The chief minister of Tamil Nadu, M. Karunanidhi, has said that protecting the Sri Lankan Tamils and saving them from being murdered is not the responsibility of the DMK [Dravida Munnetra Kazhagam (Dravidian Progressive Foundation)] alone but of Tamils all over the world.

Addressing a gathering late last night, Mr. Karunanidhi stated that the Tamil problem should not be politicized. He said he wanted all the Tamils to unite and protect themselves.

Referring to the ENDLF [Eelam National Democratic Liberation Front] statement criticizing the DMK government, Mr. Karunanidhi asked that organization not to interfere in the matters of Sri Lanka because he supports LTTE [Liberation Tigers of Tamil Eelam]. He added that everybody knew who was supporting an organization like ENDLF.

He accused ENDLF of supporting the Sri Lankan government, and the Sri Lankan government, on the other hand, was assaulting the Tamils as well as the LTTE, while LTTE was trying to help the Tamils. He said that an attack on the Tamil Nadu government was an attack on the Indian Government; the government of Sri Lanka should understand this.

Mr. Karunanidhi stated that he could not confirm whether Tamils were fleeing Sri Lanka. Tamils, however, were dying there every day. He could only confirm that Tamils were dying in Sri Lanka.

He said that the injured refugees from Sri Lanka should be provided all kinds of medical relief and all groups should unite together in this work.

Criticizing Congress and other parties who had asked that the DMK government be dissolved, Mr. Karunanidhi referred to his recent talks with Prime Minister Vishwanath Pratap Singh in which it was demanded to put a halt to the killing of Tamils. The Center had also issued a statement expressing its anxiety over attacks on the innocent Tamil population. He added that if the situation got worse, the state government would again make an appeal to the Center for a peaceful solution to the Tamil problem with Sri Lanka.

Sri Gopalaswami, a member of parliament, criticized the Congress for finding fault with the DMK government on the Sri Lankan problem. He alleged that, during Rajiv Gandhi's rule, the Sri Lankan navy had attacked Tamil fishermen 96 times.

CPI-M Document on Changes in East Bloc Released

46001725 Calcutta THE STATESMAN in English
6 Jul 90 pp 1, 7

[Text] Even as Mr Mikhail Gorbachev struggles to avoid a split in the Communist Party of the Soviet Union and get the support of the majority of the 4,600 delegates at the 28th CPSU Congress now in progress in Moscow, the CPI(M) has come down heavily on the Soviet leader for allegedly jeopardizing the future of Socialism not only in that country, but all over the world.

The CPI(M) central committee's long-awaited document, "On Certain Political-Ideological Issues Related to Developments in some Socialist Countries" has few surprises as far as the party's stand on these issues is concerned. The party has never made a secret of its disapproval of Mr Gorbachev's programme at perestroika and glasnost. But the central committee document takes on the Soviet leadership point by point with reference to the Draft Platform the CPSU had prepared for the 28th Congress.

The most damaging condemnation of Mr Gorbachev in the CPI(M) document is the alleged contribution of glasnost to the fall of the Socialist regime in eastern Europe. While the CPI(M) makes allowance for certain other factors responsible for the phenomenon, the principal blame is laid at Mr Gorbachev's door. "The policy of glasnost in the Soviet Union allowing the anti-Socialist forces to make full use of the media to denounce Socialist values encouraged the forces of internal reaction in East Europe to launch an offensive against Socialism." The "import of perestroika and the CPSU's new political thinking in international relations is not limited to the Soviet Union," the CPI(M) document says. It presents a "distressing" picture of the state of the Communist parties in these countries since the fall of Socialism there: "Even by abandoning the party's name under pressure, by dropping the word 'Communist,' has not enabled the erstwhile ruling Communist parties to retain the confidence of the people. In Romania, the situation is so distressing that nobody dares to raise the Red Flag."

The document takes the CPSU to task for setting itself the goal of establishing a "humane and democratic Socialism." This, the document says, amounts to denouncing the achievements of the seven decades of Socialism. "What is being projected is that a transformation is being made from inhuman to humane Socialism." In the same vein, the CPI(M) takes strong exception to the assertion that the "new political thinking" of Mr Gorbachev would establish the "priority of universal human values over class values." Maintaining that there was no contradiction in the Marxist view of class and universal values, the party alleges that the CPSU propaganda leads to "spreading illusions about the nature of present-day imperialism and the world capitalist system."

The central committee document also rejects the CPSU's new line of rejecting the leading role for the party both in society and the Government. While the CPSU has vowed to work within the norms of a multi-party system, the CPI(M) argues that the "concept of a multi-party system...would be detrimental to the development of Socialist democracy." According to it, the party must have a "leading role" during the "entire period of Socialism." Defending the concept of democratic centralism, the document warns against "overcentralism" and says that the emphasis on democratization should not lead to the abandonment of the principle of democratic centralism. Noting the emergence of different open groups in the CPSU, the party warned that this would result in factionalism. "This goes against the fundamental principles of the Leninist Party."

The document sees both economic and political dangers in the advocacy of market economy by Mr Gorbachev. It recalls that the CPI(M) had supported Mr Gorbachev's plans to reform the economy when he broached the idea at the 27th Congress of the CPSU in 1985. But the recent craze for market economy would spell disaster for Socialism, it warns.

While the document is on anticipated lines, an interesting epilogue to the debate is provided in an article by the CPI(M) general secretary, Mr E.M.S. Namboodiripad, in the party organ, PEOPLE'S DEMOCRACY, on 24 June.

Replying to the criticism that the party document has once again expected the "Stalinist" moorings of the CPI(M), Mr Namboodiripad, interestingly, cites Krushchev, the initiator of de-Stalinization, and Ajoy Ghosh of the undivided CPI, to argue that even these leaders had appreciated Stalin's contribution to the consolidation of Socialism in the Soviet Union. "We of the CPI(M)," he remarks, "are neither the defenders of Stalin's mistakes and errors, as we are alleged to be by his detractors... We see in Stalin a great leader who skillfully steered the ship of the Soviet State and the international Communist movement, but who mistakenly thought that repression was necessary in the interests of the revolution and was thus responsible for many crimes."

CPI's Views

Our Delhi office adds: The national council of the Communist Party of India had described the 28th Congress of the Communist Party of the Soviet Union as "perhaps the most crucial Congress of the CPSU in several decades, meeting at a very critical stage of the development of the perestroika process when the problems and the contradiction that have been accumulating in Soviet society over decades have come into the open."

Sending "warmest fraternal greetings" to the Central Committee of the CPSU, Mr Indrajit Gupta, general secretary, national council, CPI, has said: "The Congress will undoubtedly take into account the main concern of the Soviet Communists and of the entire Soviet people about the fate of perestroika and the very future of the

Soviet Union and also the role of the Communist party in all the revolutionary transformations."

The letter states that the CPSU and the Soviet state have been a source of support for people's liberation in the struggle against imperialism and for social progress the world over, over the past seven decades. "We all have a stake in the success of perestroika as it will help unleash the full potential of Socialism and give it a new face."

"The series of the new foreign policy initiatives of the Soviet Union in recent years supported by progressive forces the world over have registered significant advances in the direction of peace and disarmament, though the military build-up and the threat of war have not disappeared, and many acute development problems of the Third World and the other global problems remain yet to be tackled, the positive turn is unmistakable."

The national council of the CPI has hoped in the letter that the 28th Congress will work out a unified plan of action to tackle major problems of economic, social and democratic renovation of Soviet society and consolidation of the federal Soviet State paving the way to solve the aggravated national question.

Commentary Says Separatist Elements Rising in Tamilnadu

90P40114A New Delhi DINMAN TIMES in Hindi
5-11 Aug 90 p 12

[Commentary By Ramsevak Srivastav: "Separatist Tendencies on the Rise in Tamilnadu—Accusation Against Chief Minister That His Government Was Indifferent to the Activities of LTTE Terrorists"]

[Text] It has been alleged many times now that the Tamilnadu chief minister, Kalingyar Karunanidhi, and his administration have remained indifferent to the dangerous activities of the Liberation Tigers of Tamil Eelam [LTTE] terrorists roaming freely throughout Tamilnadu. In other words, since they [i.e. the chief minister and his administration] have sympathy for LTTE, even their violent activities are ignored. When another faction raised the question of difference in the viewpoints of the Tamilnadu government and the central government towards the Sinhalese Tamil terrorists, the prime minister simply said there was nothing like that.

The actual situation comes to light only when one goes to Tamilnadu. At the Bharatiya Janata Party's [BJP] national executive meeting organized in Madras (21-23 July 90), the BJP's state branch presented a report entitled "The Current Situation in Tamilnadu". A week prior to that, Ramaswamy "Cho", editor of the Tamil weekly [as published—published fortnightly] THU-GLAK and reputed satirist, had written an editorial in the 15 July issue. Both of these commented on LTTE's violent activities.

The meaning of "Kalingar" in Tamil is, "an artist". Is Mr. Karunanidhi indeed an artful politician? In Madras, people of the state can be heard whispering about rising separatist tendencies. Keeping this in view, the BJP report and the comments of "Cho" are significant.

It is written in the editorial: "Given today's circumstances, the future of Tamilnadu is in the hands of rifle-cultured LTTE. The Chief Minister, Mr. Karunanidhi, has been protecting them readily. In the face of the atrocities committed by LTTE terrorists in Rameswaram—the abduction of frontier customs officials; the assassination of EPRLF [Eelam People's Revolutionary Liberation Front] members—Mr. Karunanidhi responded by stating: 'There was fear of this happening.... I had told them not to go there.' This means that Mr. Karunanidhi knew this was going to happen and that those people were on the hit-list. No effort was made to protect them. It is being said that they should not have gone there at all...this is the view of the administration...."

In that same issue of THUGLAK, it has been asked why in fact Mr. Karunanidhi was supporting the LTTE. The answer is: "For the purpose of capturing polling booths and frightening and intimidating the opposition groups, so that they could be defeated. If he stays close to the leaders of LTTE, then he can also avail of the boundless wealth that LTTE has acquired through smuggling and other illicit means."

In the report prepared by the state branch of BJP, in the second paragraph itself it is stated that the very first casualty of DMK [Dravida Munnetra Kazhagam] coming into power was the parliamentary, democratic system of administration. "In the very first session the leader of the opposition had been beaten up and insulted. It was the first time something like this happened in the country's legislature."

"It is apparent from LTTE's activities and projects that they want to penetrate Tamilnadu systematically and make it the 'second pillar' of their struggle. The most unfortunate and despicable factor in all of this is the knowing indifference assumed by the DMK. The state government can not avoid its responsibilities. There are many instances like this where it becomes clear that there are close ties between the DMK and the LTTE."

10 incidents have been mentioned specially in the report.

For instance, the bomb explosion of 1987 at the Mutharasallur station in Tiruchi district. The previous government caught some of the DMK members and had a case registered against them in the court. When the DMK came into power, they rescinded the case and freed the arrested.

The previous government had arrested a Dravida Kazhagam worker charged with manufacturing weapons illegally, in Coimbatore. There was a case against him also. After coming into power, the DMK government rescinded the case and freed the offender.

On 18 February 1990, at 10:30 at night, some LTTE men were going towards Mandapam in an ambassador's car. When questioned by the police, they had said that they were carrying medicine, but when the police looked into their car, they saw AK-47 rifles. The occupants of the car threatened the police and they were allowed to go. Higher officials were notified. The very next day, exactly at midnight, LTTE men returned in the car. When the guards at the police post wanted to search the car, they opened fire and one policeman was killed and three were injured. On the way the LTTE men fired on two or three more targets. Two more people lost their lives. Ten to 12 police constables and four other people were injured. In January [19]90, state-of-the art weapons worth Rs. 7 crores were captured in the coastal district of Ramanad. The offenders have not been identified to date.

In Coimbatore, a DMK leader has been apprehended on charges of manufacturing spare parts for high-class weapons. However, the police have not investigated yet for whom those spare parts were being made.

Between March and June [19]90, LTTE men captured approximately 1,000 fishermen and 900 boats in the ocean.

They [the fishermen] were taken to Sri Lanka's coastal towns. They were held,...they were interrogated, and then they were released after a strict warning that they could no longer enter those waters.

In the same report, it was also said that the DMK government was very soft towards Muslims and that it has adopted a policy of appeasement towards them.

Further Reportage on Indo-Soviet Trade, Cooperation

Rupee Pact Extended

46001718 Madras *THE HINDU* in English
4 Jul 90 p 11

[Text] New Delhi, 3 Jul—Faced with a serious hard currency shortage and in order to also maintain the momentum of growth in the mutual trade, both India and the USSR have decided to continue with rupee trade arrangement for five more years from the beginning of 1991 to 31 December 1995.

According to an official release, a protocol to this effect was signed at the conclusion of the seventh meeting of the Working Group on Trade under the inter-governmental Indo-Soviet Commission on Economic, Scientific and Technical Cooperation held in Moscow from 27 to 29 June. As per the protocol the trade and payments agreement between the two countries which formed the basis of the rupee payment system has been extended up to 31 December 1995. It was signed by the Commerce Secretary, Mr S.P. Shukla who led the Indian delegation and Mr V.F. Mordvinov, the Soviet Deputy Minister of Foreign Economic Relations on behalf of the USSR Government.

The Soviet Union has agreed to step up supplies of oil and oil products to India from next year. It has also agreed to arrange increased supplies of other raw materials and commodities including newsprint, coking coal, rolled steel products and muriate of potash during 1991-1995. The USSR indicated its willingness to accept larger quantities of textiles and jute products from India during the five year period. India has also offered to supply large quantities of coffee to the Soviet Union under the trade plan.

The meeting which reviewed the progress of implementation of the current Indo-Soviet Trade Plan for 1990 expressed satisfaction at the pace of contracting for imports as well as exports. Both sides agreed to work jointly to remove transport bottlenecks in order to facilitate speedier flow of goods. The current trade plan envisages a trade turnover of Rs 8,800 crores, comprising exports to the USSR of Rs 5,300 crores and imports of Rs 3,500 crores.

Power Station Construction

46001718B Bombay *THE TIMES OF INDIA*
in English 29 Jun 90 p 20

[Text] New Delhi, 28 Jun—India and the Soviet Union have reached an agreement on the construction of the 630-mw thermal power station at Bakreshwar in West Bengal.

The Agreement was the major outcome of the recent visit to the Soviet Union by Mr Arif Mohammad Khan, minister for energy and civil aviation, an external affairs ministry's press release said.

It, however, did not give details of the agreement.

Mr Khan had detailed discussions on bilateral co-operation in the power, coal and civil aviation sectors with Mr L.A. Voronin, first deputy chairman of the council of ministers of the Soviet Union.

There was a detailed review of projects in the energy sector with the deputy prime minister, Mr Ryabev, as well as with the Soviet minister of power and electrification.

The Soviet leaders assured Mr Khan that all projects scheduled for the eighth plan would be completed on time.

Report Claims Smugglers Operate 'Parallel Economy'

90P40104A Bombay *NAVBHARAT TIMES* in Hindi
25 July 90 p 4

[Commentary By Ashish Kumar Sarkar: "Smugglers' Parallel Economy In Pak"]

[Excerpts] In rebutting the no-confidence motion brought against her, Pakistan's prime minister had alleged that a bribe of Rs. 19.4 crores had been given by

narcotics smugglers to members of the National Assembly to bring down the government. Whether there is any truth to this accusation or not, it becomes clear that "drug money" wields a powerful influence on Pakistan's politics. Benazir Bhutto's enemies are also saying quite openly that Ms. Bhutto has become a puppet in the hands of the smugglers.

It is said that Pakistan's parliamentary Secretary, Mr. Tariq Raheem, was the liaison between Anwar Khatak, jailed for smuggling narcotics, and four members of the Assembly. These four members were elected from tribal areas and only recently had switched from the ruling party to the opposition. Some sources even say that there was pressure on the Sindh Chief Secretary to release Anwar Khatak. It is also a mystery that Lahore's powerful industrialist Mirza Iqbal Beg has been released on bail by Lahore's High Court because of the government's silence. There are serious allegations against Haji Iqbal of conducting illicit trade, and BBC has produced a documentary "Scout" (Who Smuggled Heroin), based on his deeds. The explanation given by the Pakistan Narcotics Control Board is that since there were no fact-based charges against Haji Beg, the bail could not be contested.

According to governmental claims, eleven leading heroin smugglers had been arrested only recently. It was learned later, however, that neither any legal action was taken, nor was any solid evidence presented against them in the court. As a result, they all got free from the grip of law and are now involved fully in this illegal "import-export" business. Last May, the late General Ziaul Haq's former pilot, Major Farooq Hamid, was caught for trading in heroin. Later, however, the government, out of scare, had to release him since it was feared that many political leaders would be exposed as well.

The case of the deputy chief of the Combined Opposition Parties of the National Assembly, General Fazal Haq, is worth close attention. In the beginning, the government maintained that it had collected about 50 percent of the evidence needed to support the "drug trafficking" charges made against Gen Haq and his brother Fazal Husain. It is because of these charges that Fazal Husain is on the "wanted" list of Interpol. Later this proof and evidence was put on the back-burner. It is said that there is U.S. pressure behind all of this. Reliable sources say: "Gen Fazal Haq met American Ambassador Oakley immediately before being taken into custody on charges of murder in June." As it is, the United States has been feeling guilty as it has not been able to take any strict measures to control the ever increasing narcotics in this region due to the Afghan war.

In a Pakistan where in the seventies no one knew even the names of heroin, crack, or brown sugar, today in that same Pakistan industrialists, army officers, artistes, lawyers, sportsmen, and politicians are caught in the web of this illicit trade. Smuggling narcotics is now a full-fledged industry. The smugglers have established a parallel economy because of which they can dislocate any

government at any time. The immense income from this illicit trade is eight billion dollars, whereas Pakistan's total budget is not even half of this. The extent of this affliction is evident in the estimate that globally about \$300 billion are invested in this "drug economy". According to one analysis, 30 percent of this is invested in the heroin that is sent via Pakistan to the West, i.e. about \$90 billion, but economists consider these statistics exaggerated. According to them, this amount is not more than \$8-10 billion.

Even if the above-mentioned statement were to be accepted, it is one-fourth of the total GNP of Pakistan (which is about \$40 billion). It is quite evident that great profits form the basis for this trade. The price of a kilo of heroin along the Pakistan-Afghan border is only £4,000 and the same heroin is sold in Britain for £20-£25,000. If sold retail, it is possible to obtain £28-£42,000.

In the western frontier province of Balochistan, smuggling these days is flourishing. Black marketing and smuggling are meaningless terms for the people of this area. Since this province shares its borders with Iran and Afghanistan, smuggling has proliferated through the years. The political upheavals in both of these countries have renewed the strength of this activity. After Benazir took charge of the government, the smugglers had a field day. On the one hand materials worth lakhs get illegally to this side, and on the other, things worth crores also arrive on the other side daily. Weapons, heroin, foreign cloth, perfumes, liquor, cigarettes, petrol, diesel, dried fruits, and grain are all under the control of illegal trade.

The weapons given by Pakistan to Afghan mujahidin return to be resold openly in Pakistani bazaars, where they are bought right away by anti-social elements. Hundreds of trucks of weapons are sent to the Afghan mujahidin by Pakistan through the Quetta-Chaman route. It has been observed, however, that these trucks never reach the mujahidin because of the involvement of the smugglers, but are re-routed to Quetta, from where they are smuggled into Sindh and Punjab. Sources say that the Surkhhab camp in the Pir Alijavi jungles and the Gulistan area in Pishin have become the biggest markets for weapons and narcotics.

In the border areas of Balochistan, the narcotics trade is growing by leaps and bounds. Drugs are coming chiefly from Afghanistan and Turkey. In Rabat-e Jali near the Pakistan-Iran-Afghan border, there is a well-established trade center for this. There are armed members of the mafia who guard this place day and night. The police force can not even muster enough courage to even face in this direction.

Along the Pakistan-Iran and Pakistan-Afghan borders only three main roads lend themselves to illegal trading of goods. These are the main highways of entrance from the small ports of Gwadar and Ormara on the shores of the Arabian Sea in southern Balochistan. This is despite the surveillance by various organizational agencies. Goods are brought by launches from Abu Dhabi and

other Gulf states. From the harbor, the goods are taken first to Awran and from there to Khuzdar, then to the markets of Quetta and Karachi. Near and around the western harbor city of Marg are many points from where smuggled goods leave the country. First they are sent to Taftan, and from there smuggled into Iran. These days, Taftan is known as the paradise of blackmarketing. Marg is under the jurisdiction of the regional office of the Pakistan Export Corporation, located in Karachi, but only God knows why no action is taken. [passage omitted]

The Pakistan Government has established the Frontier Constabulary [FC], but because the local politicians are so involved in the smuggling, the FC has always met with a lot of opposition. In fact, there has been a lot of chaos even in the Assembly. The leaders charge that the goods obtained from raids conducted by the FC are not auctioned but are resold, causing undue frustrations for the businessmen. Leaving all this aside, even Prime Minister Benazir Bhutto's husband, Asif Ali Zardari, has been increasingly suspected of being implicated in the kidnapping of Pakistan born British industrialist Murtaza Husain Bukhari, and in the misappropriation of \$8,800,000. This means that the crimes concerning the treasury have crossed the bounds of small villages and towns into the very threshold of the nation's fortune makers. In Pakistan, the army, the bureaucracy, and the democratic powers are consumed with an ambition to reach greater heights by stepping on each other's toes, and at the same time the power of the black marketeers is dwarfing them all.

IRAN

Military Cooperation With North Korea Discussed

90P40126A Tehran ETTELA'AT in Persian
16 Jul 90 p 3

[Text] News Service: Mr. Kim Yong-Nam, the North Korean Foreign Minister, met yesterday with Mr. Mohsen Reza'i, General Commander of the Revolution Guard Corps. Kim Yong-Nam is on a visit to Iran as the head of a high-level delegation.

Ambassadors from the two countries and some officials of the Revolution Guard Corps were also present at this meeting. The expansion of mutual cooperation and specially the joint military committee were discussed and consulted upon.

PAKISTAN

PPP 'Anarchy' Said Threat to Bhutto's Leadership

90AS0331A Lahore THE NATION in English
21 Jul 90 p 4

[Text] Malik Ghulam Mustafa Khar's re-appearance on the political scene after his latest honeymoon has been a

bit of anti-climax to his earlier stint as the 'Lion of Punjab' poised to grab his 'kingdom' from Mian Nawaz Sharif. Not that such diverse roles are difficult to play for a versatile political actor like him who seems to have the facility to 'declare war' or 'make peace' with equal ease and swap enemies for friends without any qualms. But his latest volte-face has underscored the tragedy of politicians of his ilk who have lost their moorings in the pursuit of power. Mr Khar today looks like an odd man out in the PPP [Pakistan People's Party] camp, albeit he was among the founding fathers of the party. Though it may be said that he himself is to blame for his fluctuating political fortunes because of his erratic conduct and dubious loyalty, the model of political behavior he represents is not alien to the PPP culture. The PPP crowd has scant respect for party discipline or political morality and infighting, jockeying for offices, and self-aggrandizement have never been the 'forbidden fruit' in its ranks. Nevertheless Ghulam Mustafa Khar has the additional 'vice' of being 'too ambitious', that is more than his share prescribed by the party high command, and while the PPP can condone corruption in its ranks it cannot tolerate a man who has the potential to grow too big for his boots.

Fingers will be pointed at Khar for being a 'political black-mailer' because his envisaged 'pressure group' is obviously meant to be a bargaining counter. The PPP leadership, however, cannot be exonerated of its part in making 'shady deals' when it cannot win political battles in an open and above-board contest. If Mr Khar could be recruited to win the 'battle of Punjab' when things had looked dismal for the PPP, why should he be painted as the villain of the piece when he is demanding his pound of flesh. Prime Minister Benazir Bhutto was in Lahore on Thursday, perhaps to assess the damage Ghulam Mustafa Khar's possible defection could do to the PPP's credibility in Punjab. Her aides, who had until recently placed high premium on the efficacy of 'Khar card', have told her that nobody dare challenge her leadership. Notwithstanding Khar's ability to pose a threat to Ms Bhutto, it is time for her to give some thought to transforming her party from a 'motley crowd' to a political organization. It is not Mr Khar, but the state of utter confusion and anarchy within the PPP which poses the real challenge. If she persists in pursuing personalized politics and treating the party as an appendage of her leadership, she will be surrounded more and more by sycophants who will not only misguide her, but also wreck the party from within.

Former Sindh Chief Minister Interviewed

90AS0195B Islamabad HURMAT in Urdu
2 Jun 90 pp 7-10

[Special Interview with Ghaus Ali Shah, former chief minister of Sindh, by Sarfaraz Malik, entitled: "PPP (the Pakistan People's Party) is Wasting Time in Confrontation: Hindu Activities in Sindh Are Cause for Worry"; first paragraph is introduction; date and place not specified]

[Text] Sayed Ghaus Ali Shah, the former chief minister of Sindh and a member of the Pakistan Muslim League's central working committee, is well known in national political circles. He was also the provincial chairman of the Sindh Muslim League. His three year term of office as chief minister was a difficult one due to the particular nature of the situation in Sindh. He is essentially a lawyer and has spent most of his life in that profession. When he came to Islamabad recently, HURMAT arranged a special interview with him in order to elicit his views, in general, about the latest situation in the country and, in particular, about the daily deteriorating and worrisome situation in Sindh. During the discussion, he gave a realistic analysis of the Sindh situation and suggested what he thought would be the solution to the problem. Excerpts from the interview with Ghaus Ali Shah are presented here. His off-the-record statements are deleted from the interview for certain special reasons. These sections will be published with his permission at an appropriate time in the future.

[Malik] Mr. Shah, what is your opinion about the present political conditions in the country, in general, and Sindh's serious situation?

[Shah] In regard to the first part of your question, let me say that experience and observation have made it absolutely clear that the people of Pakistan will not accept any form of government except democracy. That is why the people have always raised their voices in favor of true democracy and have actively struggled for that objective. If one closely studies the country's political affairs following the 1988 elections, one realizes that the central and provincial governments have spent most of their time in trying to obtain their rights. Soon after the elections, first the struggle between the center and Baluchistan and later the Punjab-center tug of war has wasted a great deal of government time; and the central and provincial governments are still engaged in preserving their powers. That might be the reason why balance in affairs has been lost and conditions in general are deteriorating. The situation in Sindh has reached a point which should worry all patriots. The question as to who is really responsible for pushing the country to the brink of disaster is beside the point. I hold the PPP [Pakistan People's Party] in large part responsible for the present conditions because, as a country-wide party, it has a greater share of responsibility than the provincial parties. Unfortunately, the PPP has also wasted most of its time in confrontations as a result of which no clear basis for cooperation has materialized between the center and the provinces and this, in my view, is not a good sign. After the elections, if the center and the provinces had respected their mandates, it would have produced good results for the every day life of the average citizen; and I think that if, even now, our politicians work together in a spirit of understanding and respect each other's mandate, good results will ensue in a short time. As for the worrisome situation in Sindh, there are several reasons for it. Undoubtedly, Sindh is faced with disturbed conditions. Robbery, hold ups,

murder and abduction have become daily occurrences within Sindh. There is an air of uncertainty everywhere; the conditions in Hyderabad and Karachi are even worse.

The federal government was expected to play its part in improving conditions in Sindh, but the government also has failed miserably. As a result, untutored minds are receiving the impression that the democratic system may be at fault because conditions were not so deplorable in Sindh during martial law as they are now under democratic rule. I am not saying this merely to oppose for opposition's sake; I have concrete reasons for my statements. I was the chief minister of Sindh for a time and I am acquainted with the problems of the province and the psychology of its inhabitants. I know that given the present conditions, Sindh's situation cannot be brought to normal in a day; long-term and short-term planning is needed. Under a long-term plan, money should be spent on agencies in charge of preserving law and order. It is the responsibility of the federal government to provide money to the provinces to be spent on maintaining law and order. Moreover, under such conditions, the provinces should also draw up their plans to move ahead.

Leadership of Pakistan is needed in every walk of life. Unless a team, no matter what the endeavor, has good leadership it cannot move ahead. Today, Sindh is facing a similar kind of situation in that since the 1988 elections, it has not enjoyed good leadership. You saw how the federal government, seeing that Sindh Chief Minister Qaim Ali Shah had failed to bring the situation in Sindh under control, changed the province's leadership. During the last three months, the new chief minister also has proved unsuccessful in controlling the situation. In my opinion, one cannot form an opinion of an individual's performance in the period of three months. As I see it, one reason for the deterioration in the Sindh situation is that good leadership cannot be found.

[Malik] In your opinion, what elements are responsible for disturbing the situation in Sindh and why has the government been unsuccessful so far in revealing their identity?

[Shah] Karachi is a densely populated city and to hold anyone responsible for the situation there would be to ignore facts. I think that both internal and foreign hands have brought about the present state of affairs in this way that a linguistic organization plays the leadership role in Sindh's urban areas, whereas a majority of the People's Party succeeded in obtaining the mandate in rural areas. These two organizations worked together for a period of time but then took separate directions and are now regarded as rivals, thus adding to the hatreds and grievances.

Economic problems are also responsible for the disturbed situation in Sindh. Over the past years, people in search of a livelihood have headed towards Karachi, adding daily to that city's population. But economic progress is not keeping pace so that people are not

finding a means of livelihood and the feeling of deprivation is growing among them. The government of Sindh is bestowing favors on its cronies but is ignoring the people completely, and the collective reaction is evident. Conditions are getting worse instead of better and instead of improving the situation, the government imagines that it is absolving itself of responsibility by saying that it inherited the situation. I do not think that this excuse is valid because whenever a politician runs for office, he knows very well what he will inherit should he receive the people's mandate. This excuse can be used for five or six months but no longer. Even if we accept the excuse, as things stand, they [the administration] have been in office for nearly 16 months. What solutions have they sought for the problems so far and, except for installing a new chief minister in Sindh, what practical steps have they taken to improve the situation?

[Malik] As a former chief minister of Sindh and an experienced politician, what solutions would you recommend for the present problems in Sindh?

[Shah] A number of concrete practical measures are needed. For example, since the onset of war in Afghanistan, arms have been sold openly in Sindh so that now every third Sindhi is armed with the latest weapons. It is true that there have been robberies and break-ins in every decade, but these would end by the close of the decade because in confrontations between robbers and the police, the police, armed with modern weapons, would gain the upper hand. But now that weapons are easily available, terrorists have more modern weapons than the administration. Also, as I have often said, Bombay, Delhi, and Karachi have more or less the same number of inhabitants. When I was the chief minister of Sindh, the police force numbered 15,000 only, which I consider tantamount to having no police force when it comes to controlling such a large province. As a first step, the law enforcement agencies of the province should be equipped with the latest weapons and their numbers should be increased at least threefold. The open sale of weapons should also be restricted. These are just a few administrative measures and not permanent solutions to the problems. The problem of law and order in Sindh can also be solved politically; but the sad truth is that as democracy spreads here, terrorism also is becoming common.

Intolerance of others over even small differences is becoming common. If such tendencies are checked, and if politicians regard the Sindh problem as a national one and get together to solve it, foreign elements will not find the opportunity for subversion.

[Malik] Some circles are saying that RAW [Research and Analysis Wing—Indian Intelligence Agency] is largely responsible for the disturbed conditions in Sindh. What is your view?

[Shah] That is quite true. India's expansionist ambitions are no secret and if no attention is paid to the matter, India will not let us live in peace. I think that this is

another problem that needs the attention of the Sindh government. It should keep a vigilant eye on the secret activities of Hindus in Sindh and take appropriate practical measures in that regard.

[Malik] Mr. Shah, you conducted a clean-up operation. A few days ago, Senator Ijaz Jatoi, a prominent political leader, suggested a clean-up operation as a solution for Sindh's problems. What is your view in this regard?

[Shah] Different people have different opinions on the matter. You mentioned the Sarab Goth operation; some people regard it as a failure, but I consider it a most successful operation because it succeeded to a great extent in destroying the drug-mafia-created dragon which was threatening innocent civilians. Still, I do not support a clean up operation because it is a temporary and not a permanent solution. You must have noticed how crime decreases whenever martial law is imposed on the country; but even then, a certain group gets the opportunity to move forward and hatreds and grievances increase among the people. The repercussions are felt in the period of democracy.

[Malik] A few days ago, the Shikri report, which was prepared during your term of office, was being discussed. The report termed the MQM [Muhajir Qaumi Movement] a terrorist organization. Under the present conditions, how would you compare MQM with other parties?

[Shah] Many people level the accusation at me that MQM was the creation of my term of office which is entirely false. MQM members celebrated the tenth anniversary of their party last year, whereas I assumed office in 1985. MQM is in fact the result of the deprivations suffered by those religious parties who, though influential in Karachi, were ineffective in producing a good impression on young people. Anyway in politics, when someone dislikes something about someone else, he may call him a terrorist or by any other name of his choice. I regard MQM as a young leadership of patriotic Pakistanis and that is why it is representing the people in the assembly.

[Malik] You are also accused of having played an important part in bringing forward MQM in order to reduce the influence of Jamaat-e Islami. Is this true?

[Shah] Some circles have conveyed that impression, but it is not true. It did so happen that in my term of office I did not create obstacles for any party; they thus had the opportunity to work openly and that is why these people are so popular among the people today. When influential religious parties suffered defeat in the November 1988 elections, they laid the entire responsibility of their defeat on my shoulders.

[Malik] Are you satisfied with the role political parties are playing in Sindh in the present circumstances?

[Shah] No, I am not satisfied at all. I think that political parties should play a positive role in normalizing the present critical situation in Sindh.

[Malik] Makhdoun Khaliquis Zaman has followed G. M. Sayed in raising the cry of Sindh separatism. Khaliquis Zaman has also said that if Sindh is turned over to the Hala family the situation would improve within a few days.

[Shah] I can sincerely say that no matter what the point of view of Sindhi leaders, none of them wants to see disturbed conditions in that province. As far as Khaliquis Zaman's statement is concerned, I would like to say only that not every situation can be improved by harsh means. You must have seen the report in the newspapers recently that robbers had abducted, from the Hala family in Sindh, the father in law of the province's minister of the interior, and that he has not been found so far. What would one call it except an open challenge by the robbers to the government of Sindh? I think that the problems in Sindh can be solved not by any one individual, but by the cooperative efforts of all the political and linguistic parties.

[Malik] How do you regard the actions of the federal government so far in regard to the freedom of Kashmir?

[Shah] I think that there are further possibilities of presenting this issue correctly on an international level because India accepted the Kashmiri's right to self-determination and is now trying to get out of that commitment. There is no doubt that the Kashmiris are fighting their own war of independence, but it is the duty of the government and the people of Pakistan to give the freedom fighters open moral and financial aid against India's violent aggression.

[Malik] After the defeat in Sindh of the Pakistan Muslim League in the November 1988 elections, what is the future of the League in Sindh?

[Shah] The real cause of the defeat of the Muslim League in Sindh was the dissension within the League itself. When these differences among the members end, the future of the Muslim League will be bright because, next to the People's Party, it is the only large party in Pakistan.

Sindh: Peace Said Possible Through Political Solution Only

90AS0194A Karachi JANG in Urdu 8 Jun 90 p 3

[Editorial]

[Text] President Ghulam Ishaq Khan said that terrorism is present not only in any one group or organization but has infiltrated into all organizations and should be eliminated without any discrimination and without showing any favor or partiality. He said it is the responsibility of the people to see how the people they have chosen as their representatives perform their duties and to judge whether they have lost the confidence of the people or if they still have the people's trust. President Ghulam Ishaq Khan was replying to questions from

reporters after expressing his condolences to the survivors of the assassinated senator, Mohsin Siddiqui, at his residence in Islamabad. He was asked what solution he was thinking about to resolve the situation the people were faced with as a result of restlessness. He said that all responsible circles are doing their best to somehow restore peace and tranquility, without which it is impossible to think about solving any problem or implement any proposal. He said that everyone was acting in accordance with his thinking and ability and that whatever was being done was there for everyone to see. He was asked what he thought was the best solution to the situation, in view of the fact that the head of the land forces had proposed a political solution to the problem whereas another circle of people was proposing an administrative solution. He said that the problem will have to be solved politically, but before that peace and tranquility will have to be restored. He said that all along he had been stressing a political solution. When the president was asked about setting up special courts and imposing martial law to solve the situation in Sindh, he replied that martial law was no solution for any problem. President Ishaq Khan, supporting the proposal to hold an all party conference on solving the Sindh problem, said that he had previously proposed an all party conference and that if all concerned show a sense of honesty and integrity there is no reason why such a conference cannot solve this problem.

Since the situation in Sindh has caused anxiety for the whole nation, it is only natural that everyone is asking the responsible people in the government questions about this problem. No one can disagree with President Ishaq Khan that terroristic activities are not restricted to any one group or organization, but that they have infiltrated into all the organizations and should be weeded out from all the organizations. During the last two weeks of the previous month, after extremely dreadful incidents occurred in Karachi and Hyderabad, the army was called into both cities to restore law and order. Though this action reduced terrorism to a great extent, but later on Wednesday the situation worsened in Karachi. It is expected that the armed forces and other organizations responsible for enforcing law and order will be able to bring the situation under control so that very soon conditions will return to normal and discussions can be held in a peaceful atmosphere. The president has stressed the need for inauguration of an all party conference and finding a political solution to the problem. The Sindh government has made arrangements for holding a conference on the provincial level. Unfortunately, many important organizations could not attend this conference. As such, without denying the partial usefulness of the above conference, we cannot remain without saying that it is necessary to hold an all Pakistan conference and most probably President Ishaq Khan, too, was signaling in this direction. It is essential that the ground work be prepared for any such conference, that arrangements be made for contacts and consultations between various political parties, and that with the participation of the leadership of all political parties

worth mentioning a conference should be held to discuss the peace and tranquility problem in general and the Sindh situation in particular, and try to find a political solution to the problem. The destruction resulting from the linguistic issue requires political measures. As far as the activities of the dacoits is concerned, it is a matter related with law and order. To suppress these activities, the law and the full force of the province will have to be brought into action. To bring about linguistic harmony other kinds of measures will be necessary. If we could have peace and tranquility in Karachi and Hyderabad with the help of the armed forces just for a few days, then the federal and Sindh governments, taking advantage of this respite in the situation, could strive to find a political solution to the problem. Just as President Ishaq has said, if honesty and integrity is exhibited then despite all kinds of difficulties there is no reason why a peaceful solution to the problem cannot be found.

Spokesman on 'Conspiracies' Against Government
90AS0336B Lahore THE PAKISTAN TIMES
in English 17 Jul 90 p 10

[Text] Rawalpindi—Mr. Nazar Hussain Kiani, Deputy Leader of the Opposition in Punjab Assembly, has said the anti-state elements were busy in hatching conspiracies against the government of Prime Minister Benazir Bhutto and the country.

In a Press statement issued here Monday, he termed the bomb blast acts at public places in Hyderabad and in one of the compartments of Karachi Express as part of the conspiracy.

Mr. Kiani pointed out that the enemies of Pakistan firstly tried to destroy peace and law and order in the country at a time when the Prime Minister was making her first official visit to China after assuming the office, and now, he said, they were again busy to harm the integrity and the democratic process in the country.

He expressed his deep grief over the killings of innocent people in bomb blasts in Hyderabad Sunday and also sympathised with the bereaved families.

He urged the people to expose the enemies of Pakistan, who were playing with the lives of the people.

He said Mr. Ejazul Haq was supporting the Shariat Bill just to fool the people because during the dictatorship of his father, late Gen. Ziaul Haq, he never bothered about it. He was also pleading the return of Biharis from Bangladesh which he never talked about.

He reminded those who were pleading for giving constitutional rights to army in Sindh, said they know that the constitutional role of the army was to defend the borders of the country and to help the civil government in maintaining law and order as and when called for.

He said if the Punjab Chief Minister thinks that the army has any other role, then he should use it in Punjab

instead of talking for others. He pointed out that those who were sitting in glass house should not hurl stones on others.—APP

Former NWFP Governor Criticizes Benazir Government

90AS0291A Islamabad HURMAT in Urdu
7 Jul 90 pp 20-24

[Interview with General Fazal Haq (Retd), former North-West Frontier Province governor, by Sarfaraz Malik; date and place not given]

[Text] [Malik] How do you see the nation's present political situation? Do you think that the seriousness of this situation that has worsened during the last 18 months is the result of a democratic government or because of other reasons?

[Haq] The situation in the country is very serious now and it is normal for any patriotic Pakistani to be worried. Very few members of the ruling party realize how many sacrifices were made to establish this nation. The PPP [Pakistan People's Party] is following the same path as it did during its previous rule. Corruption is increasing everyday and nepotism has reached its extreme. Henchmen are feted. I do not think it is proper to accuse the democratic system for the mistakes made by this privileged group. This is not the flaw in the democratic system; the problem is with those who are running this government. They could not play their roles properly. The canoe of democracy appears to be drowning at times because of their mistakes. The people had thought that this country would finally be on the path of progress and the citizens would be living better when a democratic government was established after eight years of martial law. Unfortunately, it did not happen. The PPP made false promises to the people in the November 88 elections. It did not fulfill any of the promises it made. The people have lost faith in the PPP. These leaders have no conscience and they have no feeling about their promises. Let us use the issue of journalism as an example. Begum Zardari [Benazir Bhutto] had announced in her first speech after becoming prime minister that the Press Trust of Pakistan would be closed, but the Press Trust is still there 18 months after this announcement. We cannot think about faithful implementation of democracy in a country where cheap ploys such as suppressing the news media with control on government advertising and harassing newspaper owners with false accusations are used. The PPP leaders complain about the martial law regime in their speeches. I ask them if even one journalist was killed during the martial law regime? You know that the PPP government has been here for 18 months, and only a few days ago four innocent newsmen were murdered in Sindh. I have not been in the political arena for long, however, I believe that we should have a democratic form of government since it is a lot better than a martial law regime. I hope the protectors of our borders are not forced to take up the government of this country again. I am afraid that the path that Benazir and

her associates have taken is not going to lead to democracy. If we look back, we can say that it was Zulfikar Ali Bhutto who had invited Ziaul Haq to establish a martial law regime. The situation was so bad at that time that there would have been a civil war if the military had not taken over. If you review the situation now, you will conclude that this party that claims to support democracy has destroyed the democratic institution. I am asking: Who started the tradition of horse trading? Horse trading has become an old thing; these people are trading whole stables. This is the picture of our country's internal affairs. Now, look at our external policy. We know how hard General Ziaul Haq, the Martyr of Afghanistan, worked to solve the Afghanistan issue. This government put the Afghanistan issue on the back burner when it took over after Zia's death. We have, thus, lost the Afghan war which we had won. The same is true about Kashmir. You remember how Benazir made a whirlwind tour of Azad Kashmir before the elections. She became quiet about this issue as soon as election results were announced. This is because deep down in her heart this lady does not want to upset India. India's prime minister, Rajiv Gandhi, declared that Kashmir was not an issue for litigation right here in Pakistan and all the prime minister of Pakistan could do was smile! Doesn't it show her pro-India attitude? We all know that we fought two wars with India over Kashmir and so many lives were sacrificed. The woman appears to have no feeling for all this. Instead of taking some concrete action, she is just looking at India and loses her mind if she sees a sign of displeasure there. These are the two things that are making the people lose their faith in democracy and politicians. I believe that there is still time for the PPP to change its policies, respect other parties' mandates, and keep the train of democracy on its tracks. That will help this nation to progress and its people to live in prosperity. If the PPP does not do that, then we will be forced to remove it according to our laws and the Constitution. Who knows about the Constitution and laws more than President Ghulam Ishaq Khan? I am afraid that if we do not remove them according to the Constitution, the "street power" might rise. The problem is that political power is transferred from first stringers to second and third stringers when the "street power" takes over. Such people are usually overzealous and push the country toward civil war which results in the loss of life. I think the present leadership should be very careful in establishing democracy. Once the genie of the PPP gets out of the bottle, it will get out of control and it will become very difficult to transfer the country to safer hands.

[Malik] General, some politicians suggest holding mid-term elections to solve the problems you have mentioned above, while others suggest another martial law. What is your opinion?

[Haq] I have been in the political arena only for five or six years, however, I believe that we should continue with the election process if we want to have a democratic form of government. The president and the prime minister should decide whether to hold the elections in five

or six years or to have midterm elections. I agree with the demand for midterm elections made by Mohammad Khan Junejo, chairman of the Pakistan Muslim League party. As for the second part of your question, I do not think that martial law solves any problems. However, I would like to make something clear here. It was the politicians who played an important role in bringing in each martial law regime. For example, the laws that Zulfikar Ali Bhutto presented to the nation in 1977 caused a lot of confusion. He appointed his favorite people to grade 20 and 21 positions and destroyed the bureaucratic structure of this country. People were murdered for political reasons. Thus the people came out and demonstrated in the streets and invited the army to takeover the government. This resulted in our country being at a standstill for eight years. I go as far as to say that they should not have involved the army in Sindh. The army should be called to help only when our law enforcement agencies need help.

[Malik] General, what position will the Muslim League hold if there are midterm elections?

[Haq] I do not agree with my associates who believe that there will be a change in the Muslim League's position in the next elections. I think the Muslim League will be able to win more seats in Punjab, Sindh, and Sarhad. There will be no change in our position in Baluchistan.

[Malik] The Sarhad Muslim League is suffering from strife since Hamayun Saif Allah joined the PPP. What are you doing about this?

[Haq] The Saif Allah family has played a very detestable role in Sarhad. I have been telling my IJI [Islamic Jamhoori Ittehad—Islamic Democratic Alliance] and Muslim League friends not to trust the political loyalty of this family as they have changed their loyalty four or five times. I have been warning senior politicians about this even before Mr. Junejo's decision. They, however, did not pay attention to me. When he met Aftaab Ahmed Khan Sherpao at the house of Brigadier Mehmood Jan, who is Salim Saif Allah's father-in-law, Salim Saif Allah Haji Javed (general secretary) was also present there. The whole family unanimously decided to admit Hamayun Saif Allah into the PPP. They changed their stand when they learned about the negative reaction of the people over this and decided to sacrifice Hamayun. They tried to justify this move by telling us how members of some families belong to both the PPP and the Muslim League. It has been proved that the decision for Hamayun Saif Allah to join the PPP was approved by the whole family. He declares proudly that his family makes decision like the Kennedy clan. I was referring to this family's lack of moral integrity when I had earlier mentioned trading whole stables instead of a single horse. Mr. Junejo, chairman of the Muslim League, is responsible for this whole affair. He was not fair to me either. He should have called a meeting of the working committee according to the Muslim League bylaws if he wanted to change the chairman of Sarhad. If it was not feasible to call the working committee meeting, he could have

called a meeting of the provincial council in Peshawar. About 70 percent of the members of this council were its member even when I was elected chairman. They should have been consulted about my performance to find out what Fazal Haq was doing and what he was not doing. Only then could Mr. Junejo take such an action. I am still requesting my Muslim League associates to please recognize their friends from foes and to unite for the safety and unity of the nation.

[Malik] Some people have given the impression that Mr. Junejo had relieved you of your duties because you used to be Ziaul Haq's right hand.

[Haq] Perhaps there is such an impression, however, I do not want to say anything about it because I respect Mr. Junejo. All I would like to say is that Mr. Junejo has a group of people around him who do not want to see me as the chairman of Sarhad's Muslim League. I am sure that deep down Mr. Junejo is not happy with his decision because he knows well that no other person had done for the Muslims as much I have done in Sarhad. I pray that the Muslim League is united and I am willing to make any sacrifice for it. I joined the Muslim League and will remain in it. I cannot hand over the Muslim League to someone who changes his political loyalty every minute.

[Malik] Please analyze the present situation in Sindh. Who are responsible for it and why doesn't the government unmask them?

[Haq] The deteriorating situation in Sindh is very serious. I think the problem is not administrative; it is political. There is nothing new in this situation. Communal riots started during Mr. Bhutto's era resulting in the deaths of many innocent people. Later, during the martial law regime, al-Zulfikar armed trained terrorists to make problems for the government. At that time they also protected robbers and other criminals. Therefore, I can say that the present situation in Sindh is the result of what the PPP had done in the past. Benazir is harvesting what her father had sowed. The situation in Sindh was not as bad during Ziaul Haq's rule as is now. Ziaul Haq had understood the seriousness of the situation and had appointed Junejo the prime minister because of his origin in Sindh. The situation, however, did not change even then. The present prime minister is also from Sindh and what worries us is the people who are responsible for all the problems. These are Sindh's vadeys [landlords]. I am not blaming all the vadeys in Sindh, but we know that most of them are involved in making the situation in Sindh worse. The biggest problem is that the PPP is not proactive in alleviating the situation in Sindh. I cannot ignore the fact that a large number of the Indian intelligence agency's, RAW [Research and Analysis Wing], agents have entered Sindh and they are very active in deteriorating the situation. However, their number is not too great that it cannot be controlled. As to the second part of your question, I think the internal situation can be improved if we focus on Sindh's borders. The army should not be involved, it should be used only to help the civilian law enforcement agencies. I mention this

because if a uniformed personnel belonging to another agency is seen searching a house, the army will be blamed for it and many other things. This will make the people hate the armed forces which we do not want. I advise the government to be very objective and to arrest and punish the criminals involved in these incidents. The government should ignore whether they are affiliated with the MQM [Muhajir Qaumi Movement], the PPP, Jiye Sindh, or Jamaat-e Islami. These criminals should be apprehended and punished. I am willing to cooperate in this effort. I cannot tolerate accusing the MQM for everything that happens in Sindh. This kind of accusation is nothing but an effort to ignore the facts. The government should get out of this game of accusations and form long-term and short-term plans to establish law and order. What kind of wisdom is there in such operations as Pucca Qila, which resulted in the death of 600 innocent citizens? I would like to mention here that while there are many factors in deteriorating the situation in Sindh, we cannot ignore the fact that a large number of people from other states have come to Sindh for employment and they have made the Sindhis a minority group in Sindh. The Sindhis worry now that the majority of non-Sindhis settling here might result in curbing the rights of the Sindhis. They are taking these actions because of their feeling of deprivation.

[Malik] General, what do you think about the policy of the present government on occupied Kashmir? Some military experts foresee a war between India and Pakistan by the end of July. What do you think will happen if there is a war?

[Haq] Our government's policy on the Kashmir problem is very disappointing. It has failed to get the world opinion in its favor. I do not remember if we have succeeded getting support even from five Islamic countries during the last year. Even the United States, which claims to be our friend, does not support us openly. As for the question of war, I hope there is no war. Neither country can afford it. However, we cannot rule out war and we should be fully prepared for it. I am sure that the people of Pakistan will be ready, like in 1965, if India attacks us. It is a proven fact that wars in developing countries happen when the superpowers want it. The wave of freedom that went through many countries has resulted in an atmosphere that the United States, the Soviet Union, and the United Kingdom do not want any war. Should the situation on the India-Pakistan border deteriorate tomorrow, I am sure that these superpowers will use their influence to reduce the tension. Additionally, our pro-Indian prime minister does not want a war. Here I would like to make one thing perfectly clear. We are not going to make Kashmir the sacrificial goat because a woman wants it to be. We will take the war to India if India ever attacks us. However, we want India to solve this issue peacefully as per the resolutions passed in the United Nations. The amnesty groups should also do their duty in this connection.

[Malik] General, how correct is the accusation that you are involved in heroin trade?

[Haq] It is totally false. All I will say here is that the annual production of opium in Sarhad was about 880 tons when I was appointed governor. You can check these numbers with the Drug Enforcement Administration. The Narcotics Control Board can also verify that opium production on 31 December 1985, when I left this position, was 40 tons per year. This production has gone up to 150 tons per year now. Opium was first produced in tribal areas in 1976, during Mr. Bhutto's time. Dozens of laboratories producing heroin were destroyed during my government. The newspapers of that time will confirm these facts. Some PPP ministers are falsely accusing me of these crimes through the newspapers. The PPP government is making all this noise just to please the U.S. government by telling it that it is running a campaign to stop heroin production in Pakistan. Meanwhile, some influential PPP leaders are involved in this trade. How did heroin production increase four times during the last 18 months? The truth is that PPP candidates had promised the people in Malakand division, during the 1988 election campaign, that they would allow them to grow more poppy if they are elected. Thus, the PPP government is keeping its promise to them. Thousands of maunds [a unit of weight varying in different Asian countries from 24.7 to 82.286 pounds] of heroin are being confiscated daily. Where is all this heroin coming from if they have not increased its production? Not a single person was killed here during my government, while 11 men have been killed during the democratic rule. Why am I accused here? It so happens that Mr. Kalim Dil Khan, now secretary of the Narcotics Control Board, was Mardan's superintendent of police during the PPP rule. He was accused of many crimes and I had him investigated. Since there was substantial proof against him, I had him relinquish his position. He started a campaign against me in a European magazine.

Additionally, the Indian lobby also started propaganda against me in the international press. Mian Muzaffar Shah and several other PPP ministers have accused me of many crimes. By the grace of God, I have been cleared of all these accusations. I was investigated during Mr. Junejo's time and the PPP has also tried, but they could not pin anything on me. They could not succeed because I did not do anything. All this was a part of the enemies' efforts to malign my name. My conscience is clear. Let the enemies do whatever they want. It does not make any difference to me.

Shariat Bill Said 'Another Source of Friction'

90AS0195A Islamabad HURMAT in Urdu 2 Jun 90 p 5

[Editorial by Zahid Malik entitled: "The Ministers Have Laid the Foundation for a Fresh Source of Trouble"]

[Text] On 14 May, the senate unanimously passed the shariat promulgation bill effective 1990. The measure was welcomed throughout the country. The objective of the bill is to assure the supremacy of the sharia in the country, in accordance with the objectives agreement which is a part of the 1973 Constitution and, to that end,

the bill incorporates measures intended to bring the country's judicial system, national economy, media of communication, education, etc. in line with Islamic laws. After the passage of the bill, the deputy chairman of the senate, Afzal Agha, who was presiding over the senate proceedings, stated that the unanimous approval of the bill is in line with the fundamental objectives of the establishment of Pakistan and that the bill would enhance the country's dignity among not only Islamic nations but throughout the world. The president of Pakistan, Ghulam Ishaq Khan, announced his pleasure at the unanimous approval of the bill and expressed the hope that the step taken by the senate would open the way for the establishment of the Islamic system in the country.

While pleasure was being expressed throughout the country at the passing of the shariat bill, two federal ministers, Khaja Tariq Rahim and Aitzaz Ahsan, issued a joint statement on 18 May calling the bill a contravention of the Constitution and the people's mandate and a "one-sided action" by the senate. In their hastily delivered ordinary statement, the ministers also said that the originators of the bill had presented the point of view of a particular school of thought. In our opinion, the severe criticism of the senate by the two ministers has opened the door to discussions and arguments, increased dissension in the public ranks, even opened possible disturbance on a large scale.

The bill was presented to the senate on 13 July 1985, and for the last five years has been discussed thoroughly both inside and outside the assembly, and these discussions have revealed its good and bad points. That was the reason why the bill was passed with eight needed amendments. If there was any aspect of the shariat bill which the government considered objectionable or if these ministers were afraid that the bill would be unacceptable to any class or group in the country, then in our opinion, it would have been better to have expressed these reservations during discussions on the bill in the national assembly and thus have made an effort to find a solution for the issue in an acceptable manner. But in line with the usual tactless behavior of this government, the ministers have severely criticized the bill at an inopportune time and have thus prepared the groundwork for tensions which we think could create a major crisis in the country.

Pakistan is at a strange crossroads where, on the one hand, people are sending letters and telegrams of congratulation to the originators of the bill, Maulana Samiul Haq and Qazi Abdul Latif; receptions are being prepared in their honor and thanksgiving prayers are being offered in mosques; while on the other hand, the government itself has opened the door to criticism and opposition to the bill. At a time when the country is facing various kinds of problems, and has fallen victim to factional misunderstandings and suspicions which have increased to such an extent that religious scholars are being assassinated, one cannot see what service the government has rendered the country by this intense attack on the shariat

bill. We are forced to say that over the last year and a half, the majority of the ministers and government advisors have succeeded in conveying the impression that at the most they are competent to become members of a municipal committee. By placing a heavier than warranted load on their weak shoulders, the prime minister has been unfair to them and to herself as well.

Shariat Bill: Different Views Reported

Different Views Reported

90AS0346A Karachi DAWN in English 1 Aug 90 p 4

[Text] Karachi, July 31—Allama Syed Irfan Haider Abidi, member of the Islami Ideology Council, has said that the present Shariat Bill was not acceptable to Shia community as it was "neither Islamic nor according to the requirements of the Constitution."

Addressing the 8th Majlis of Moharrum at the Rizvia Imam Bargah here on Tuesday, he made special reference to the Shariat Bill and gave the background of the Pakistan Movement. He also quoted from the speeches of Quaid-i-Azam and other leaders proving that the aim of the Muslim League and Quaid-i-Azam was to create a country in the Muslim dominated areas where a welfare secular state could be established for the Muslims.

He said if for a moment it was accepted that the Muslims of undivided India wanted to set up a Sharai government in Pakistan even then they never meant to make Pakistan a State for a particular school of thought.

Allama Abidi said the Pakistan Movement was not a religious but a political movement and because of this fact all the religious parties were opposed to it.

He warned that if Shariat Bill was accepted it would be a violation of the principles of Pakistan Ideology and the Objectives Resolution and the country would be engulfed in a big crisis.

Pakistan Muslim League [PML]: Workers, Salam Banarsi and Salahuddin who are on hunger strike since 32 hours have said they want that all affairs of the PML Karachi division should be settled according to the PML constitution. On Tuesday 3 more workers Ishaq Arain, Moharram Baloch and Ishaq Bandhani went on hunger strike.

Pakistan Mohajir Rabita Council: President Nusrat Mirza addressing a corner meeting in Orangi, has appealed to Punjabi and Pathans to take their leaders to task who are playing in the hands of the PPP [Pakistan People's Party]. He also appealed to Sindhi nationalists to be aware of the conspiracy of Waderas who were bent upon pitting Mohajirs against Sindhis to continue their exploitation.

Pakistan Christian Congress: President Nazir S. Bhatti has criticised the attitude of the Christian MNAs and MPAs towards Shariat Bill and appealed to President

Ghulam Ishaq to call a meeting of the Christian leaders to take steps for the protection of the Christian religion.

Ulema: Shariat 'Need of the Hour'

90AS0346B Karachi DAWN in English
1 Aug 90 pp 1, 4

[Text] Karachi, July 31—Ulema, religio-political organisations and "patriotic Muslims" are determined to get Shariat enforced in country and would not tolerate any change in the present political set-up, including imposition of Martial Law, holding of mid-term polls or dissolution of the National Assembly before the Shariat Bill was passed, Senator Samiul Haq declared at a Shariat Conference here on Tuesday.

He said world powers, including the US, were opposed to the implementation of Shariat in Pakistan and could manage any change in the present government structure to stall the passage of the Bill in the National Assembly.

The Senator told the conference, held under his own chairmanship, that a country-wide campaign would be launched from August 10 for the enforcement of Shariat if the Bill was not passed by the National Assembly by August 9. Demonstrations and meetings would be held all over the country and pressure would be built up inside and outside the Parliament.

He said that the campaign would be held under the auspices of an 'Action Committee for the Enforcement of Shariat' and an action plan would be chalked out at a meeting to be held on August 7 in Lahore.

He urged the members of National Assembly to discharge their religious duty and pass the Shariat Bill. Passing of the Bill does not require any amendment in the Constitution according to Article 175-B of the Constitution, he claimed.

The conference organised by Sawid-i-Azam Ahle Sunnat condemned the statements of Prime Minister Ms Benazir Bhutto, Attorney-General Mr Yahya Bakhtiar and Federal Law Minister Mr Iftikhar Gilani in which they allegedly criticised the Islamic punishments (Hudood) and resolved that all of them should seek apology from Almighty Allah.

Conference asked the President to take notice of the statements saying that all of the three had no right to continue on their posts.

Shariat Conference in other resolutions demanded that Members of Parliament that they support Shariat Bill and get it passed as soon as possible. It also demanded the Ministers and other members of the Government should refrain from issuing such statements and that the "so-called intellectuals" be stopped from criticising the Islamic laws.

Earlier, representatives of various religious and political organisations spoke at the meeting criticising the Government and expressing their support for the Shariat Bill.

Speakers included Prof Ghafoor Ahmed, Maulana Wasi Mazhar Nadvi, Maulana Rafi Usmani, Maulana Asfandiyar, Maulana Asad Thanvi, Haji Taimur Shah Kakar, Maulana Noorul Huda, Maulana Abdul Rehman Salfi, Mr Mushtaq Mirza, S.M. Anwar Ashfaq, Mirza Khalil Ahmed, Maulana Ikramul Haq and Haji Ali Jan, an Afghan resistance leader.

Maulana Nadvi rejected the allegations against Shariat Bill and said it did not withdraw the legislative powers of the parliament, and that 'Mulla Raj' would not be established if the Shariat Bill was enforced.

Maulana Salfi said enforcement of Shariat was the need of the hour.

Maulana Rafi Usmani hoped that the National Assembly would pass the Bill and said that an assembly which do not support the enforcement of Shariat was not justified to remain in function.

Citizens' Forum Opposes Shariat Bill

90AS0346C Karachi DAWN in English 1 Aug 90 p 4

[Text] Karachi, July 31—The 'Citizens' Forum for the Unity of Pakistan' has expressed its opposition to the Shariat Bill, pointing out that if the Bill were passed by the National Assembly in its present shape, it would "negate the supremacy of the Constitution."

The Forum claimed that it would also "negate democracy because all legislative and executive power will be taken away from the National Assembly and Cabinet." Besides, it would undermine the independence of the judiciary because Muftis would be inducted into the High Court and the Supreme Court to interpret the law.

Among other reasons the Forum advanced in a Press release issued here, were that the Bill in its present form would:

- Cause sectarian strife as it will give supremacy to the dominant sect over all others.
- Erode the few legal rights that Pakistani women have. It will cancel out the Family Law Ordinance which gives some protection to women against (1) polygamy, (2) unilateral divorce, (3) child marriage, (4) custody of children. It will reinforce the Hudood Ordinance, the segregation of women and all other forms of discrimination against women at home and in the work place.
- Further weaken the position of minorities. Basic human rights will be denied to them.
- Threaten education and destroy all forms of creative activity vis-a-vis music, art, drama, free Press and freedom of speech.

Political Leaders Demand Government Action on Kashmir*90AS0097A Karachi JASARAT in Urdu
14 May 90 pp 2, 8*

[Leaders interviewed on Kashmir; interview panel:
Rashid Aziz, Rauf Tahir, Muzaffar Ejaz]

[Text]

Qazi Hussain Ahmed (chairman of Jamaat-i Islami)

[JASARAT] What is Jamaat-i Islami's [JI] stand and policy on the Kashmir problem?

[Ahmed] According to the criteria agreed upon at the time of India's partition, all Muslim majority states were to join Pakistan and Kashmir should have been a part of West Pakistan. We also consider Kashmir very important for Pakistan's economy. India can stop water supply to Pakistan any time it wishes. The Indian occupation of Kashmir is totally illegal and the people of Kashmir had risen against this occupation in 1948. Pakistan had supported this demand and India had taken this issue to the United Nations Organization. The resolutions passed in the United Nations have given the people of Kashmir the right to decide whether to join India or Pakistan under the supervision of the United Nations. India had accepted these resolutions. India's former prime minister, Pandit Nehru, repeated his promise to give the right of vote to the Kashmiris even on his death bed.

We believe that the solution to the Kashmir problem is an opinion poll of its people under the supervision of the United Nations. The present campaign has shown us what the result of such a poll would be. We notice Pakistan's flags everywhere in occupied Kashmir. India made the mistake of thinking that Kashmiris would forget their being a part of Pakistan as time passes. The present movement for independence has proved that Kashmir is not really a part of India. Indian atrocities against the people of Kashmir have also proved that Kashmir is not a part of India. No country treats its own people the way India has treated the Kashmiri people. Curfew hours are being observed since January, homes are searched, women are molested, and their jewelry taken away. India consider the Kashmiris its slaves and still calls Kashmir as an integral part of India!

The Kashmiris have risen just like the Afghans, who with a strong determination and patience beat the world's strongest war machine.

[JASARAT] What is your opinion about our government's policy and attitude about the Kashmir situation?

[Ahmed] Our government is ambiguous on this very important national issue. The news of the Kashmiri movement when it started in November 1989 was suppressed here. The government news agencies kept the nation in the dark about it. When the people showed their resentment through a nationwide strike, only then

did our government concede that the struggle for independence had started in Kashmir. After that the government began a verbal support for the Kashmiri people's movement. However, the government did not provide any help to the Kashmiris.

[JASARAT] Several persons have said that the Pakistani embassy is not aware of the Kashmir problem. Therefore, it cannot inform the world about Pakistan's stand on it. Do you think that is true?

[Ahmed] I do not think so. Our diplomats are not that stupid. They are just denying it. Our diplomats know everything, but they do not want to do anything about it except issue oral statements.

[JASARAT] What is JI doing to help Kashmir's struggle for independence?

[Ahmed] This problem concerns the whole nation and we wish that the whole country was involved in it. No problems can be solved unless the whole nation works together. The world is against the Muslims and will remain against us. The Western world ignores a problem once it is associated with the Muslims. They do not even like the word "Islam". The JI is trying to unite the whole country over this issue and we are trying to get the nation's attention.

[JASARAT] What is the attitude of the superpowers over the Kashmir issue?

[Ahmed] They are self-styled superpowers. The Afghans have beaten the Soviets badly. What happened to their superpower? Now, the United States is trying to take credit for the brave deeds of the Afghans. The United States was so quiet after its defeat in Vietnam.

[JASARAT] The JI and other parties have been banned in occupied Kashmir. What effect will this ban have?

[Ahmed] Not only the JI, but all Kashmiri parties have been banned. India will not find any party to play its politics in Kashmir. Every party will take the Kashmiri people's side. The mujahidin have risen with faith and determination. These weapons always result in victory.

Nawabzada Nasrullah Khan (President, Pakistan Jamhoori Party)

I want to make one thing perfectly clear. If India succeeds in crushing the Kashmiri campaign for independence, then we cannot say anything about Pakistan's future. Our existence and safety would be at the mercy of India. It is very important for Pakistan's own security to keep the present struggle for freedom alive and help to make sure that it is successful.

However, the Pakistani government's attitude about this issue that could mean life or death for our country is embarrassing. We have to call this attitude criminal negligence of our nation's interests.

I cannot even talk about the ardor that our government had shown to Rajiv Gandhi during these two visits last year. I will just discuss the attitude of our government during the last four or five months. A resolution was passed in the joint session of the Parliament calling to form a joint national council composed of the government and the opposition Parliament members. No action has been taken on this resolution since it was passed two or three months ago. This national council on Kashmir will not request any special authority as Mrs. Benazir [Bhutto] is afraid to delegate authority. This council is just a psychological ploy which would have helped unite the people of Pakistan and also influenced popular opinion. However, the government has done nothing to establish this council. Deputations composed of government and opposition leaders should be sent to other countries. The government has ignored our repeated requests. Indira Gandhi had gone on a whirlwind tour of the west during the 1971 crisis. She had spewed poison against Pakistan, rallied a baseless movement, and moved the world opinion about East Pakistan against us. The atrocities committed in Kashmir are a lot worse than Pakistan's army was accused of committing in East Pakistan. Our prime minister should have gone abroad or at least should have approached our traditional allies, the Islamic countries. However, the government has done nothing. Now we hear that the prime minister is planning to go abroad after so much harm has already been done. It is a good step if it is really true.

The truth is that the government is not sincerely interested in pursuing this issue. It is issuing these statements because of the pressure from the opposition and to keep the people quiet. The 100-million-rupee aid fund for the Kashmiri refugees announced recently is reportedly being used for election expenses in Azad Kashmir.

It is said that we should not be involved in a war over Kashmir. We never said that we should start a war. However, excuse me, how can we avoid wars when we have to protect our nation from outside attacks? We are not opposed to holding talks. However, the Bhutto-Sawaran Singh talks went into six rounds during the Ayub era. What did we gain from those? What were the benefits of the Tashkent and Simla Pacts? First, we must start a strong "diplomatic offensive" against India. Second, we must be ready to take any action that is necessary to support Kashmir's independence movement. Third, we should not be negligent in defending our country. Fourth and the most important thing is to rally for national unity, accepting the role of the opposition being important for the nation's existence, and establishing working relationship with the state oppositions.

Ghulam Mustafa Jatoi (Chairman, National People's Party)

The slogans for freedom are echoing in Kashmir. A desire for freedom in the hearts and the national flag of Pakistan in the hands of Kashmiri youth are prominently seen. Kashmir's daughters and sisters are using

their head dresses as freedom flags. The Indian government has attacked the freedom lovers, and the blood dripping from their bodies is questioning the world's conscience as to how long it will quietly witness these atrocities. I believe that we should not be disappointed; the Sun of freedom will rise and the beautiful morning will break out! Indian occupation of Kashmir is immoral and illegal. It is forcibly occupying Kashmir. Mr. Nehru had assured us on 16 November 1947 that the people of Kashmir were to decide the fate of their state. He repeated this statement on 4 March 1948. Nehru told the same thing to the world a third time on 4 March 1951. India, however, has not fulfilled its promise to this date.

The Kashmir problem is a matter of life and death for us. When Quaid-e Azam had said that Kashmir was Pakistan's most important part, he was not being emotional. Kashmir is very important to Pakistan from geographic, economic, and every other reason. Our rivers originate in Kashmir. These rivers are very important for our agriculture and our agriculture is the backbone of our economy.

Our government's reasons for delay are its own. The people of Pakistan still support the stand they had in 1947. Our case is very appropriate and very strong. India should fulfill its promises, and the civilized world should force India to act on the promises it had made to the world.

Unfortunately, the government of Pakistan has already wasted a lot of time. Any additional waste of time would be equivalent to sacrificing Pakistan's national interests. The people will never forgive such an action. The government of Pakistan should not delay taking action on both external and internal policies. It should contact the United Nations, knock at the doors of non-aligned nations, force the Islamic Conference into action, and bring this issue to the attention of SAARC [South Asian Association for Regional Cooperation] countries. At the same time, it should take actions to end political friction within the country. This should prepare the nation to fight the enemy like a steel wall.

Maulana Fazlur Rahman (Secretary General, Jamiyat-i Ulema-i Islam)

One thing is very clear and irrefutable. Nations are not formed by negotiations. All new lines on the map of the world are drawn in blood. Of course, there are negotiations at the end, but it is the blood that controls these negotiations.

The Kashmiri campaign is tied to the Pakistan campaign. Had not the leadership of the Pakistan campaign raised the slogan of Allah, the Muslims of the subcontinents would not be behind this campaign. We should not be apologizing about the Kashmir campaign; we should help it openly. The people of Pakistan and Azad Kashmir are ready to make all kinds of sacrifices for their brothers in occupied Kashmir. The responsibilities of governments, however, are greater and different. The governments of Azad Kashmir and Pakistan should

be aware of their duties at this very sensitive period in the Kashmir campaign. They should not hesitate in discharging their duties. The government's duties are not limited to making speeches, taking out processions, and posting banners and posters.

I would like to bring to your attention another very important issue. If we intend to make Kashmir a part of Pakistan, we must foster an atmosphere that is attractive to Kashmiris. The most attractive things about Pakistan for Kashmiris is Pakistan's Islamic society. Kashmiris are not satisfied even with democracy in India. How can they accept the repeated annihilation of democracy in Pakistan?

I am amazed that Pakistani Television, which spends so much air time in character assassination of the opposition, does not show the atrocities being committed in Sri Nagar and Anantnag (renamed Islamabad by Kashmiris).

Air Marshal (Retired) Asghar Khan (President of Tehriq-i Istiqlal)

It is important to make Pakistan strong and safe to help make Kashmir independent. It is not possible to free Kashmir without first doing it. If Kashmir did become free, its freedom will not last long. The actions of the Pakistani government about Kashmir makes us believe that it is a very weak government. This government is so inept that it cannot even mobilize its own people! I worry when I see that Pakistani citizens are not being prepared to defend their nation. There are over one million kalashnikovs in Pakistan. Can't these be used to protect the country instead of using them to kill each other? I believe that we should also make arrangements to financially help the persecuted and needy Kashmiris. This should not be done by some political party. Instead, an international trust like the Aidhi Trust should be established.

Abida Hussain (National Assembly Member)

The action in Kashmir is the result of the revolutionary feelings being felt here as well as in Iran and Afghanistan. While the superpowers are becoming friendly with each other in order to suppress the rising tide of Islam, the people in Islamic countries are experiencing new feelings.

However, look at the sorry situation here! When the wave of Islamism was rising in Kashmir, agents of the Hindu-Jewish lobby like Stephen Solarz were visiting Pakistan and our prime minister was giving them rousing welcomes in Islamabad. These Hindu-Jewish lobby agents were sitting by our side until a few months ago. If the government of Pakistan could not present this issue in any other international forum, it could have presented the issue at least in the UN Human Rights Committee. Regarding our internal policy, we need a totally peaceful atmosphere in the country. However, here I would emphasize that we must do something

immediately to alleviate the situation in Sindh. We cannot help Kashmiris appropriately without it.

S.M. Zaffar (former law minister)

The campaign in Kashmir is not for secession, but for freedom. This problem will be solved by accepting international pacts sincerely and not by ignoring them. The youth in Kashmir have taken to arms and the climate around the world is conducive to freedom. Brutal governments are ending, dictatorships are taking their last breaths, and the waves of freedom are spreading. The Indian colonizers will not be able to stop Kashmir's Muslim youth. Some people advise that we should not invite a war. My question is, how could we avoid a war when it is forced on us? Fear, fear of the unknown and chronic fear do not make a policy. You can have negotiations and sit at a table, but not with fear in your heart. We have to suppress this fear and develop self-confidence in order to get rid of the "fear of failure". (God forbid) if we fail in the United Nations and the non-aligned nations group and everywhere else, will that change the facts? Failure is not a crime. How did we conclude that we will fail in the Islamic Nations conference without even taking the case there? I believe that there should be a standing committee on Kashmir in the Parliament. However, intelligence and patriotism are prevalent outside of the Parliament also. Therefore, the national committee on Kashmir should also include intelligent and knowledgeable people from outside the Parliament. "Glasnost" is the voice of the time. Why shouldn't we include occupied Kashmir in "glasnost"? Why don't we distribute audio and video cassettes showing the atrocities being committed against the people of Kashmir to the whole world?

We should not be negligent about our national defense and must finalize the project in Kahuta as soon as possible.

Maulana Abdul Sattar Niazi (President, Jumiat-i Ulema-i Pakistan)

Some journalists have commented that we should hold bilateral talks just like the Simla Pact to solve the problems between Indian and Pakistan peacefully. My question is, according to which clause of the Simla Pact is India attacking Siachen Glacier? What kind of peaceful solution is shooting bullets at Kashmir's freedom lovers? Kashmir is not the kind of problem that can be resolved by peaceful negotiations. We have to use force to free Kashmir and get even with India for its role in East Pakistan. Our first task is to help the young men fighting for freedom in occupied Kashmir. The nation does not need a timid woman's leadership at this very sensitive and decisive moment. We need a revolutionary leader. Pakistan is part of this problem according to the resolutions passed in the United Nations. Why are we then making excuses that we are not to be involved in the Kashmir issue?

**Editorial: Provisional Government for Kashmir
Termed 'Quixotic'**

90AS0203B Karachi DAWN in English 22 Jun 90 p 7

[Text] It is difficult to see how the proclamation of a "provisional government" can advance the cause of the liberation of the people of Jammu and Kashmir. In announcing the formation of the provisional government, Mr Amanullah Khan, chairman of the Jammu and Kashmir Liberation Front, said his aim was to "raise the morale of the Kashmiris living abroad" and to "take all possible steps to accelerate the freedom struggle on all fronts." Leaving aside the desirability of the aim, it is not clear on what authority Mr Khan has considered himself qualified to take a major initiative like setting up a provisional government on behalf of the people of Kashmir. He has no mandate for taking such an initiative, nor is there any political or moral justification for a "provisional government" of Kashmir. One is aware, of course, of the dilemma of the people of Kashmir who, since 1947, have been living under two different political dispensations, one in the part of the State which is under Indian occupation and the other in areas liberated during the 1947-48 struggle which now constitute what is known as Azad Kashmir. The Kashmiris living in the Indian-occupied part of the disputed territory have been languishing under alien rule. No government in Srinagar—whether a fraudulently "elected" one or the one represented by a Delhi-nominated Jagmohan or Saxena—has ever represented or will every represent the Kashmiri people. If at all there is a government which represents the people of the divided State, it is the government of the Azad Jammu and Kashmir based in Muzaffarabad. It is a government whose legal and moral credentials are widely accepted. It is a government elected by the people living in the liberated territory and by refugees who have fled Indian persecution. It alone can speak with moral authority on behalf of the Kashmiris, in sharp contrast to the illegal and morally bankrupt governments foisted on the Kashmiri people by the occupying power. In such a scenario of the rights and wrongs of the issue, a third "government," can at best be an oddity, a confounding legal and political anachronism, which is neither needed to justified, whatever the motive behind its formation. In fact, a third government can only serve to cause confusion about the locus of authority in the liberated areas.

The basic outlines of the Kashmir issues are simple. India went to the United Nations, accusing Pakistan of aggression, and the world body did the obvious thing by favouring neither Pakistan nor India but declaring unequivocally several times that it is the people of Kashmir who alone are competent to decide their future. Both Pakistan and India readily agreed. However, in spite of New Delhi's categorical assurances to Pakistan, to the Kashmiris and to the United Nations, New Delhi has reneged on its solemn commitments. It now proclaims brazenly that the UN resolutions have become outdated and that the occupied areas of the State are India's "integral part." In contrast, Pakistan continues to

stand by its pledge to the world body that it is the people of Kashmir, not Pakistan or India, who should decide whether they wished to join India or Pakistan. The Azad Government of Jammu and Kashmir, recognised by Pakistan as the sole spokesman of the people of Kashmir, too, stands by this principle. The whole world has recognised the merit of the Kashmiris' case and their relentless struggle for their right of self-determination. What is going on in the valley now is a spontaneous fight for freedom, the Indian government itself admitting that the revolt is indigenous.

Mr Amanullah Khan's "provisional government" has no locus standi, and no role to play. Islamabad has already made it clear that it adheres to UN resolutions on Kashmir and that Mr Amanullah Khan's proclamation of the government "cannot be treated as valid." The timing of the JKLF chief's announcement, too, is inappropriate. After persistently refusing to negotiate with Pakistan, New Delhi has finally agreed to discuss ways of defusing tension over Kashmir at the secretaries' level. Even though Pakistan has already made its position clear with regard to Mr Amanullah Khan's move, any new development of a controversial nature could queer the pitch for Indo-Pakistan talks or provide India with a handy pretext to call off the talks. There must be a clear realisation in all quarters of the sensitivities that are involved in the present critical phase in Indo-Pakistan relations and of the need to find a political solution of the Kashmir dispute. The issue at hand is not a new government but the Kashmiris' right of self-determination to be exercised through a UN-supervised plebiscite.

'Cost' of War Over Kashmir Analyzed, Good Sense Urged

90AS0287B Karachi DAWN in English 16 Jul 90 p 7

[Article by M. B. Naqvi]

[Text] Fifty-four prominent Indians and Pakistanis last month issued an earnest appeal to India and Pakistan governments to (a) order redeployment of their respective armies away from the threatening, forward positions; (b) take some confidence-building measures; and (c) start negotiating with each other at a high political level. So far, there appears to be no specific response to this appeal, though an official level dialogue—possibly in response to foreign pressures—is going ahead. As for confidence-building, it is safe to assume that both sides are taking some cautious steps, but without much publicity.

What official-level talks can, in the current charged atmosphere, achieve is hard to see; not that experienced Foreign Secretaries would necessarily exacerbate the situation. What is needed is a meaningful encounter between political leaders with authority to go beyond official briefs, if they see the chance of promoting higher common goals, based on intangible factors. Now, Foreign Secretaries cannot do this sort of thing; they can, at

most, merely note the other side's 'real' difficulties while reiterating their well-known positions.

Still, it needs conceding that summits require much labor from, if necessary informal, sherpas—usually drawn from think tanks. But all this applies only when there is some realization on both sides that (a) war will not promote vital national goals; and (b) there is need to go beyond the 40-year-old sterile and rigid stances. Is there any evidence of such rethinking on either side?

It is hard to say 'yes' for an answer. And yet, it is obvious that war offers no solution to either's problems. Pakistan has fought three wars and Kashmir remained firmly under Indian control. The 1972 Simla Agreement, that has kept peace in the subcontinent for 18 years, despite the disputes, was a well-thought out national response to emerging geo-political realities; there is no national demand for tearing it up. The question, however, arises because some can see a radical new element in those geo-political facts: it is the Kashmiris themselves who are, for the first time in 40 years, determined to work loose from Indian military shackles and are demanding Azadi rather than union with Pakistan—a change that cannot be ignored.

Foreign governments are taking this war threat seriously, especially the American. It has been sending a stream of officials and legislators, all advising New Delhi and Islamabad somehow to reverse the trend, defuse tension and start negotiations. Whether out of panic or design, American pronouncements include the suggestion that it might turn out to be a war in which nuclear armaments might be used. This is not the place to discuss Americans' panic or special designs. But the manner in which the U.S. CIA has fed the media would seem to require a response from those Indians and Pakistanis who not only prefer peace and a negotiated settlement of disputes but are firmly against nuclear options for their respective countries. For, an undertone can be picked up: while more civilized people are giving them up, Indians and Pakistanis are the sort of people who would consider using nuclear weapons as a serious option.

Pakistan has no real basis for reverting to the earlier (pre-1972) position of reserving the right to go to war with India for recovering Kashmir; the post-Simla stance was confirmed by President Zia-ul-Haq's clear explanation that his 1980 No-War Pact proposal covered Kashmir. That remains the basic stand. In fact, after assimilating the 1990 far-reaching changes inside Kashmir, the case for not countenancing war with India is immeasurably increased. As for the positive visions of what Pakistan wants to be or to achieve, none of them can be promoted even marginally by a war in the subcontinent—irrespective of its results.

As for India, there are continuous official accusations that Pakistan is deeply involved in Kashmir—and in Punjab—in terms of giving arms and training to secessionists. The Pakistani design, as Indians perceive it, is to foment an insurgency in India's troubled spots at quite

a low cost to itself and when India has been sufficiently weakened or the situation begins to get out of its control, to intervene militarily. Despite, admissions about the indigenous nature of Kashmiris' alienation, official Indians choose to lay extraordinary emphasis on a supposed Pakistani role in Kashmir.

The current Indo-Pakistan war threat issues from this Indian perception. It includes India's readiness to frustrate this design by some combination of pre-emptive strikes, all of which will result in war. Some such rationale underlies the frequently bellicose pronouncements of top Indian leaders. Many Pakistanis think that since India has no option but to try to suppress the Kashmiris' movement for Azadi and, in the nature of things, cannot succeed in the attempt, it may be only too natural for it to internationalize the trouble, that is basically an Indo-Kashmiri confrontation in which Pakistanis are really irrelevant, though not uninterested.

But one can take issue with the Indians here. It may be a time-honored practice of statecraft to go to war to prevent secession of any part of one's territory, even if it may be a controversial part, against both secessionists and their perceived supporters. But that does not absolve a nation of the duty to think over the issue from all angles before taking the ultimate action. Irrespective of what happens in an India-Pakistan war and after paying its tremendous cost, Indian Hawks, will still have to face the painful and irreducible problem: Kashmiris' alienation that motivated their campaign for Azadi would still be there. All the cost and destruction of an armed conflict would leave Kashmir utterly cold and unaffected.

It would also be useful to remind one's Indian interlocutors to take a close, hard look at the "cost" of a war. The reference is not to money that will go up in smoke or the loss of life and material devastation as a result of the intensive use of the high-tech military hardware by the two armies. One is referring to intangibles: retaining Kashmir may be important, but that is not all there is to Indian aspirations and goals in life. There is much talk in India of its destiny, its role and stature. It is usually mushy. But not all of it. How do thinking Indians suppose that a war now—that will leave its original cause unaffected—would promote any of those supposedly higher aims, no matter how well or ill formulated? And then there are the lost opportunities.

There is no doubt about two things: India is a large and historical country, with an ancient civilization. If some of its citizens, in and out of government, think of playing a specific international role, it is only natural. It is obvious that the world is not in an ideal condition; international life is still organized, at bottom, on the uncivilized notion of might being right. There is considerable talk of international law and order; the UN was invented for the purpose. But how strong is the UN? And what really is the international order? Ask Palestinians or black South Africans; Lebanon, Grenada, Panama and Afghanistan can still be invaded as and when it suits

a stronger power. It is in such a world that some Indians think of a morally uplifting role for their country. How do the Indians propose to promote it by their particular stance on Kashmir and Pakistan is not quite clear.

Indian practice has shown that its governments, more or less have been quite at home in the present international milieu. They have been ready to fight a war whenever they thought their national interests so demanded. Pandit Jawaharlal Nehru, the architect of much of India's modernity, was acutely aware of the moral bankruptcy of the supposedly modern statecraft based as it was on use, or threat of use, of force. He articulated the need for a more moral world order; his dislike of nuclear weapons and war was transparent; he was instrumental in starting the non-aligned movement to counter the global cold war and arms race.

But he did not hesitate to play the conventional power game wherever circumstances so indicated: Indian states' accession to India, use of force in Goa, Hyderabad, Junagadh and, of course, Kashmir. His handling of India's relations with two of its northern neighbors, the USSR and China, illustrates all the qualities of power politics—its strengths as well as weaknesses. Anyhow, he gave India its modern industry, army and the self-image of a big power with a clear awareness of 20th century's unsettling changes.

Nehru sensed the process of change after the two Great Wars. But who could expect him to foresee all the characteristics of this latest phase of international relations at the century's end? His successors have, however, made a nasty discovery. One of Nehru's gifts to India, viz a national consciousness of India's pre-eminence—on the time-tested basis of superior firepower of its armed forces—however, has proved in action strangely unsatisfying, if not unreal.

Neighbors are not overly impressed with India's might. Apart from unthinking challenges like Pakistan and Bangladesh, Sri Lankans like nothing better than to defy Indian wishes. Even the Nepalese refuse to play a younger brother's role. Following the defeats of imperialism in Algeria and Vietnam, an ineffable and undefinable new spirit is now abroad: mere possession of vastly superior military power is not sufficient to overawe even governments of weak nations if they sense that their people are behind them in the matter. Indians have still to discover ways of making themselves more acceptable to others before playing a more prominent role.

Also, perhaps, there is some inherent and intangible incompleteness in the current Indian armory. As it happens, the oldest cold war and armament race happen to be between Pakistan and India: that might be the source of the vaguely-realized insufficiency in Indian prowess. Perhaps these two—each perceived, in its own place, as somehow less than what its true size and strength entitle it to be—cancel each other out. The point is perhaps simpler. As India's Sri Lanka and Nepal experiences show, mere superior military strength does

not entitle a nation to either love or fear of another, weaker one. The world has become somewhat different—for that kind of simplistic calculations—which was not the case in, say, the inter-war period (1919-1939).

However, at the end of the next war, if ever one takes place, New Delhi rulers will still have (a) Kashmir issue to solve; (b) to find a stable basis of relationship with 110 million Pakistanis and 120 million Bangladeshis; (c) loyalties of many unsatisfied minorities within India would have to be secured; (d) to cope with a bewilderingly changing world scene while its own region would be at sixes and sevens, with few neighbors trusting the Indians enough. It is possible to assert that irrespective of the results of a possible war, all of these issues would be a lot harder to solve; in the event, war would seem to have been a foolish reaction to a tricky situation. (A similar, totally unsatisfying scenario can be written for Pakistanis, but one would rather not do it because this time round Pakistanis are not really trigger-happy, though ready to relish the Indian plight and, indeed, ready to cock a snook at them).

It is sadly not possible to assert that should Indians and Pakistanis find, between them, enough good sense to focus on the newer elements of Kashmir and manage to see a vista in the future beyond Kashmir, everything will fall in place and all problems may be easier to solve.

However, Mr V. P. Singh and Ms Benazir Bhutto, despite their serious domestic difficulties, can earn the gratitude of a billion plus souls if they courageously manage to step out of old worn-out grooves of traditional stances of Kashmir. If they can focus on the dizzyingly changing world, it should not be difficult for them to visualize a joint and much more effective role for a harmonious and internally cooperative subcontinent, based ultimately on a new Indo-Pakistan cooperative venture. That might yield them much more satisfaction, peace and prosperity than they are willing to concede.

Report Alleges Indian Intelligence Active in Islamabad

*90AS0200A Islamabad HURMAT in Urdu
23 Jun 90 pp 7-9*

[Special report by Khalid Sayal entitled, "Islamabad's Security in Danger—RAW's Reach Extends to the President's Mansion and the Prime Minister's House; Al-Zulfiqar is Supplied with Weapons by RAW"]

[Text] It would not be inappropriate to call Islamabad "the Europe of Pakistan" because everyone here is busy with his own affairs and no one has the time to enquire into anyone else's true nature or to dig into his background. Then also, the majority of Islamabad's inhabitants belong to that group whose life motto is, in the words of Baber's verse, "try to spend your life in pleasure because you will not live again".

This group is comprised of bureaucrats, high business circles, foreigners and their dependents, who have no

ideological identification or any particular aim in life. On the other hand, Islamabad offers cultural activities and the usual kind of night clubs and colorful nights. Under such conditions and an environment free from traditional restrictions, the work of foreign espionage agents becomes relatively easy.

Hardly a day passes without dance and music festivities being held in any one of the foreign embassies in Islamabad, under the pretext of a national or cultural occasion. At such parties, wine is freely passed around and the guests are ceremoniously offered the drinks of their choice. Ministers, politicians, high officials, journalists, and prominent individuals in all walks of life are invited to such parties. Undoubtedly, the Indian embassy is taking the most advantage of this weak aspect of Islamabad, namely, the existence of these centers of obscenity and prostitution operating under the guise of cultural activities. Every other day, like-minded friends gather in the residence of the Indian ambassador under one pretext or another. Here, life's pleasures are well provided; wine and women parties are held; beautiful girls wait to satisfy the physical and mental desires of the guests. As night advances, the parties become more hectic; dancers form and break patterns; the effects of wine begin to appear, and the guests at these mixed sex parties divest themselves of their clothes. At such times, national secrets no longer remain secret and those caught in the wiles of the daughters of money lenders [Indian agents] blurt out those secrets which these parties are held to obtain in the first place. One can say without fear of contradiction that 80 percent of the employees of Indian embassies all over the world are connected with the subversive RAW [Research and Analysis Wing] organization, which was formed in 1968 under Prime Minister Indira Gandhi's special instructions. RAW is an independent organization which works under the prime minister. Its detailed structure was drawn up by R. N. Kao, who was at the time the deputy director of the Indian intelligence bureau and who was appointed RAW's first director. The "outstanding achievements" of RAW in the last few years in furthering India's expansionist plans make this subversive organization's performance comparable to that of the American CIA [Central Intelligence Agency]. The story of RAW's patronage of Tamil guerrillas in Sri Lanka and its subversive activities in Nepal and the Maldives is a long one. Its center of attention, however, from its inception to the present time, has been Pakistan. Soon after RAW's formation, its guiding minds started to work towards the separation of East Pakistan, and the principal agent in the 1971 fall of Dhaka was this same secret agency. In refugee camps set up in India, RAW officials trained impressionable youths in subversion tactics under the name of "Mukti Bahini" and then used these subversives as cover to send Indian paramilitary forces into East Pakistan. These subversives immediately started a series of explosions and terrorist activities in East Pakistan and drenched the area in blood. Then, in a show of so-called "sympathy" with the Bengalis, India sent its regular

troops into East Pakistan. The provocation of a separatist movement in East Pakistan and the subsequent fratricide there was entirely the work of RAW. When, after the establishment of Bangladesh, Sheikh Mujibur Rahman was assassinated in a military coup, RAW, acting on Indira Gandhi's orders, prepared a plot to assassinate the new president of Bangladesh, General Ziaur Rahman. But, unfortunately, Indira Gandhi was defeated in the elections before this plan could be carried out. RAW's director sought the approval of the new Indian premier, Murarjee Desai, for the execution of this plot; but Desai refused to sanction the assassination of the leader of a neighboring country, and dismissed three high officials of RAW for preparing such a heinous plot. When Indira Gandhi came into office again in 1980, RAW's plan was put into effect and Gen Ziaur Rahman, the president of Bangladesh, was murdered in retaliation for the assassination of Sheikh Mujibur Rahman.

After dividing into two the world's largest Islamic country, RAW is now trying to cut up into pieces what is left of Pakistan. Hence, for the last six or seven years, it has concentrated its activities in Sindh where there is already a large population of Hindus who, because of the influence they enjoy, have penetrated every field of activity. According to the information we have received, the majority of Sindhi Hindus are RAW agents. Moreover, RAW agents have infiltrated the ranks of the local Sindhi extremists and are busy plundering and killing the people. According to our information, RAW is behind the linguistic organizations in Sindh which it regularly supplies with weapons and money. Some circles even go so far as to claim that RAW is responsible for the training and weapons received by Al-Zulfikar, whereas RAW's secret backing of Jiye Sindh is well known. RAW, Jiye Sindh, and Al-Zulfikar are cooperating in destroying law and order in Sindh. RAW and Jiye Sindh's combined efforts are aimed at creating such disturbed conditions in Sindh as to force non-Sindhis to flee for their lives. In the next stage, Indian agents would direct their terrorism towards Sindhi extremists and local Hindus and thus inflame them. Then, as a protest against local Hindus and extremists, the agents would cross the border into India where camps would be set up for the refugees. India would try to rouse public opinion against Pakistan by means of propaganda, and the same drama would be staged for the creation of Sindhu Desh as has already been played in East Pakistan. Whether India will succeed in its designs in Sindh as it did 20 years ago in East Pakistan is another matter.

For the last two or three years, RAW agents have set up camp in Islamabad and are using night clubs and cultural activities to achieve their aims. According to extremely knowledgeable sources, RAW has signaled its agents to gather in Islamabad and use that city as the center of their activities and in this regard, RAW has the cooperation of the Russian KGB and the Afghan secret agency, KHAD. Following the martyrdom of Mir Waez Maulavi Mohammad Farouq, RAW instructed its agents to increase their terrorist activities in Sindh, in order to

divert public attention from the atrocities committed by Indian forces in Kashmir. The RAW branch office near Rajasthan sent subversives with the necessary information into Islamabad as well as Sindh in order to destroy law and order in Islamabad, which has remained relatively peaceful so far. RAW's plan was that since all important personalities would gather in Islamabad during budget sessions, they would be easy targets. Part of the plan was to set off explosions in important locations including the MNA [Member of National Assembly] hostel. The plot was uncovered before it could be carried out and the police in Islamabad arrested five foreign terrorists who, according to police sources, were sent to spread destruction in Islamabad as they had in Karachi and Hyderabad. The Islamabad police also captured two very dangerous subversives who were on the Sindh police's wanted list for a long time. In order to cope with any unexpected situation, the Islamabad police have greatly tightened security precautions at important locations.

In order to get an idea of the activity and influence of RAW in Pakistan, it is sufficient to cite the transfer of Lieutenant General Hamid Gul from ISI [Inter-Services Intelligence]. The Indian agency RAW is entirely responsible for Gen Hamid Gul's transfer from ISI. A few days before the transfer, a RAW high official toured Pakistan and informed the Benazir government of India's point of view. In just a few days time, without either the president of Pakistan or chief of the army, General Mirza Aslam Beg, being informed, Hamid Gul was sent back to the barracks. The night after Gen Hamid Gul's transfer, festivities were held at the Indian embassy in Islamabad and RAW agents celebrated their victory all night long by doing all that they could.

Prime Minister Bhutto recently told a gathering of the People's Party federal and provincial parliamentary groups and party officials from the four provinces that RAW had a hand in creating the crisis in Sindh and that RAW agents were responsible for terrorist and subversive activities. The question is, while she knows all the facts, what is she doing to put a stop to these activities? In view of her silence and lack of attention to the issue, should one believe her opponents' accusation that RAW agents have infiltrated the ranks of the People's Party and are able to influence all important decisions?

Commentaries Note Reactions to Budget

Budget Termed 'Disappointing'

90AS0134A Karachi JASARAT in Urdu 9 Jun 90 p 3

[Editorial entitled: "Disappointing"]

[Text] The People's Party's elected democratic government has presented the third national budget of its year and a half term in office. Nine and a half billion rupees of new taxes have been included in this heavy budget of 230 billion 180 million rupees. The total impression one receives is that reductions and increases have been made

here and there; as one might say, the grain from one room has been shifted to another. The budget does not appear revolutionary in any respect nor does it mirror the much touted constitution of the People's Party, glimpses of which were revealed to the people to obtain votes. Except for verbal claims by the minister of state for finance, there is nothing in the entire budget to show that any long term plans have been made for the welfare of the people, preparation for the new century, attainment of basic amenities, new technology, capital investment, or an effective use of national resources. Except for the juggling around of figures, the new budget does not appear to be any different from the previous ones, and even the claims made in this budget are the same as those made by previous governments and by the People's Party government in its previous budgets. These claims were never substantiated in the past, nor is there any expectation that they will be substantiated in the future.

Whenever the budget was presented in the past, it was accompanied with emphatic statements to the effect that it would not affect the average person and the same claims have been made for this budget. The only difference may be that the ordinary man has been affected to such a high degree even before the budget was presented that he may not have the capacity left to be affected any more. For example, gasoline prices have risen so cruelly high as to affect every sphere of activity. Any loopholes that might have been left were closed off with an increase in electricity rates, apparently on the assumption that the average person does not use any electricity. The increase in electricity rates will have far-reaching effects. All factories run on electricity. As a result of the increase in rates, there will be an automatic rise in the price of all goods, from loaves of bread to clothing.

Electricity is used to manufacture chemical fertilizer and thus the price of fertilizer will increase. An earlier rise in the price of gasoline and diesel fuel had increased the cost of running farm machinery. Now, the customs duty on tractor tires has been increased. All these price rises will inevitably affect the price of all goods, and flour, rice, sugar, cotton, in short all agricultural products will become expensive. This takes care of the problem of bread and clothing; as for shelter, the price of cement was increased as a precautionary measure, without any attention to the fact that the construction of houses is a problem which affects the average person. Similarly, plastic wares are used by the common man. Soft drinks are now no longer regarded as luxury or frivolous items. In ordinary households, soft drinks provided an inexpensive way of entertaining guests. The prices of these items had already risen sharply. With another increase now, the people will be afraid of inviting friends for tea or soft drinks. Who will be affected by import license fees, surcharges on imported articles, and increases in the prices of cotton and synthetic thread, paper bags, cigarettes, etc.?

Increases in the surcharge on imported items are a good idea from the point of view of encouraging exports and the use of domestic articles; but first, the quality of

domestic articles should be improved and there is no supervision on quality. In view of this overall situation, it sounds like a joke when Benazir Bhutto says that the budget will benefit every section of the society. Apparently, a 10-percent annual increase in the pay of government employees and a five-percent tide over increase in pensions is to be regarded as a benevolent gesture by the government; but then, the rate of inflation is 10 to 20 percent and further elucidation reveals hidden trickery. The increase in pay up to grade 16 is only seven percent, and for those above that level five percent. The increase in pay should have been at least 20 percent; moreover, the majority of wage earners in the country are not government employees. What will happen to these non-government employees? They will be reeling from a double blow. The duty on newsprint has been reduced from 3,000 rupees to 1,500 rupees, but license fees and import surcharges have been increased by seven and five percent respectively, thus adding a further burden. An end to the duty on newsprint has been demanded for a long time because the charge is regarded as a customs duty on knowledge and information and tantamount to an attack on the freedom of the press by putting pressure on it. The government, which professes itself to be the champion of the working man, was applauding itself for having increased the minimum wage of industrial workers to 11,000 rupees; but will the prime minister or the minister of finance please explain how, with the present hideously high cost of living, a family can survive on 11,000 rupees? Minister of State Ehsanul Haq Piracha has placed great emphasis on simplicity and frugality in his speech; but while he was making this speech in the assembly, neither he, the prime minister, nor any of the members of the assembly exhibited an adherence to frugality. People there wore ties costing 11,000 rupees; the prime minister's eye glasses must have cost thousands of rupees. It is not seemly, therefore, to preach simplicity and frugality to others. An increase in radio and television license fees will have the affect of discouraging people from obtaining licenses. More revenue would have been obtained from a lower license fee. It is a basic truth that everyone pays willingly when taxes are low, but when taxes are high everyone seeks loopholes. The people were expecting that an agricultural tax would be levied in order to discourage the feudal land system; but so great is the influence on the government of feudal landlords and large-scale landowners that such a measure was not even hinted at. On the whole, the budget is disappointing and, contrary to the claims of the People's Party, is a mere juggling around of figures. There is only one section that deserves praise, namely, the ending of the penal system for income tax and the revival of the self recognition method. Obviously, this change was not the brain child of the People's Party.

Prime Minister's Claim on Inflation Disputed

90AS0134B Karachi JASARAT in Urdu 9 Jun 90 p 3

[Editorial: "Is There Inflation?"]

[Text] After the budget was presented, Prime Minister Bhutto claimed in a press conference on Thursday that there were no price rises in her term of office. If one kind

of legume was expensive, another kind was cheap; if vegetables were expensive, potatoes were cheap; whereas in the past, everything was expensive. No one except the prime minister would have the gumption to deny completely that prices have risen in the last year and a half. A newspaper reported on the same day that the prime minister's weekly kitchen expense was 26,000 rupees or 104,000 rupees a month. Among all the other heavy expenses, how can anyone keep track of the price of flour or legume? Mutton costs 52 rupees and beef 34 rupees a kilo; the price of sugar has risen to eleven and a half rupees and rice to 14 rupees. A year and a half ago, the price of a can of tea had risen in the final days to 18 rupees; now it costs 27 rupees. Legumes are selling at the price of meat; we do not know of any cheap legumes. Even onions which are in season now are selling for three and a half and four rupees per kilo. If potatoes are cheap, then, as the prime minister has recommended, everyone should live on a diet of potato chips and applaud the government during whose term of office there has been no rise in prices. In the past, the prices of all commodities had been high. Now, potatoes and a few legumes are cheap. What more could the people want?

Government Said Indulging in 'Economic Trickery'

90AS0134C Karachi JASARAT in Urdu 10 Jun 90 p 3

[Editorial: "The Government's Economic Trickery"]

[Text] Economic realities are the concrete facts of life and for nations, as for individuals, it is necessary to maintain a sense of reality in their incomes and expenditures and to act according to these realities. But when facts are distorted and gilded over with lies, the government cannot grasp the true economic picture while the people remain in ignorance of the truth. Unfortunately, it has been the policy of every government to hide bitter economic truths and to raise slogans of all is well while claiming that the country is on the path of progress and prosperity. While all governments have followed this policy, the present government has reached the limits of economic trickery. In the economic survey it has presented, the government makes promises which no one is prepared to believe. Public opinion justifiably regards the government's statistics as a jumble of lies which rub salt into wounds inflicted by a ruinous economy. Economically, the people are in tears. High prices have made life a burden; incomes have fallen; hordes of unemployed young men roam the streets and are drawn towards crime; artisans and merchants are in a state of anxiety and protest; capital is being sent out of the country; the education of children has become a worrisome problem for parents; the people cannot afford medical treatment or medical drugs, but it is being claimed that national income has risen; that industrial activity is increasing at a rapid pace and that production has risen. But these white lies satisfy no one. The government's annual

budget is as fraudulent as its economic survey. As Professor Ghaffur Ahmad, leader of Jamaat-e Islami has said, this is not the budget but a mini budget; the real budget has been kept secret because they did not have the courage to present it at this time. The real budget would be presented over the next few months as an incidental budget and passed quietly. They do not want to raise a storm at this juncture. Several measures have been postponed out of fear of letting loose a storm of public outcry and anger. But national economies cannot be run with secrecy and behind the scenes trickery. The misfortune is not that our present economic condition is in such an indescribable state; this is a logical outcome of 40 years of frivolous living and will have to be endured. What adds to the misfortune is that no one is doing any planning to prevent the economic situation from further deterioration. All we have are either false promises or habitual tall claims and boasts. When Benazir assumed office, she foreswore socialism, which is in the People's Party manifesto, in a public gathering and raised the slogan of privatization. But the industries and organizations which were nationalized are still under government control. The government has not relinquished control of any of these organizations because government people have been newly placed there with a license to be extravagant, and these individuals are breaking all previous records of living high on free money. Public capital was taken on the pretext of privatization, but PIA [Pakistan International Airlines], WAPDA [Water and Power Development Authority], and other institutions are still not only under bureaucratic control but have become the private property of the People's Party which does there as it pleases. In the name of privatization, everything is ending up in the pockets of a special group of moneyed elements. Corruption is so rampant that even foreign newspapers are writing about it. Sugar mills, textile mills, cement factories, banks, and insurance businesses are being distributed like largess. The country's real industrial group has been driven from the industrial field by terrorism and their place is being taken by the nouveau riche. Is this the kind of privatization that Benazir has learned in the United States? This situation cannot continue for long. The people will have to realize that false economic surveys and budgets will add to our economic bankruptcy. The time has come when our national political parties should assess the economic situation and decide as to what measures are necessary and should not be delayed any longer. The issue is not how to extract a large amount of money each year from the people in the name of taxes without raising an outcry; the real problem concerns the steps to be taken for economic reconstruction with the effective participation of all classes, whether high or low. There is no hope that the party in power will shoulder this undertaking. Hence, opposition parties should work towards this objective and educate the people everywhere to understand economic realities.

Editorial Urges Developing Indigenous Technology

90AS0331C Lahore THE NATION in English
21 Jul 90 p 4

[Text] The launching of Pakistan's largest ever defence production project marked a welcome step towards a

greater degree of self-reliance in this field. The Heavy Defence Production Units are to manufacture guns, tanks, and armored personnel carriers. Following independence, while India recognized the importance of encouraging indigenous production not only in the defence industry but other manufacturing industries too, Pakistan has largely remained dependent on imports. Thus in the 1965 war for example, Pakistan experienced the limitation of depending on imported arms when it did not even have the facility to replenish spare parts.

Last week also saw the launching of Pakistan's first space satellite, Badr-I, by Pakistan Space and Upper Atmosphere Research Commission, another notable achievement for Pakistani scientists. The transfer of technology from the West to the Third World has always been resisted by the former, who prefer an arrangement whereby the latter are dependent on them for aid and loans, rather than independent competitors. It is, therefore, necessary for Pakistan to invest resources in building up its own scientific and technological know-how through training and research. Improved relations with the Soviet Union, which is more generous with its knowledge in these fields, should also be employed to develop projects which involve transfer of their expertise. If Pakistan is ever to compete on a level with the industrialized countries of the world, greater priority needs to be given to the scientific expertise which is its base.

Commentary Condemns Harassment of Newsmen

90AS0153A Karachi JANG in Urdu 8 Jun 90 p 3

[Column "adab arz" ('Greetings') by Nasrullah Khan]

[Excerpts] According to a story, a crazy person used to sit in a cemetery with a small plate in front of him. He would add a pebble for each burial there. One day, people saw that he was using an earthen pot for the pebbles. When asked, he said, "The times had changed. Haven't you heard that the angel of death has died? Terrorists and instigators have taken over his duties. The small plate is not enough now. I had to have this large pot."

The next day, the people saw another crazy man sitting in his place. Someone asked the new guy where the other person was. The new person told them that he was in the pot.

It is true that the situation in Karachi and Hyderabad has improved since the army moved in here. We also learned that the army has already established 200 checkpoints in Karachi and is thinking of rehabilitating those people who had left this area to live with relatives or who are living in camps back in their homes under the supervision of the army. Now these people who had moved from one place to another in their own country are asking the military personnel not to leave them without first making good arrangements for their safety. The newspapers are being accused of spreading the poison of hatred. We have asked newsmen why did they

do that. One journalist replied, "We publish the instigating statements issued by various party leaders verbatim. We have to do that or we will lose our jobs. The opposition parties ask us if we are blind and do not we watch the Pakistani television news magazine in which the opposition parties are called terrorists and accused of all the problems. They ask us if we are not embarrassed watching such news on Pakistani television? They ask us what kind of journalists are we. We used to be so proud and now we have lost our self-respect. They keep asking us to represent their side since the PPP [Pakistan People's Party] would not give them any air time. We are asked if we represent the ruling party or the people. We are also asked if we had lost their 'trust' and joined the Press Trust!" The journalist replied that their newspapers were required to publish stories from both sides since it was required of good journalism. He added that they (the opposition) should read their editorial which criticize extremities of any party and advise them not to play into the hands of instigators. The journalist further said that the newspapers also told the PPP that the opposition parties also represented the people like it did, and that it should stop calling the opposition parties agents of foreign countries and terrorists. It increases the friction even more. However, neither side seems to listen.

There are announcements telling us that the situation in Sindh is analogous to the situation in East Pakistan [in 1971], and problems are created in Sindh to divert the government's attention from Kashmir. The other is also making many such statements. For examples, they announced that Sindh is being occupied by the army in order to divert attention from the Kashmir problem. Some people believe that this was done to make the Indian armed forces move away from Pakistan's border. Our "benefactor", the United States, also does not want us to entangle with India over Kashmir, however, it is acceptable to keep the war of words over Kashmir going. It seems that the only way to keep it going is by fighting among ourselves! It is unimportant for this columnist to agree with either side in the present situation. It has been said that I would join the opposition if the time was right. It is not necessary since the government can oppose itself! Any other party that forms a government would also monopolize the television. We all know that the opposition can be kept quiet if it is not given access to television. The entire journalist community in the nation were shocked to learn that the first time in the history of democracy four journalists were killed on duty. God help us! Some newspaper offices were burned. Had not these newspaper offices burned, the people would have thought that this was the work of some terrorists. This is done by some political party. Only the government knows which political party was responsible for this act. The government should find out and then have the courage to give exemplary punishments to those who murdered these journalists. As for the safety of newspapers and journalists, we advise the newspaper owner to always send journalists wearing bulletproof vests and guarded by two or four bodyguards armed with kalashnikovs when assigned to dangerous areas. Or

they have to find out what kind of attitude the newspapers should adopt so that the reporters are not murdered or newspaper offices are not burned. A wise old man had given good advice. He had advised all journalists to retire and give the newspapers to the people who murder journalists and burn newspaper offices. This will result in their killing each others and burning each other's offices. The sage had given still another advice. This is even better. He had suggested forming an advisory board composed of those who kill journalists and burn newspaper offices. All news items, including editorials, would be printed after the board approves them! We are sure even the government would stop complaining about newspapers if such a system is established. The British used to confiscate printing presses if the newspapers printed anything against them. [passage omitted]

People like me are in a very strange situation. We are restricted to our homes because of curfews when democracy came to our country! When democracy fails to discipline itself, it is devoured by martial law regimes. In other words, we spend half our lives attending the funerals of martial law regimes and the other half in carrying the carcasses of democracies. There were times when no one was left to carry the people to the cemeteries. I wish I could carry my own dead body on my shoulders and bury it in the neighboring cemetery! [passage omitted]

Negative Tendencies in Politics Condemned

90AS0194B Lahore NAWA-I-WAQT in Urdu
16 Jun 90 p 10

[Editorial]

[Text] Mr. Akbar Bagti, the chief minister of Baluchistan, has said he has no objection to the formation of a national government because such a government can help solve the problems. Similarly, Mian Nawaz Sharif, the chief minister of Punjab, while talking with the members of the opposition has reaffirmed that a coalition government can be formed, that members of the opposition can be allowed to sit in the district recruiting committee meetings and be considered, and that they can be given plots and shares in the development schemes. The chief minister mentioned the names of some of the opposition members, saying they should join the coalition. The other day a news item was published about the National Assembly in which it stated that an agreement had been reached between the government and the opposition over the approval of the budget. Mian Manzoor Wato, the Speaker of the Punjab Assembly, while presenting the budget bill, with his own efforts, arranged for a reconciliation between the two parties after the opposition created disturbances and a commotion.

The Committee which has been working to eliminate confrontation between the Center and Punjab too expressed unanimity on eliminating charges and counter charges. It is but natural for the people to be happy over

these glad tidings, but before the ink of these documents dries or before the spoken words can be analyzed confrontation starts all over again. It seems that discord and confrontation are being carried out to the degree of professional rites and religious adoration. In this respect, the parties concerned are always one step ahead of the other; they are always thinking of new tactics to pull the other's legs. As a matter of principle, all this tantamounts to nothing but hypocrisy and false pretensions. The present politics resembles a mysterious two-headed serpent which has two tongues, one of which sheds flowers whereas the other vomits fire. This hexagonal serpent has made a fool out of the Pakistani nation. Hypocrisy seems to be the second name of politics these days. The people who are deceiving one another and then joining together to deceive the nation are in fact deceiving themselves. The consequences of this kind of politics is not hidden from anyone. The nation has lost its nerve, business is at a standstill, industry is stagnant, the future of education is bleak, national borders are beset with danger, internal law and order does not exist, generations living together through the centuries are not willing to look at each other, fear of God does not exist, and believers of one God, one Prophet, and one book are ready to cut one another's throat. Our politicians are oblivious to these facts and despite all this are thinking of their own interest and just for the sake of their own positions are prepared to defeat their opponents at any cost. If nothing else, they should agree to abide by the November 1988 mandate which would help in running the system and avoid confrontation. As far as reaching an extensive agreement and forming a coalition government is concerned, the belligerent politicians are not interested in it nor would their nature permit it.

Commentary: Taxes Pay for Rulers' Comforts

90AS0153B Karachi JANG in Urdu 8 Jun 90 p 3

[Column 'Apolitical Affairs' by Abdul Qadir Hasan]

[Text] The first thing that comes to one's mind when the budget session arrives is taxes. In our country, taxes are not levied to provide services to the people, to improve their economy, or even to give them something in exchange for these taxes. Instead, taxes are imposed to provide more luxuries for the rulers and their henchmen, and the poor people are forced to pay them. Either their land or their property are confiscated or they are sent to jail if they do not pay taxes. There were times when taxpayers were highly respected. I asked a well-fed taxpayer how did the government honor him since he paid so much income and other taxes. The taxpaying businessman replied that the government did honor him a lot, but he had to go to jail to receive the honor! When I looked surprised, he laughed and added that the taxpayers were given "B" class jails and that was an honor.

The government succeeds in collecting only 40 percent of the taxes due. The remaining 60 percent are devoured by the taxpayers and tax collectors. The 40 percent taxes are paid by honest people to honest tax collectors. Just like there are

honest taxpayers, there are some honest tax collectors in some departments. This 40 percent also include the taxes deducted from salaried persons like me. I have an old theory about taxpayers. I refer to it often and remember it again and again during the budget session. It is coming to me again today!

Even people in the United States, where taxpayers receive a lot in exchange for their taxes, pay taxes with painful expressions on their faces. Free education, free medication, unemployment benefits, and much more is given to them. In Pakistan, however, where we pay taxes and get nothing in exchange, we consider them a fine or punishment. There is only one way to solve this problem. Spend the money collected by taxes very carefully. When we see our leaders living in luxury with our hard-earned money and spending it like royalty and see officials working and living in air-conditioned buildings, we feel like these taxes are a fine or punishment. It feels like someone was cutting flesh from our body rather than taking some rupees from us. If the government wants to tax us and must tax us and cannot function without taxing us, then it should at least give us a rationale. The rationale and explanation should be tangible. The taxes should be fully accounted for. For example, a Toyota car costs 4.20 lakh rupees. Its actual price is only two lakh rupees and the rest is taxes. This taxing system is not limited to the car alone; the gasoline is also taxed many times its original price. Details of these direct and indirect taxes can fill up several files and details of benefits from these taxes can be described in less than a half page! After reviewing the documentary proof that the elected opposition had presented in the Parliament recently, showing how tax revenues are spent on personal luxuries, I felt that instead of paying taxes, I should steal them or even plunder the national treasury.

It is too far fetched to expect the government to treat taxes like a keepsake. All our problems will be solved when our government adopts that attitude. For the time being, the taxpayers should get some respect outside of jails also. They should be considered important people, be treated nicely, and be given privileges according to the taxes they pay. There should be some distinct differences between those who pay taxes and those who do not. A person paying lakhs of rupees in taxes should get more respect than an assembly member skilled in horse trading. These taxpayers should get "B" class outside of jails also!

SRI LANKA

Indian Intervention in Renewed Conflict Seen Unlikely

90AS0204A Vienna DIE PRESSE in German
3 Jul 90 p 9

[Article by Gabriele Venzky: "Blood Bath on the Tropical Island—After One-Year Lull in Fighting, Sri Lanka Again Governed by Civil War"]

[Text] Jaffna. Three weeks after the renewed outbreak of the civil war in Sri Lanka, it is evident that a quick end to the fighting between the Tamil Tigers and the Sri Lankan Army, which the highly mobilized government in Colombo had at first expected, is by no means in sight.

More than 1,600 people allegedly lost their lives during the past 20 days, most of them civilians—as is usually the case in conflicts of this type. More than one-half million people have taken flight, many of these are close to starvation.

In the eastern part of the country, the populated areas of which meanwhile appear to have come under the control of the Sri Lankan Army, the cities of Trincomalee and Batticaloa lie in ruins. All communications links are interrupted.

Savage Fighting for a Dutch Fort

In the northern part of the country, the Sri Lankan Army is continuing its massive bomb attacks, especially against the densely populated city of Jaffna, causing many casualties among the populace. Several attempts to lift the siege by Tamil Tigers against the 250-year-old Dutch fort and to rescue the fort's 250-man garrison have so far been unsuccessful.

The somber fort of Jaffna, located directly on the light-colored waters of the lagoon, has become a psychologically important symbol for the war. The Tamil Tigers are intent on destroying the "representatives of foreign rule" in the middle of their city, the Sinhalese want to maintain their presence at all costs so as to underscore Colombo's claim of an indivisible state.

It would be almost impossible for the Sinhalese to liberate their positions from the south. Observers estimate that this would take months, if not years. Supplying the garrison from the air is the only option remaining, and this has become ever more difficult since the Tigers have been employing shoulder-fired missiles. They have already shot down one armored attack helicopter.

In the city district around the fort, which was completely destroyed already before the war broke out again, the Tigers have built an underground tunnel system on which work was openly carried out right up to the day before the fighting resumed. Here the guerrillas, many only 12-14 years old and a goodly portion of them girls, are dug in.

The still habitable or reconstructed districts of Jaffna, where 120,000 people live, after all, have been heavily damaged by bombing attacks. Both sides accuse each other of using chemical weapons, and both sides deny it.

The Sri Lankan army, which by agreement could not leave its bases in the north and east for three years, and which in the south gained confidence as a result of its success against the pseudo-Marxist popular front JVP-[People's Liberation Front], previously regarded as invincible, is eager to go. It feels that it can force the Tigers into fighting a conventional war.

That may be possible in the east, where the population is divided into Tamils, Sinhalese, and Moslems, and the guerrillas do not have the total backing of the populace. The situation in the north, which is almost exclusively

Tamil, is different, however. Here the combatants can blend in with the populace, which makes them almost invincible. For even though the people, sorely tested since 1983, are tired of the war, they have no choice but to yield to the Tigers.

A quick end to the war can therefore hardly be reckoned with. A large number of casualties can, however. For the government in Colombo has resolved to "exterminate" the Tigers this time. To achieve this goal, it will employ every available means.

The army has long since been expanded into an effective striking force of 70,000 men, well-versed in bush warfare. A supplement to the defense budget was hurriedly submitted to the parliament for passage. And the appeal to volunteer for the army was heeded by more than 10,000 Sinhalese on a single day.

In Colombo, however, a city with a substantial Tamil minority, 7,000 young Tamils were taken into "protective custody." There is panic among the Tamils that remain. Still ringing in their ears is the announcement made by the hard-nosed minister of defense, Wijeratne, that they would be held as pawns if need be.

What is still uncertain is why the Tamil Tigers, after 13 months of peace negotiations with Colombo, so suddenly violated the cease-fire agreement. They apparently overestimate their military strength completely, after an Indian peace force of up to 100,000 men had not succeeded in disarming their guerrilla army.

Renewed Indian Help Is Unlikely

That the Indians will again come to the aid of their harried brothers and sisters is not very likely. Not only is India faced with the far more threatening situation in Kashmir, but also the 1,100 Indian soldiers who died during their "peace mission" have caused the popular support which had still existed in 1987 to disappear.

In addition, the massacre which the Tigers recently carried out among the EPRLF [Eelam People's Revolutionary Liberation Front] leaders who fled to Madras has given rise to fears that the conflict could spread to the southern Indian state of Tamil Nadu. And that would be a development which, in view of the precarious situation in Kashmir alone, the government in New Delhi would under all circumstances want to avoid.

As recently as early June, there were indications that normalcy might slowly be returning to Sri Lanka, afflicted by almost 10 years of bloodshed. The tea industry, the primary producer of foreign currency, experienced a new boom, the tourism branch, formerly in second place as a producer of foreign currency, was getting ready for the first "normal" season since 1983, and the textile industry, in third place, was preparing to attain its former production capacities.

All this is now in jeopardy. Once again, fear has displaced confidence.