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Near East/South Asia Report

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27 January 1984

NEAR EAST/SOUTH ASIA REPORT

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INTERNATIONAL AFFAIRS

BRIEFS

IDB LOAN TO YAR--The Islamic Development Bank [IDB] signed an agreement with the YAR in Jidda today to finance the purchase of machinery and equipment to produce marble worth \$1.8 million. This brings the overall amounts financed to the YAR by the IDB to \$23.8 million. [Excerpts] [GF091831 Riyadh Television Service in Arabic 1800 GMT 9 Jan 84]

IDB LOAN TO JORDAN--Jidda, 3 Jan (WAKH)--Jordanian Finance Minister Salim Masa'idah signed an agreement here today with the Islamic Development Bank [IDB] in Saudi Arabia. The IDB will finance a foreign trade sanction to import crude oil for Jordan up to \$20 million. [Excerpt] [GF040621 Manama WAKH in Arabic 1450 GMT 3 Jan 84]

CSO: 4400/118

PRESIDENT REAGAN'S COMMENTS ON ARMENIAN QUESTION

Beirut AZTAG in Armenian 9 Dec 83 p 4

[Text] On the morning of 18 October 1983, from 9:00 am to 1:30 pm, a conversation gathering was held at the invitation of the White House among the editors of ethnic group publications and the representatives of ethnic radio stations in the United States.

More than 100 editors and radio station representatives, including Poles, Czechs, Koreans, Hungarians, blacks and Armenians, responded to the invitation.

The Armenian guests present at the meeting were the editors of [Boston] HAYRENIK, [Boston] MIRROR SPECTATOR, [Los Angeles] ARMENIAN OBSERVER and [Los Angeles] NOR GYANK and Susan (Karlin) of the Armenian Assembly.

The morning sessions were chaired by (Karna Small), a member of the White House press office staff.

Speakers at the meeting included high-level officials from the White House and the Department of State as well as the U.S. Secretary of the Treasury.

All the speeches, except one, concerned domestic and foreign issues such as unemployment, education, immigration legislation and the trade and economy of the United States.

Naturally, each speaker focused on the gains and successes achieved under the Reagan administration in his or her field of specialty and presented statistical data.

As economic, social and educational issues were raised the participants in the meeting asked a number of questions.

The third-ranking official at the State Department cursorily referred to the situation in Lebanon and talked about disarmament and the Korean airliner incident.

The editors and radio station representatives were visibly curious, since the 1984 election campaign has already started gaining momentum. Consequently, the participants in the meeting were much more rigorous in their questions regarding economic and social issues.

At noon the same day, a luncheon was given at the White House in honor of the guests. President Reagan and high-level White House officials were also present at the luncheon.

During the luncheon, President Reagan read a prepared statement focusing primarily on the recovery of the country's economy and U.S. policy on disarmament.

President Reagan called on the youth of Western Europe to be realistic to see who the main obstacle is before the efforts made for international peace.

After his brief speech, the president was asked a limited number of questions.

The questions concerned Poland, the Korean airliner incident, Afghanistan and Cyprus.

At the last minute, when the president was preparing to leave, he was asked a question on behalf of the editors of Armenian publications on what the official stance of the White House is regarding the Armenian genocide of 1915.

Judging from his expression, the president did not expect such a question.

However, after reflecting for a moment, the president replied: "The only official stance that I can convey to you is that we oppose terrorism no matter where it comes from. I cannot believe that today there are still living survivors of that terrible period of ordeal. It appears to me that we should be able to sit down with entirely new individuals whose familiarity with those events comes through reading. We must try to settle our disputes to bring peace to that segment of humanity."

President Reagan has in the past given different definitions to the Armenian genocide of 1915--when he was the governor of California, in an official letter he sent to HAYRENIK in 1980, in his official speech on 22 April 1981, the Day to Commemorate the Victims of the Holocaust and in a statement against terrorism on 28 July 1983.

The reader will notice the "temperature changes" in Reagan's posture from the quotations we present below from his statements.

In 1969, when he was the governor of California he expressed his warm sympathy for the suffering of the Armenian people and condemned the genocide of 1915 as he stood before the Montebello memorial together with the late [Catholics] Khoren I.

On 15 April 1980, in a letter addressed to HAYRENIK, Reagan the presidential candidate referred to the genocide of 1915 and concluded by saying: "The 1980's must be time when Americans of Armenian origin have their voices heard by the government; a time when Americans and their allies in the Free World join hands so that the tragedy of 1915 is not repeated."

On 22 April 1981, while signing an edict in connection with the Jewish Holocaust, Reagan also referred to the Armenian genocide and said:

"Like the Armenian genocide that preceded the Holocaust as well as the genocide of the Cambodians and the persecution of numerous other peoples, the lessons of the Holocaust must not be forgotten."

"Temperature changes" that are offenses against justice and history.

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CSO: 4605/33

ARMENIAN AFFAIRS

TURKISH PAPER COMMENTS ON SOVIET ATTITUDE TOWARD ARMENIANS

Beirut ZARTONK in Armenian 6 Dec 83 p 2

[Text] The Turkish daily, MILLIYET, states in its 27 October edition that the Soviet Union "endorsed an unusual stance toward the Armenian question" when TASS described for the first time the Armenian Secret Army for the Liberation of Armenia [ASALA] as "a terrorist organization" though the same Soviet Union considers the IRA and the PLO as independent fighters. The paper says:

"So far the Soviet Union had made no statements regarding ASALA. This is the first time that such a statement is being made, which indicates a change of posture in Soviet policy.

"The Soviet Armenian republic, together with neighboring Soviet Georgia, has maintained the strongest nationalist spirit in the Soviet Union in all fields beginning with their alphabet.

"The Armenian republic promotes its products at home and in foreign markets using its special relationships and maintains the strongest ties to the outside through its church. The standards of living and culture in Soviet Armenia are second to none in the Soviet Union. Soviet Armenia is a rich ground to keep the Armenian question alive.

"A monument stands in Soviet Armenia commemorating the Armenian martyrs of 1915. Every 24th of April the martyrs are remembered in ceremonies. As is known, the undersecretary of the Armenian Ministry of Foreign Affairs, Manastirian (should read Manaserian--editor), said at a meeting with Professor Mumtaz Soysal that he did not feel the need to condemn attacks and assassination attempts committed against Turkish diplomats.

"The Minister of Foreign Affairs of Soviet Armenia echoes Armenian allegations in internal and external correspondence carrying his signature.

"In 1976, bombs were set off in the Moscow subway and the Red Square and two Armenians responsible for the incidents were executed by firing squads. Western circles state that the Soviet Union has granted certain freedoms to the Armenian republic in order to thwart the threat of a nationalist movement."

ACTIVITIES OF ARMENIANS IN CANADA REPORTED

Beirut AZTAG in Armenian 13 Dec 83 p 3

[Text] Canada's new Minister of State for Multiculturalism, David (Dolesaire) stated that Canada's minorities must preserve their national existence and character and that they must not be assimilated because Canada's maxim is "unity through diversity."

To that end, the Canadian government allocates special funds to the country's ethnic minorities (among them Armenians) to encourage them to preserve their national identity and to help them establish clubs, churches, folklore dance ensembles, choirs and even kindergartens and schools.

Meeting With Lebanese Ambassador to Canada

Ambassador Samir Shammas was recently named Lebanon's envoy to Canada. A three-man delegation representing the Armenian Cause Committee of Canada visited the ambassador at the Lebanese embassy in Ottawa to congratulate him on his new appointment.

Issues discussed during the meeting included the situation in Lebanon, the essentiality of the role of the Lebanese Armenian community in the reconstruction of Lebanon and other related matters. The meeting lasted nearly an hour.

Television Refers to Armenian Question

Between 10:00 and 11:00 am and between 3:30 and 4:30 pm on 19 and 20 September, Quebec's state television broadcast a documentary program about the Armenian Cause prepared about two years ago by the Swiss television corporation. The same program was also broadcast last year by the Quebec state television. The Canadian state television had broadcast a shortened version of the same program.

Course Established

During the last school year, the National Armenian Cultural and Educational Institution of Toronto initiated work to establish a course which was very successful and which will be offered this year as well.

The goal of the course is to acquaint the youth with Armenian history and culture. The course embodies an extensive program covering a span of time

beginning with ancient times up to the present and including the diaspora. Three courses, each four months long, are envisioned to cover the entire program. The lectures are being held at the day school of the Armenian Relief Society [ARS] on Fridays and each lecture is about one and a half hours long.

The first course, which covered the time up to the 1800's, was offered from 14 January to 3 June. Thirty students signed up for the course, all of them young men and women older than 16 years.

The second course, which covers the time up to 1920, started on 16 September with the participation of the same students who attended the first course. The program will be completed by a third course which will be held during the January-April period in 1984.

Beside visiting lecturers, the primary lecturers in the program are Sona Hovhannesian, Markar Sharabkhanian and Raffi Der Boghosian. Modern audio-visual devices are being used during the lectures.

The first course is envisioned to reopen this November with new students.

At the end of the first and second courses the attending students will receive appropriate certificates and at the end of the third course they will receive a final certificate which will be recognized by the government's educational board.

Television Program by HCA

The first Hamazkayin [National] Cultural Association [HCA] television program was broadcast in Montreal on 2 October from 3:30 to 4:00 pm and was received with satisfaction by the Armenian community.

Indeed, the program was a high-quality triumph in good taste. The boys and girls of HCA came to fill a need which was strongly felt by the Armenian community of Montreal.

During this half-hour program, the announcers spoke in clear and correct Armenian and with native pronunciation while reading the news about the community and Armenian life. The program exhibited a conscious and serious approach, and the announcers displayed good taste and respectfulness, natural manners and expressions without artificial and exaggerated mannerisms which are clear indications of progress and new triumphs to follow this first experiment.

School Year Begins

As the school year began, the one-day schools of small Armenian communities in Canada resumed their activities.

The Saturday school of the ARS in Cambridge started classes on 24 September with 24 students, 3 to 14 years old. This figure is expected to reach 40 in coming weeks. The school is governed by the administration of the local ARS branch. HCA classes will soon be offered to students older than 14 years of age.

In Hamilton, the Saturday school of the ARS began its 9th academic year at the end of September with 38 students 4 to 13 years old.

We must also mention that ARS also conducts daily classes in the summer, and last summer 44 students attended. The community also has a second one-day school which comes under the jurisdiction of the regional church of the Holy See of Echmiadzin and which holds its classes on Friday evenings.

In Windsor, the Saturday school of the ARS opened on 1 October with nearly 30 students.

Meanwhile in distant Vancouver, the ARS' Araz Saturday school began its third year in mid-September with 50 students 3 to 5 years old. This year the ARS has named an educational board. The community also has two other smaller schools, one administered by the Armenian General Benevolent Union and the other by the Armenian Cultural Association.

On 20 September, the ARS school in Saint Catharines began its academic year with 20 students. The school has been in operation for 20 years, but it began operating in a more organized manner about 10 years ago. The Holy See of Echmiadzin church in Saint Catharines also operates a Sunday school in the city.

The Ararat Sunday school of the Armenian Cultural Association started classes in Ottawa on 18 September with 41 students 2 to 12 years old. The school was founded in 1971.

Efforts are under way to start Saturday schools in the small communities of Edmonton and Calgary.

The number of students attending Armenian Saturday schools in small Armenian communities in Canada totals up to around 250.

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CSO: 4605/29

PAPER SAYS ARMENIAN GUERRILLA 'MORE DANGEROUS WHEN DEAD'

Beirut AZTAG in Armenian 1 Dec 83 p 4

[Text] It is said that during the trial of the Nazarene by a Jewish religious court when the verdict to condemn the Nazarene to death was being discussed, one court member, who was relatively in closer touch with the life of nations, raised the following thought-provoking question: "Is the Nazarene more dangerous dead or alive?"

The reasoning is simple. As a living and breathing human creature and as mortal made of flesh and bones the Nazarene can be easily defeated, especially if he is allowed to defeat himself through temptations, if he undertakes to disclaim his own ideas for fear of his life and particularly if the Jewish religious court creates the temptations for the Nazarene.

This is a safer course than any other to counteract the Nazarene's popularity and the people's justified affinity toward his ideas.

On the other hand, if he is killed only that part of him will be destroyed that is linked with his existence as a mortal and a living and breathing human creature made up of flesh and bones. His ideas, which are timeless and eternal, will survive in minds and thoughts.

After his death, the Nazarene will not only be resurrected and reborn as mind and thought, but, having defeated all the constraints of his mortal existence, he will grow bigger in the imagination of the people, he will feed their ideas, he will guide their lives and behavior, he will lead them to rebellion and finally he will present a bigger threat than when he was alive, when it was possible to push him into his own trap, to undo his ideas and to prevent them from becoming eternal.

These lines are not a call for religious fervor, though they stem from another kind of fervor and a need for respect for ideas, mind and thought.

Every one of those feisty young men who have been killed, arrested or imprisoned for patriotic acts are Nazarenes in their own way as vanguards of ideas.

With their deaths and imprisonment they have eliminated all the possibilities of falling into the traps which have become indivisible parts of our lives.

With their deaths and imprisonment they have been transformed into idea, mind and thought and they have conquered timelessness in the eyes of our people and for our people's increased awareness and for the enlightenment of its consciousness.

With their deaths and imprisonment they have become idea, mind and thought particularly in the eyes of those governments which still court Turkey for dark political motives.

With their deaths and imprisonment they have become a burning idea, mind and thought primarily in the eyes of the Turkish leaders whose continuing genocide and whose denials of the Great Genocide puts them squarely and relentlessly on the convict's chair where the aforementioned Jewish religious court was placed for centuries to come.

In the light of these facts, the Turkish leaders probably ask themselves the following question which has become a terrifying one by the verdict and experience of history: "Is the Armenian people and each Armenian freedom fighter more dangerous dead or alive?"

As long as their souls hover upon the conscience of humanity as idea, mind and thought; as long as their ideological demands that have been immortalized by their deaths are not justly met; and as long as the Armenian homeland--that blood-soaked piece of land that is "poison" for foreigners--is not returned to its legitimate owners,

Yes, the Armenian people and each of its freedom fighters will be more dangerous.

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CSO: 4605/32

MEETING HELD IN PARIS IN SUPPORT OF ARMENIAN QUESTION

Beirut AZTAG in Armenian 10 Dec 83 p 3

[Text] Gerard Shalian, the president of the Society for the Recognition of the Genocide Committed Against the Armenians at the Permanent Court for Peoples, called, in a circular letter, for a meeting of the representatives of Armenian organizations to secure their moral support, and to form a united front around a proposed initiative.

On 13 September, representatives of Armenian political, philanthropical, cultural, compatriotic and other organizations met in the hall of the Armenian church in Paris.

Gerard Shalian chaired the gathering and explained the purpose of the meeting.

Shalian first presented the Permanent Court for Peoples noting that it is a non-government organization which has proved its independence in the past, for instance by condemning both the Soviet intervention in Afghanistan and the U.S. intervention in Central America.

The moral verdicts handed by the court have their impact on public opinion and the international press.

It is this court that has agreed to hold a session dedicated to the genocide committed against the Armenians.

The session will be held in Paris between 15 and 18 April 1984. The session will be attended by French, American, British, Italian, German and other jurists and experts and prominent international figures to certify the evidence of the genocide committed against the Armenians, to determine its perpetrators and to expose the culprits.

Naturally, rulings to emerge from such a hearing can have a significant impact on the deliberations of the UN Human Rights Commission in July and August 1984 during which the well-known Article 30 on the Armenian Genocide will be reviewed.

After concluding his speech Shalian noted that the establishment of a financial base is essential for this vital work.

In view of the importance of the issue and the need to mobilize the entire Armenian diaspora to carry on this work, the chairman stated that the Armenian community of the United States has undertaken to raise half the required funds and that the Armenian community of France needs therefore to raise the other half, which amounts to 250,000 French francs.

Later, speeches were made by the representatives of various organizations who described their satisfaction and expressed their readiness not only to raise the required funds but to provide their fullest support to insure success for this initiative.

It was pleasing to see that all groups represented at the meeting were in agreement over an issue without any preconditions.

It was also announced that a special committee has been formed to carry on the work. The committee's chairman is Gerard Shalian, its secretary is Suren Kevorkian and its treasurer is Alis Aslanian-Samuelian. The committee will report other practical details in the future by special communiques.

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CSO: 4605/30

EFFECTS OF EMERGENCE OF NASIRITE PARTY ON POLITICS IN EGYPT

Doha AL-'ARAB in Arabic 19 Oct 83 p 11

/Article: "The Nasirite Party: Will It Escape the Parties' Committee Trap and Find a Place on the Egyptian Party Life Map? Will the Grouping Party Be Affected by the Nasirite Party's Emergence?"

/Text/ News from Cairo signals the beginning of a new journey for one of the new parties trying to find a place for itself on the map of Egyptian party life. The party may seem new; it is the Nasirite party, qualified by circumstances to play a significant role in political life. Existence of the Nasirite Party raises a number of questions about whether the /National Progressive Unionist/ Grouping Party /NPUG/ will be affected by this new party's emergence, which may rob it of large numbers of its members.

It also raises a basic question about the chances for a Nasirite Party's emergence and for escaping the political parties' committee trap in Cairo.

This political report discusses all possibilities and answers all questions.

It seems that the political map in Egypt, the political parties map in particular, is due for change and modification, and for shaping as well, in the wake of its near affliction with deadly sedentariness and with a struggle confined to four political parties in Cairo. One of them is the ruling National Democratic Party /NDP/ that controls popular and legislative councils--including the People's Assembly and the Shura Council--the popular councils and the labor and professional unions at an almost perennial percentage for any elections in Cairo which even the NDP itself is questioning, that is, 99 percent. There are also three opposition parties of limited influence on the Egyptian street and the Egyptian masses. The first is the Socialist Liberal Party, dubbed "a newspaper without a party," because it publishes AL-AHRAR newspaper, the party organ, but lacks any popular or grassroots base. It does not express any clear current or specific intellectual course. Even parasitic capitalism and some sections of middle and upper capitalism find it in their interest to belong to the National Party because it is a party that comes to their defense and basically protects their existence, not to mention the large gains attained by individuals through their affiliation with the ruling party.

We come to another party: the Socialist Labor Party /SLP/: Party leaders themselves confirm that it is a revival of Young Egypt, a party that stirred up considerable controversy in prerevolution years when some accused its leader, Ahmad Husayn, of communism. When the Labor Party returned, it did not find any present-day youth familiar with or sympathetic to Ahmad Husayn's fight or Young Egypt's positions. The party is still suffering from those perhaps unforgivable positions: Anwar al-Sadat's participation in founding the party, which was interpreted by some as Sadat's personal desire to create a political current, albeit fabricated, to pull the rug from under the NPUG. A simple look at the party's meetings and at its leader's visit to Egyptian cities and villages reveals the extremely modest popular presence of party supporters in the political streets.

We come to the fourth party: the National Progressive Unionist Grouping Party, representing the opposition's left wing. Its high degree of organization and meticulousness may make it stand out and confer upon it considerable influence on student and labor sectors, but it suffers many severe pressures that play a significant role in the limitedness of its members. This party may get new members, but it does not lose old ones because those who practice party activity through the Grouping Party are fully aware of the sacrifices they offer in exchange for their membership in the party. However, the Grouping's make-up constitutes a danger to the existence of the party itself. The party embraces many tendencies capable of forming independent parties if a true democratic opening could be found. It includes large numbers of Nasirites, nationalists, Marxists and progressive democrats who found in the Grouping's formula, and in the Egyptian regime's insistence on freezing the party image in its present form, an opportunity for political action through the Grouping.

Unacceptable Changes

It was difficult for political tendencies, those outside the framework of this image in particular, to remain frozen. They began vying for new parties to introduce to the political map, beginning with the parties' committee approval of al-Ummah Party after the latter's recourse to the judiciary, a good indication despite it being a party without fundamentals: no supporters, no historical leaderships, no clear intellectual tendency, nothing at all.

Judicial agencies which approved al-Ummah Party refused to approve the National Front Party on the pretext that it violated one of Sadat's emergency laws and did not approve the two Camp David accords. No sooner had the shock of turning down the National Front Party subsided than the masses countered with a request for reactivating the New Wafd Party whose activities had been put on ice more than 5 years earlier. The Wafdists had their own special vision that political circumstances during the freezing period and during their comeback were different. However, the parties' committee blow was quick in coming. The committee pointed out in one of its communiques that the Wafd Party had dissolved itself by itself and was considered totally abolished, and that the Wafdists could, if they wished, initiate steps to form a new party, at which time either it would be given the go-ahead if it enjoyed government consent or the committee would resort to one of Sadat's infamous laws, as Jamal al-'Utayfi called them, to confirm its point.

The new surprise in activities pervading the Egyptian political movement came when the submission to the Socialist Prosecutor of an application signed by 30 founding members, not one of them from among those Sadat called "centers of power" who were removed during the first power struggle between them and Sadat at the beginning of Sadat's rule in May 1971.

A quick glance at the list of the defenders reveals that they included Kamal Ahmad, a well-known People's Assembly member for the 1976 session and one of those who reject the Camp David accords, and some university professors such as Dr 'Abd-al-Basit 'Abd-al-Mu'ti, professor of social studies at the Heliopolis College of Arts, in addition to a large number of lawyers and, of course, the required 50 percent proportion of workers and farmers.

The application for forming a new Nasirite party came as no surprise to those following Egyptian political movement. A quick glance at the beginning of party life in Egypt when Sadat called for platforms shows that the Nasirites had a platform they called "the Socialist Nasirite Platform" under the leadership of Kamal Rif'at. After the "platform" hubbub calmed down and the decision on parties (limited to three) was reached, the Nasirites differed in their opinion. Some, including Ahmad Kamal, representing the Nasirite Party's founders, preferred political practice dissociated from political organizations on the premise that Sadat had a significant part in the creation of these organizations and they did not form any organization of their own. Others, including Kamal Rif'at who preferred to join the Grouping Party, preferred the practice of political life through one of the existing parties after agreeing on a minimum program. This current prevailed because some sources confirmed that about 75 percent of Grouping members were from the Nasirite youth themselves. The alliance live on, though not without differences, some of which were expressed by 'Abd-al-Ghaffar Shukri, a Nasirite cadre in the Grouping who, in a famous article in the party's organ, the newspaper AL-AHALI, questioned the benefit of preserving the Grouping formula, thereby starting a controversy in party bases and committees and on the pages of this newspaper over this issue. Some pointed to the necessity of preserving the Grouping formula because the circumstances that aided in its formulation were still there. These debates were an important indication of the Nasirites' readiness to leave the Grouping, but a question remains about the Egyptian Government's receptivity to the establishment of such a party. Some confirm that the party will face severe opposition by the parties' committee, in participation with some National Party leaders by virtue of their positions, particularly since Kamal Ahmad, the founders' representative, rejected the Camp David accords when he was a People's Assembly member, as I have already said, and the application of the National Front Party founder was turned down because of his rejection of the Camp David accords. Add to that National Party insistence that it is the legitimate representative of the 23 July and 15 May revolutions and will not allow any party to wrest this honor from it. The Nasirites still remember the issue raised by Egyptian State Security Investigations and by State Security prosecution by arresting the first new Nasirite organization. This was a new tune unfamiliar to the Egyptian people. It seems that this issue has been laid to rest, but it appears that it was tantamount to a warning to the Nasirites in light of the campaign some journalists waged during the debate over Muhammad Hasanayn Haykal's book, "Autumn of Fury." The message Egyptian security agencies, and government agencies before them, wanted to give to the

Nasirites was very clear so that the Nasirites would not think that they were above ready-made charges, receiving money from abroad and attempting to overthrow the government, brought against members of religious currents or communist organizations. These same charges were brought against the Nasirite cell.

This organization was exposed through a concentrated attack on Jamal 'Abd-al-Nasir and Nasirism and on any of his defenders who had disagreed with him during his life.

Mubarak--Will He Agree?

Some Nasirite optimists confirm that the regime may approve the Nasirite Party, pointing out that Mubarak brought 'Abd-al-Nasir back to life by releasing his speeches and tapes after the mere mention of Abd-al-Nasir's name was considered a punishable crime during the Sadat era. Even Mubarak in his speeches often alluded to 'Abd-al-Nasir and his national struggle, and some tried to find points of similarity between Husni Mubarak and Jamal 'Abd-al-Nasir, especially after the former assumed power. Some of those familiar with underlying circumstances reply by emphasizing that allusion to 'Abd-al-Nasir in Mubarak's speeches was due to the fact that Ahmad Baha'-al-Din was the one who wrote President Mubarak's recent speeches in which he talked about 'Abd-al-Nasir and his national struggle and asked that national products and other things be encouraged. However, Ahmad Baha'-al-Din soon differed with some influential people in the presidency and National Party higher committees and preferred to withdraw even from his daily column, "Diary," apologizing to his readers for being unable to write because of health reasons.

Some analysts confirm that Mubarak may have good intentions towards 'Abd-al-Nasir and the Nasirists, but let the elements who ruled Egypt during the Sadat era keep on ruling not out of love for 'Abd-al-Nasir but rather in defiance of the /New/ Wafd Party which announced its intention to resume its activities.... Some press elements in the national press began relating the prerevolution story, emphasizing that the 23 July Revolution was made necessary by the corrupt minority rule in prerevolution society.

The ultimate question remains about the extent of the party's anticipated effect on the political street in Egypt and on the Grouping Party because it includes large number of Nasirites who may leave the Grouping in an attempt to support the new Nasirite Party. It is believed that a Nasirite exodus would not have much effect on the Grouping party whose power in Egyptian universities and labor unions will not be affected because party discipline and the maneuverability and influence of its members, especially Marxist elements used to the discipline and organization of secret cells, make up for loss of members. Furthermore, Nasirite Party membership will be drawn from large masses who very passively have preferred to avoid political action altogether but may be drawn to the battleground of party life by a Nasirite organization. Add to that the fact that 'Abd-al-Nasir still enjoys great popularity in the Egyptian street, especially since his commitment was to the poor and the middle class, unlike Sadat whose commitment was to parasitic capitalism.

In general, the party's ability to escape the parties' committee trap will be a new gain for the Egyptian political movement, particularly since it would add to the strength of opposition parties in light of the front recently formed by these parties. The party must participate in this front since it has become obvious that the /New/ Wafd Party is not inclined towards frontal action. So, will the new Nasirite Party succeed?

12502

CSO: 4504/84

GROWING STRENGTH OF MOSLEM BROTHERS, ALIENATION FROM AL-SADAT'S ERA REVIEWED

Kuwait AL-WATAN in Arabic 20 Nov 83 p 12

[Article by Hasanayn Karum: "Egypt: The Currents Have United, Thanks to Prison! The Moslem Brothers and the Turnaround That Has Occurred"]

[Text] Political observers in Cairo state that a turnaround has occurred in the Moslem Brothers' thinking and mode of operating. Whereas for a period of more than half a century they had embraced a specific idea, rejecting cooperation with any other current and rejecting party activity, that has been changing recently. The change reached its peak with the famous recent meeting which the Brothers participated in with the Nasirists, marxists, the Wafd and the other political forces, which ended up with the formation of a united committee named "the Committee of Egyptian National Forces for the Defense of Democracy," issuing a statement demanding many things, including elimination of the Emergency Law and the exceptional laws restricting freedoms, and elimination of the system of parliamentary elections which was recently announced.

How did this transformation in the position of the Moslem Brothers occur? How did 'Umar al-Talmasani's positions rejecting the party system and party politics, in pursuit of Hasan al-Banna's principles, and the rejection of communism and communists, evolve into acceptance of the principle of cooperation with the various parties, and indeed defense of the communists and the presentation of a testimonial holding that "some of them perform the obligation of the prayer and the obligation of the pilgrimage, and pay the tithe; we cannot say 'These people are hypocrites?'"

This is his testimonial; how did this occur?

Hasan Al-Banna and a Letter to the Young

From the time the Society of the Brothers emerged in 1928 under the aegis of Shaykh Hasan al-Banna, it adopted an intellectual position of enmity to the notion of the existence of a number of parties. It did not cease attacking the notion, in the publications it issued and in the conferences it held. Hasan al-Banna summarized the Brothers' position on parties in his book "Recollections of the Call and the Proselytizers," when he proceeded to

review the Brothers' activities in the period preceding World War Two and enumerated its areas and goals. He said:

"12. Fighting governments that are deficient in Islamic terms, fighting the party system, calling clearly for the Islamic platform, and forming committees for technical studies on these aspects."

In addition, he directed advice to young people, in one of his letters to them, and said,

"After that we want an 'Islamic government' that will lead these people to the mosque and guide people through the mosque thereafter through the guidance of Islam, as you were previously guided in this through the companions of the prophet of God, on whom be God's prayers and peace, Abu Bakr and 'Umar. For this reason, we do not recognize any governmental system which is not founded on the basis of Islam or derived from it, and we do not recognize these political parties, or these traditional forms which the infidels and enemies of Islam have forced us to rule by and practice. We will seek to revive the Islamic system of rule with all its manifestations and form an Islamic government on the basis of this system."

Proceeding from this position, the Brothers did not demand that they be registered as a political party pursuing its activity like other parties which existed before the July 1952 revolution, because they do not consider themselves a party; rather, they engaged in their activity as a religious group. As a result of this position of theirs, the political parties viewed them warily, especially since absolutely none of them favored permitting the existence of rural [sic] parties, because they considered that one of the most important gains the 1919 revolution realized was the implantation of national unity between Moslems and Christians. The existence of a religious party would lead to the fragmentation of this unity, because the Christians would have the right to demand a Christian political party. However, this position did not prevent these parties from expressing sympathy and support for the Brothers for their religious activity, which was based on the call to Islam and the establishment of philanthropic projects. Nonetheless, the Brothers, in spite of their rejection of parties and their refusal to register themselves as a party, immersed themselves in, or were enticed into, political disputes. When they cooperated with Isma'il Sidqi Pasha, the prime minister, in 1946, and with the royal palace, with the goal of immersing themselves in this game, [that led] to tragic results for them, since Hasan al-Banna paid with his life when he was assassinated in response to the Brothers' assassination of the prime minister and chairman of the Sa'dists' party, Mahmud Fahmi al-al-Nuqrashi Pasha, and they faced repression at the hands of Ibrahim 'Abd-al-Hadi Pasha, who succeeded al-Nuqrashi.

When the Wafd Party came to power in 1950, their properties were returned to them, those Brothers who were in prison were released, and the society resumed engaging in its activity, after it had been dissolved.

It had been expected that they would learn the lesson well; however, after the revolution, they hastened to immerse themselves in politics once again. They supported the revolution when it dissolved the political parties and

exempted them from the dissolution decree, on grounds that they were a religious society. The Brothers believed that the dissolution of the parties and their sole survival on the stage would enable them to co-opt the revolution. However, the clash between the two occurred, and it reached its peak with the society's attempt to assassinate 'Abd-al-Nasir in 1954 at al-Manshiyah Square in Alexandria. They were subjected to a crushing blow.

Al-Talmasani and the Political Front

When al-Sadat came to power, a new phase began in the life of the Moslem Brothers. In 1974, he released the Brothers who were still in prison. Awhile after that, he allowed them to put the magazine AL-DA'WAH out again. The Brothers' activity started picking back up again gradually. It was natural that they should be grateful to al-Sadat for this good deed, and therefore their relationship with him was mixed with affection. The Brothers concentrated their activity on gathering their ranks together and settling their accounts with the Nasirists. However, they were surprised to see al-Sadat change the political system, which had been founded on a single organization, the Socialist Union, to one of a number of parties. Three parties were established, the center, under the chairmanship of Mamduh Salim, the Grouping, under the chairmanship of Khalid Muhyi-al-Din, and the Liberals, under the chairmanship of Mustafa Kamil Murad. The Brothers requested that the authorities acknowledge their right to return officially and have the society's confiscated properties restored. However, their request was met with a rejection. While the opposition was putting on pressure for the expanded scope of democracy and permission for all political forces to form their independent parties, the Brothers adopted a position hostile to the notion of the presence of numerous parties and refused to cooperate with any opposition political powers. An important transition occurred which led to the outbreak of crisis between the regime and the Brothers; that was al-Sadat's payment of a visit to Jerusalem in 1977, the signing of the two Camp David agreements, then the peace treaty with Israel. The Brothers declared their intense opposition to this transition in Egyptian policy at a time when the opposition forces were condemning al-Sadat's policies. The Brothers were afraid that al-Sadat would believe that they had formed an alliance with the civil opposition to him, and were therefore anxious to deny the existence of any relationship between their position and the positions of the other people in opposition. Indeed, they did not hesitate to condemn them.

However, personnel in the Moslem Brothers participated with the opposition forces in condemning al-Sadat's policies, and started actually cooperating with them, especially through the activity of the Lawyers' Union, before al-Sadat dissolved its legitimate council in 1980. This cooperation caused anxiety in the leadership of the Brothers, embodied in Mr 'Umar al-Talmasani. In addition, al-Sadat was plagued with doubts about the Brothers in general and their cooperation with the people in opposition to them.

This situation is illustrated by the discussion which took place between al-Sadat and 'Umar al-Talmasani at the meeting al-Sadat held with religious figures and Islamic thinkers on 21 August 1979, when al-Sadat attacked the Brothers and accused them of cooperating with the late 'Abd-al-'Aziz al-Shurbaji, who had been a candidate for the position of head of the

Lawyers' Union and was hostile to al-Sadat and attacked him relentlessly. He also accused them of cooperating with his opponents, and in addition there were other charges which he proceeded to enumerate against 'Umar al-Talmasani. However, he, that is, al-Talmasani, sharply denied these charges and described the Brothers' position, which rejected all cooperation with the opposition.

Al-Talmasani told al-Sadat:

"The leaders of the Communist Party wrote to me more than once inviting me to attend meetings with them. I refused each time, because I know the enmity there is between Islam and the communists, and know that the two cannot come together in the same boat or proceed in a single caravan. I know full well that they wrote to me to attend meetings, not because they would cooperate and wanted to help proceed in a particular direction, but rather they wanted to publish the fact that 'Umar al-Talmasani sat with the leaders of the communists and issue that to the people, so that it would be said that the Brothers and the communists were together. The Brothers and the communists never will be together.

"People from the parties that your excellency is talking about wrote to me for a visit. I said, I would welcome a visit to give greetings and salutations and to ask about ordinary affairs; if the visit is to talk about the politics of forming fronts, the Brothers will never go along with anyone in a front, because their history is Islamic and well known."

Concerning the elections to the Lawyers' Union, al-Talmasani said:

"In the elections of Ahmad al-Khawajah and al-Shurbaji, the names of Brothers who are lawyers appeared. I was amazed, and asked one of them; let me bring him to visit you and tell you. He told me, 'Those people wrote down our names without permission; these are election matters, and we have nothing to do with the one or the other.' If anyone says that I ordered or assigned anyone to support anyone, I deserve everything that he said about me."

By the communist party al-Talmasani meant the Grouping Party, which actually did send him invitations to attend some meetings which it had held in its headquarters in Cairo. He meant Fu'ad Siraj-al-Din and the Wafd when he referred to "the parties that your excellency is talking about."

Al-Talmasani's attack on the Grouping and his declaration of his absolute refusal to cooperate with any party or political power was not an attempt to deflect al-Sadat's anger; rather, it was an affirmation of the Brothers' historic principled position of rejection of the notion of political life and cooperation with political parties which he had stated clearly in an article he wrote in the magazine AL-DA'WAH, the September 1979 issue, under the title "We Have an Opinion on the Amendment to the Constitution." He was commenting on the amendment which had been introduced into the constitution in order to include the provision that the political system would be based on the existence of a number of parties rather than a single organization. Al-Talmasani stated, in these words:

"It does not concern me whether the Socialist Union is eliminated or remains, because the people who established it yesterday are the ones who are attacking it today, and they could bring it back tomorrow. There is no stability in man's regimes and legislation. The press of today and the People's Assembly made a devastating attack on the system of the presence of a number of parties before 1952, some of which is correct and some of which is exaggerated. The parties of yesterday are the parties of today. Regarding the word 'parties' in the plural, that appears in the Koran about 14 times. There, parties are all described as evil and bad. In this context of the glorious Koran, we ought to have had a warning, foreboding, notice and a reminder. However, when have forebodings benefited us? I do not deny the system of the single party, from the depths of my feelings, on the basis of my belief, nor do I approve of the system of a number of parties, especially since the system on which they were founded in the past is the system on which they are founded in the present, one view and another. Islam does not recognize conflict and feuding in the quest for the attainment of power for the objective of carrying out a specific platform. This is the only notion on which the theory of the multiplicity of parties is founded."

In addition, AL-DA'WAH continued its attack on the parties, in certain articles or reports which it published, including the report published in the issue of January 1980 under the title "The Western Invasion Is Fragmenting the Foundations of Our Islamic Life; Government through the Party System Is a Wrongful Notion!" The report used as testimony the view of Muhammad 'Abd-al-Wahhab Fayid, who said, "Another manifestation of the Western invasion is the importation of the notion of parties. It is the party system which has enabled the rulers, under the banner of their majority parties, to live well, with their parties, at the expense of the remainder of the people, without viable opposition to protect the people from harm and danger and protect their rights and their property. Government through the party system is a wrongful notion."

Shaykh 'Abd-al-Latif Mushtahari, director general of exhortation and guidance in al-Azhar, stated, in the same report, "If we are correct in reporting reality, we will say that the fragmentation of the nation into parties and groups, each one making common cause within itself, may all be attributed to the culture the West and the East have imposed upon us which did not arise on our own ground and which we did not inherit from our own past."

The Events of September and the Abandonment of the Past

However:

A tremendous transformation rapidly occurred in domestic conditions when al-Sadat carried out the famous campaign of arrests in September 1980 [sic], which encompassed all political and religious leaders from the far right to the far left. Nasirists, communists, Moslem Brothers, Wafdists, members of religious groups, representatives of the Copts, Moslem religious figures, and so forth, all found themselves gathered together in spite of themselves in the prisons and detention centers, and a few days after that al-Sadat was assassinated. Discussions and debates started to take place continuously among everyone, and the prisons turned into political salons and clubs, with

each group presenting its own ideas and conceptions to others. The most serious thing that happened was that they agreed that it was necessary to forget the past, that the only road before them was absolute freedom for everyone without exception and that each current had the right to form the parties it wished and issue the papers it wished.

The results of the developments in the prisons soon started to appear on the surface of political life. After the release of the detainees, their meetings and encounters continued, with the objective of developing what had taken place among them and what they had agreed on. An initial prominent development appeared in the Brothers' position in the talk 'Umar al-Talmasani gave to the newspaper AL-AHALI, organ of the Grouping Party, on 29 September 1982. What al-Talmasani's statement reflected was a comprehensive turnaround in the Brothers' thinking and plans.

He was asked, "Many people, regarding the leaders of the Islamic movement, have spoken of their impression that there was interaction between those leaders and the leftists, when the two parties were put in prison during the September ordeal. What was your impression?"

"There is no doubt that all the men who have been designated as leftists that I met in the al-Qasr al-'Ayni Hospital detention center have very high standing in my spirit and are men of morals, morality, good conduct and cultivated discourse. We lived together in the place of detention most compatibly, affectionately and warmly, and shared the food that came to us from our houses. Sometimes, the owner of the food himself would not eat any of it so that the others could have it. When I was released, some of them visited me to give greetings. Others preferred to greet me by telephone. May God reward them with every bounty. All that might be said to stand between my Islamic point of view and communism is that from the start we realized that communism denies the existence of a supreme being, which is a point of contention. We believe in the existence of a supreme being. Now some changes have begun; there are communists who pray, go on pilgrimage and pay the tithe. I do not want anyone to say that that is a mere claim or a fictitious thing. No, I am not a supreme being, and I cannot read all the innermost secrets of people's hearts; as long as people pray in front of me, I say that they are praying, I do not say that they are hypocrites. If they are hypocrites, it is God who will judge."

He was asked: "Many people say that leftists and devout people are on two opposite sides, yet the September events did not discriminate between them; what is your understanding of the relationship between the two parties?"

Al-Talmasani said,

"I cannot strip people from their patriotism and love for their country, no matter how I might differ with their views. If the left is anxious to eliminate its lack of commitment to religions from the minds of the people, the scope of the dispute will narrow greatly. From the standpoint of economic thinking and so forth, Moslems, communists, socialists and democrats can discuss these matters."

He was asked, "During al-Sadat's rule, you refused to cooperate with the other opposition forces; do you still hold to this position?"

He said:

"Cooperation has assumed a desirable form. The prophet, on whom be God's prayers and peace, made a commitment to Jews and idolators, and we have nothing against cooperating for the sake of what is beneficial, because the Moslem's entire goal is to attain what is beneficial. The Moslem can encounter wayward wisdom wherever he wishes, but I must not be understood as taking a stand alongside the other opposition parties against the government. This is a misunderstanding, because I always state that I do not support or oppose governments, but rather give advice and guidance. I presented such views to some figures in the opposition, and it seems that I have not yet seen them carried out. However, we can all constitute a people's front and offer the prime minister or the president himself our opinions, and he will listen to us. What is correct will be applied and what is not will be avoided. The whole matter bears on the nature of the technique. Is it delicate or violent? We must rid people's minds of the notion that the opposition is an enemy of the government, because people who are in opposition should not oppose out of enmity but rather for the sake of reform."

Mr 'Umar al-Talmasani continued deeply and firmly to reveal the transformations that had occurred in the Brothers' position, and he wrote an article in the newspaper AL-AHRAM of 14 May 1983 titled "The New Era in the President's Speech" stating:

"Democracy, as the president says, is not a slogan that is raised but it is a platform of thinking and a style of life. This is an indisputable fact. There is nothing easier than for tyrants to praise freedom; in fact, they are perhaps the people who talk about it the most, for the sake of cover and affability; it is a platform of thinking whose feasibility among people has been proved. Therefore, today, as confirmation of what the president said, I expect that the law on parties will be abrogated, and that every individual or body will be left to establish the organizations he wishes and put out the papers and magazines he wishes, and then the people will affiliate themselves with what is beneficial and refuse to have anything to do with what is harmful and causes evil."

Al-Talmasani took another noteworthy step when he himself attended the celebration the New Wafd Party held on 23 August on the occasion of the anniversary of the death of the two leaders Sa'd Zaghlul and Mustafa al-Nahhas.

However, the total surprise which crowned the series of surprises was al-Talmasani's attendance at the conference held in the headquarters of the Grouping Party, which was convened by the Committee for the Defense of Freedoms, and his presentation of a statement there. He met with tremendous enthusiasm from the people in attendance.

After these changes, it was not strange that the Brothers should take part in the recent activities that resulted from the establishment of the

"Committee of Egyptian Forces for the Defense of Democracy" and should request that democracy be applied in full.

Thus the Brothers have abandoned their positions and views regarding the form of the political system based on the presence of a number of parties, which were implanted by their founder and first guide, Shaykh Hasan al-Banna, and are now endorsing other views. That tremendous transformation has come about as a result of the events of September 1981.

While there are some Brothers who have not yet digested these transformations, they are not in a position of power that would enable them to go back to the counsel of the first guide, in the near future anyway.

11887

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OPEN DOOR ECONOMIC POLICY CRITICIZED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 778, 12 Dec 83 p 26

[Interview with Dr Fu'ad Mursi: "The Profile of Egyptian Society Has Been Reconstituted: Cities Are Now Providing Food for Villages While Cities Are Relying on Foreign Aid"]

[Text] Dr Fu'ad Mursi said, "It seems to me that the economic open-door policy was not one of the other policies that Egypt adopted, but it was rather the supreme policy of Egypt after the 1973 October war. Several attempts had been made before that date to adopt the open-door policy, but these attempts had gone nowhere until the October war provided an opportunity for defending this policy and imposing it on Egyptian society.

"In my judgment, therefore, the open-door policy is the embodiment of a capitalist philosophy that came out of today's circumstances in a backward country. It is a policy that wishes to exercise total control over that society. Accordingly, the only thing it can do is to follow the lead of world capitalism. Its entire function then is to promote the products of world capitalism. Local capitalists do not renovate; they neither build nor create [new industry]. As they promote to plain people the notion of following the lead of foreign countries, they concentrate [their energies] on symbiotic, unproductive activities instead of on productive activities."

[Question] How did that happen?

[Answer] [The capitalists did what they did] under the slogan of bringing in foreign capital so that it could carry out the economic and social development in Egypt. Such a statement is inherently contradictory because foreign capital does not develop a society. What actually happened is that Egypt's markets were opened, and foreign products were imported. As imports grew over exports, Egypt's foreign debt rose, and that foreign debt became a phenomenon complementing that of foreign imports. Under these circumstances foreign aid became the [only] recourse. At the same time the sectors of production in Egyptian society receded while the services sector grew, particularly those unproductive, symbiotic services.

[Question] What about the social profile of Egypt in the context of this characterization of the philosophy of the economic open-door policy?

[Answer] Egyptian society is becoming increasingly dependent on foreign countries. Egypt is no longer an industrial country in the sense that we knew an industrial country in the sixties. In fact, it is no longer an agricultural country in the sense that we have been familiar with throughout Egypt's long history.

Cities are now providing food for villages, while cities are now importing their food from abroad.

What this philosophy has arrived at is the erosion of the experience of the sixties, particularly that of the public sector. It has given local capital a free hand in the Egyptian economy at the same time that the state abandoned [its] responsibility for Egypt's economic and social development.

The Capitalism of the Twenties and the Capitalism of the Seventies

[Question] Some people maintain that Egyptian capitalists were able to build Egypt in the twenties.

[Answer] Let us distinguish between the capitalism of the twenties [and that of the seventies]. The capitalism of the twenties was represented by Misr Bank, which was led by Tal'at Harb. These were capitalists who really wanted the Egyptian market to be independent. They wanted to develop Egypt economically and socially as they understood such development then. Therefore, they tried to build a strong industry.

The capitalists of the twenties were national capitalists who were trying to liberate the country from colonialism.

[Question] To what extent are matters different as far as the seventies are concerned?

[Answer] Matters are different. The fact that the enemy was clearly known in the twenties made the national cause clear. Capitalists were trying to liberate the country. But Egyptian capitalists of the seventies constitute a group that was repressed in the sixties; [their property] was nationalized. This group found its opportunity for revenge under the economic liberalization. This group of capitalists could not help but become what they are. The other lingering fact, however, is the fact that there are national capitalists who are being persecuted by the upper crust of society who do business in finance and in symbiotic, unproductive activities only.

I also want to say that these capitalists who are engaged in symbiotic, unproductive activities have no sense of affiliation; they have no patriotism and no national loyalty. The principal loyalty of this group is to world capitalism; they defend it in Egypt and abroad. I would conclude by saying that this group is trying to impede all the reform efforts which were begun by President Husni Mubarak since he took office late in 1981. This group has the ability to use the economic and political means it has at its disposal to spread corruption and to corrupt people.

"Take the Money and Run!"

"Take the Money and Run!"

That is why the ruling party has been bent on maintaining exclusive access to that group under the slogan of absolute lists.

I've formulated a daring idea which conveys the notion that economic liberalization has become so widespread in society that it has succeeded in penetrating the working class and [the class of] revolutionary intellectuals.

[Question] What is the effect of that on the value system of Egyptian society in the seventies?

[Answer] The value that was being promoted in the past was the value of work; the value of acquiring [property] was not being promoted. But in the seventies the value of work died but was not buried, and the value of fast and easy acquisition of property was growing. It became known that fortunes were being made with the blink of an eye. The slogan that was being proclaimed in the seventies was that of, "Take the money and run!" Before that the slogan of national capitalists in Egypt was always, "Produce and make a profit!" Several changes have occurred in the area of relations: there is, for example, an imbalance in the wage structure, even within the same household. Everyone now is thinking of acquiring property, and banks in villages have turned into boutiques selling color television sets to peasants!

Egyptian Society Is Fading Away

Dr Fu'ad Mursi added, "I cannot explain the cases of corruption and negligence without referring to the open-door policy. We are in a state wherein Egyptian society is fading away, and that requires action from all thinkers and all forces. Such action can only come about by countering the open-door policy and going back to a policy of planned development that would be independent of foreign countries. Major decisions do require historic positions."

8592

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NEW SUBSIDY, RATION CARD SYSTEM CRITICIZED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 778, 12 Dec 83 pp 12, 13

[Article by Dr Karimah Karim: "Red Ration Cards and Subsistence for the Poor"]

[Text] According to the announcements that have been made about the new subsidy system--and these have not been many--there will be two kinds of ration cards. There will be red cards that will enable those who have them to buy staples at fully subsidized prices. And there will be green cards that will enable those who have them to buy these goods at prices that are partially subsidized. Since no announcements have been made, as far as we know, about what goods will be included on the ration cards or about what is meant by full subsidy and partial subsidy, we assumed that there will be no change in the number or kind of goods that will be included on the ration cards. We assumed that there will be no change in the prices that people who will have red ration cards will pay for these goods.

In other words, we are assuming that people who have red ration cards will continue to purchase the same goods at the same subsidized prices and that people who have green cards will continue to purchase the same goods but at prices that are 50 percent higher. The question that we would like to discuss is this: what are the anticipated effects of the application of this new system in so far as its effect on price levels in general and on the cost of living for people on fixed incomes in particular? Let us present the question in more specific terms: what effect will the application of the new subsidy system have on the cost of living for people who have red ration cards and for people who have green ration cards?

Before explaining our thoughts in that regard, we would like to make it clear that from our point of view bringing up this subject for discussion among specialists at this early time has two advantages. The first advantage lies in the fact that discussing the anticipated effects of applying that system before these effects take place gives officials an opportunity to find out what the anticipated negative and positive effects of that new system will be from various points of view, and that would help those officials reconsider the drawbacks of the new system, bolster its strong points and formulate a better one.

This is what would happen if officials were to take an interest in these discussions. But if they paid no attention to them, specialists would then at least

have done their duty in offering scientific advice. For there is no doubt that specialists in the various disciplines of knowledge have the responsibility of saying what they think, each in his own discipline, so they can serve the society in which they live and to which they are indebted for all the knowledge they have achieved. The excuse that officials will pay no attention to what specialists say does not relieve those specialists of the responsibility of saying what they think.

The second advantage of initiating a discussion on this and other equally important subjects in matters of our daily lives is that a discussion in and of itself is useful not only to officials and public opinion, but it is also useful to the specialists themselves. In the social sciences--and economics is one of the social sciences--there is no one definitive opinion [on any matter], but there are several opinions and schools of thought, and these differ in the priorities they set, the distinctions they make and the methodologies they follow. There is no doubt that [having an opportunity] to listen to opinions and counter opinions enriches proponents of all the various schools of thought because it helps them reinforce strong arguments and refute weak ones. As long as all of us, with our different schools of thought, aim for the achievement of the public good, there is nothing wrong with having a discussion and having differences. But there is everything wrong in silence and passivity. I hope that economists and officials will respond to my invitation to discuss this important subject at this early date so that when this new subsidy system goes into effect, none of us will be taken by surprise by things none of us wants.

Subsidizing Individuals

There is a fundamental difference between the new subsidy system and the subsidy system that is presently in effect. The present subsidy system is based on subsidizing goods, whereas the new system is based on subsidizing individuals. This means that we are about to shift from a system of subsidizing goods to a system of subsidizing individuals. Both systems have their shortcomings and their strong points, and these must be studied and thoroughly understood so that the choice we make would be one that is conscious and wise. Among the shortcomings of the system of subsidizing goods, for example, is the fact that part of the subsidy benefits those who are not entitled to such benefits because it is the commodity that is subsidized regardless of whether or not the person who uses that commodity is entitled to benefit from that subsidy. This increases the burden on the state budget by encumbering it with the burden of subsidizing those who are not entitled to receive such a subsidy. At the same time, one of the strengths of that system, for example, is the fact that reducing the prices of certain commodities by subsidizing them has the effect of reducing the prices of a number of other commodities that use the subsidized commodities in the production process. And that reduces price levels in general.

[Another] one of the strengths of the system of subsidizing individuals, for example, lies in the fact that the state can direct the subsidy exclusively to those who are entitled to it, and it can deny that subsidy to those who are economically able. This is based on the assumption that people who live on fixed incomes and who are entitled to receive a subsidy can be successfully identified. The burden on the state budget can thus be reduced. However, one of the disadvantages of shifting from a system of subsidizing goods to one of subsidizing

individuals is the fact that we would have spiraling price increases [as a result]. We have to be aware of that in advance so we can curb such price increases as much as possible by adopting appropriate policies for confronting such a contingency. For example, abolishing the subsidy on goods would not only raise the prices of those goods which require the use of subsidized goods in their process of production, as we previously mentioned, but it will also raise the prices of a number of goods and services offered by the private sector, as we will show later. Without going into details, and this article is not the place for such details, what I call the indirect effects of abolishing the subsidy on goods will increase the prices of goods that were not originally subsidized. This is considered one of the most significant drawbacks of shifting to a subsidy system in which individuals are subsidized. This is one of the drawbacks we must be aware of.

Effects of the Red Card and Green Card

Let us go now to the heart of the matter we want to discuss, which is the attempt to answer the following question: what are the anticipated effects of the new subsidy system on price levels and on the cost of living for people living on fixed incomes who have red ration cards, and what will be those effects for people who have green ration cards? My most significant fears about the effects the application of the new subsidy system will have on price levels and on the cost of living are manifested in the following points:

--A single commodity will have several prices. Instead of two prices for a single commodity--the subsidized price one pays when purchasing the commodity with a ration card and the free market price--there will be three. There will be the fully subsidized price that people who have red ration cards will pay; there will be the partially subsidized price that people with green ration cards will pay; and there will be the free market price. If numerous officials, specialists and experts in international organizations are now complaining about the dual price system because it leads to inefficiency in the allocation of economic resources, what would matters be like when we shift to a situation in which there will be three prices for a single commodity?

--How will the merchants who retail the commodities on ration cards be billed?

Will they pay the free market price for the commodities and then receive a refund for the difference between the fully subsidized price, the partially subsidized price and the free market price after taking into account the number of red ration cards and green ration cards [which they process]? Or will they be billed on the basis of three different prices for a single commodity when they purchase those commodities from officials to sell them to consumers? Whatever the method that will be used in billing them--and that has not been announced yet--having more than one price for a single commodity will increase accounting problems and will undoubtedly increase administrative costs for official agencies. In addition, merchants with a poor conscience will have a greater opportunity to tamper with prices since the more prices there are, the more substitutions and accommodations there will be and the more opportunities there will be for tampering with prices. This is particularly true since it would be difficult to prove in a ration card system whether or not a person who is entitled to subsidies did in fact receive the subsidized goods to which he is entitled. This is the opposite

of what happens in a system in which coupons, for example, are utilized. In such a system a person who is entitled to a subsidy would give the merchant a coupon when he buys the subsidized commodity. Accordingly, the merchant would present this coupon to the official agency which would reimburse him for the value of the coupon whose worth would be equal to the difference between the fully subsidized price, or the partially subsidized price, and the free market price. Prices for finished goods whose production involves the use of subsidized goods will rise. For example, prices for falafil, which as we know is a popular dish, will rise as a result of the rise in the price of cooking oil and beans. The price of noodles will rise as a result of the increase in flour prices, and the price of meat will rise when the subsidy for imported corn, which is used as feed for cattle is abolished, and so on.

--It is expected that prices for many services and goods that are offered by the private sector and that were not originally subsidized will [also] rise because those who offer these goods and services will in turn try to increase their earnings to make up for the certain increase in the prices of goods. Of course they would increase their earnings by raising prices for the goods and services they sell to individuals.

An example of that is the anticipated increase in prices for [services such as] tailoring, ironing, personal grooming for men and garbage collection. [Another example] is the rise in the profit margin on various commodities and accordingly, the rise in the sale prices of these commodities to consumers.

--The cost of living for everyone in society will rise because, as we've indicated earlier, prices for numerous commodities that were not subsidized originally will rise as a result of the fact that subsidies will be abolished on commodities used in processing these goods or as a result of the fact that many people in the private sector who provide goods and services will be inclined to increase their earnings. This rise in the cost of living will affect people who have red ration cards as well as those who have green ration cards. The difference here between the rise in [the cost of] living for people who have red ration cards and that for people who have green ration cards is a difference in degree and not in type. The rise in the cost of living under the new subsidy system will be less for people living on fixed incomes who have red ration cards, compared with what it will be for people who have green ration cards. This is because the new system will enable people living on fixed incomes to continue getting staples at the same current low price. However, the fact that they will be getting the staples at a subsidized price does not mean that their cost of living will not rise. This is because, as we explained, prices for numerous goods that were not subsidized in the first place and that are purchased along with the subsidized goods are expected to rise under the new subsidy system. The cost of living for people who have green ration cards will rise slightly more than the cost of living for people with red cards. I am saying "slightly more" because the difference between the rise in the cost of living for people who have green ration cards and people who have red ration cards will be limited to the difference between the fully subsidized price and the partially subsidized price for the staples that people buy with their ration cards. These staples are limited in number. For the rest of the goods that citizens buy, however, it is expected that prices for many of these goods will rise for the reasons that we've indicated.

Monitoring and Holding Down Prices

What about the role monitoring prices can play in slowing down this anticipated increase in prices? There is no doubt that if they are serious and firm, price monitoring officials can play a role in holding down price increases. However, there is no way they can hold prices at their present levels and keep them from rising eventually. The reason for that is simple. The national economy is not [like] a chemistry laboratory where some variables may be isolated from each other so that one can get the result one wants at a time when one wants it. The fact that the economic variables are intermeshed and the fact that relationships and activities overlap in a single economy make it inevitable under our present economic conditions that the change in the subsidy system--from subsidizing commodities to subsidizing individuals--lead to an increase in prices for many goods and services. Consequently if we do not want the new subsidy system to be accompanied by a tangible decline in the standard of living of people living on fixed incomes, it will not be fair to ask them to tighten their belts any further--they are tight enough already. Application of that system will have to be accompanied by an increase in the incomes of these people so they can obtain the same quantities of unsubsidized goods and services which they have been accustomed to receive under the present subsidy system. Red ration cards will enable people on fixed incomes to obtain commodities on ration cards at the [fully] subsidized price. But what about the rest of the goods and services they need in their lives whose prices are expected to rise as we've indicated? It is for this reason that I am proposing that application of the new subsidy system be accompanied not only by an increase in the incomes of low income people in particular, but also by an increase in the number of goods that can be bought on the red ration cards. Individuals living on fixed incomes who have red ration cards would then be able to purchase the largest possible number of staples with their ration cards so that a minimum standard of living can be guaranteed for them.

8592

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UNIVERSITY ELECTIONS HIGHLIGHTED BY STUDENT APATHY

Cairo ROSE AL-YUSUF in Arabic No 2893, 21 Nov 83 pp 14-17

/Article by Sawsan al-Jayyar: "University Elections: No Tutelage Over University Students"/

/Text/ The Cairo University campus is quiet, groups of students here and there and no signs of talk about the elections. It is a strange phenomenon that raises questions about enthusiasm and fervor in this election season and about the issues around which student elections are supposed to revolve.

I expected to hear discussions and election platforms for solving student problems. Those phenomena disappeared and were replaced by talk about riddles, trips and wisecracks and by a fashion show.

It used to be that university students played a prominent role in society. Youth participation was clear and conspicuous. What has happened to such participation?

Something in the personality of university students is missing. Apathy and superficiality dominate their thinking. Why is this sector of the future surrendering its rights.

We tried to get closer to the picture to discover the secret of this quietude. The outlines of the picture began revealing themselves, but with difficulty.

In the garden between the College of Arts and the Law School, a group of students was sitting on the ground playing cards. I asked one student about the student federation elections.

She said, "Elections are held every year, is it time for them this year?" I asked, "Did you attend last year's elections?"

/Answer/ Yes, and I voted for a friend.

/Question/ On what basis did you give your vote?

/Answer/ I did not attend the elections the first time but in the run-off a friend took me to vote for him.

A fellow student from the Law School joined the conversation. "The new thing about university elections is the change in the campaigning style.

"We used to be able to get together with candidates in intellectual dialogues to learn what their views and thoughts were. What we have now is a mere announcement in the candidate's name with a small calendar or schedule with his name and photo.

Wafa', a third-year philosophy student said, "Why should I vote? They are not going to do anything for us even if they promise to fulfill our demands!"

/Question/ What are your demands?

/Answer/ We would like the transportation problem solved. It is the biggest problem facing us. We would like the lecture schedule adjusted because free time between lectures is very long. We have a lecture at 9:00 am and the other at 1:00 pm. What are we to do for 3 full hours? Should we go home and endure the transportation problem once more or should we sit here? Here we are killing time by playing cards!

"We decided not to take part in the elections this year," /she said/.

I went inside the university to find someone to talk to about the student federation and the elections. Behind the College of Arts' main building I saw two students posting placards about the activities of their college family /i.e., community/. I asked one of them about the elections and the student federation system. She said, "After 3 years in college, I can say that the student federation system is a failure from the standpoint of both the electoral system and the lack of efficacy.

"There are no student election campaigns prior to elections and not every student can run for elections because they are dominated by a bunch of pros who, at the beginning of summer vacation, agree among themselves on how to divide up federation membership, using freshmen who do not have a good idea about the elections and are given false promises.

"Last year, for example, some candidates made an agreement with a girl to sit next to a potential candidate during the college party attended by the dean and slap his face in order to tarnish his reputation, thereby depriving him of his candidacy! All that because of their fear of new elements. Many times arguments and altercations are instigated for the purpose of blocking someone's candidacy."

/Question/ What is the proper form for elections and the federation?

/Answer/ Undoubtedly, there are some active elements among students who must come out to oppose the pros. This cannot be achieved unless students are united in their resistance to corruption. Nevertheless, tutelage imposed on the federation will be a stumbling block.

"All I wish is to see the federation as the actual spokesman of the ordinary students, discussing their demands and problems in the university. They are

transportation and ID cards. If a student loses his college ID card, he needs a whole month to replace it, during which he is not allowed to enter the college or attend lectures."

'Atif, who was helping his fellow student post the placards, adds, "I am a member in the student federation for last year and I will be a candidate this year."

I asked him to comment on the negativisms I heard from his fellow student. He said, "Superficiality and apathy are not caused by the students or the student federation. The responsibility falls primarily on the college administration which does not elucidate on the role of the federation.

"Elections will be held in a few days and so far no one, except those directly involved, knows anything about them. The fault is not in the existence of a bunch of pros controlling the elections, but rather in the absence of anyone able to face this group and stand up to it."

/Question/ What is your platform this year?

/Answer/ Actually, I am supposed to offer a platform that can solve student problems, but I know full well that it will be nothing more than false promises that cannot be fulfilled because they will come up against the college administration!

"We really want to fulfill all the demands of the students and to solve their problems. However, under the auspices of the existing bylaws, the students have no right or freedom to discuss anything, hence, it is impossible to fulfill promises and commitments!

"The existing federation is a sham. Things would be the same with or without it. We are nothing but the finishing touches for the college's general decor and elegant facade!"

I said, "Did you not accomplish anything last year?"

He said, "We accomplished a lot of formalities last year. For example, we were able to publish two editions of the arts magazine but failed to sustain it due to a lack of capabilities and to tutelage over topics presented in it.

"The problem is the bylaws. We always come up against obstacles, and the roles of federations have been mixed up between the political and the social. Accusations have destroyed the role students can play in the service of the university and fellow students.

"The day bylaws were published, planning for youth began assuming the form of tutelage. As proof, the faculty controls the election process. There are seven professorial votes to five student votes in the election of a federation secretary.

"So, can anyone imagine that a student not acceptable to some professor can enter the federation?"

Another picture in the College of Communications: Posters cover the building's inside walls, but only one small poster displayed the election date.

I asked student Muna what she thought about the university elections.

/Answer/ I am not going to vote for anyone because I am not convinced of the role federation representatives can play; these representatives have done nothing for us and always go after their own personal gains and ambitions.

/Question/ What is your opinion about campaigning in the university?

/Answer/ It is buffoonery. Last year I voted for a fellow student because I admired her poetry!

In Cairo University's College of Engineering there was a consensus among some students about the futility of the student federation, citing as an example its position on their recommissioning last year when they voiced their objection and federation members calmed them down with promises to solve the problem, but nothing was done after that. This was the case with the rest of the colleges. The upshot is lack of confidence and candor.

The picture was presented to Dr al-Siba'i Muhammad al-Siba'i, head of the Eastern Languages Department and federation protagonist /leader/ at Cairo's College of Arts. He commented:

"Student federations in Egyptian universities are an expression of what student participation in university should be. They are a kind of training and practical education students should get used to in university life to help them take responsibility for themselves and others on the outside.

"A federation has many goals that are fulfilled through a number of committees in which students practice all sorts of activities.

"Regarding what is being said about university professors meddling in the election process, it is not true. The role of professors is limited in that after the elections results are announced and the five students elected, five others from the faculty are appointed as committee leaders to provide advice, guidance and direction to students on the assumption that guidance is a kind of training and education. I feel that whereas the professor's role is to educate and teach students scientifically, culturally and socially, his primary duty is to supervise his behavioral education."

/Question/ What do you think about the fact that the federation president is elected by professors and not by students?

/Answer/ This is the opinion apparent to students because of the ratio of five student votes to five professorial votes. But there is a youth welfare director who guarantees the integrity of the electoral process.

/Question/ How do you evaluate last year's electoral experience?

/Answer/ Last year's elections passed quietly because we were following a policy: Student freedom would not be denied. So long as a student did not commit any infractions either in the campaign or the elections, he could do anything he liked.

We gave students full freedom, so that the election process would take its natural course within the student base. Any student unable to convince his colleagues to elect him is not worthy of membership.

/Question/ How do you evaluate the federation's work last year?

/Answer/ Last year had some resplendent pages /moments/. When I see a /college/ family eager to keep the college and bleachers clean and to post signs pointing to places and bleachers, and when I see students eager for their college to make a good showing in sports and the theatre, I feel that this confers honor on them.

/Question/ But families do not make up the student federation.

/Answer/ The family is part of the federation. It is true that it does not represent all students, but it is a part of the activity. This is in addition to other committees. For example, the cultural committee was able to republish AL-ADAB /Arts/ Magazine which had ceased publication for years. Two editions have been put out.

/Question/ Why did it cease publication?

/Answer/ I was out of the country at the time and did not go into reasons for its ceasing publication.

/Question/ Students say it ceased publication because of the lack of capabilities and the absence of freedom of expression.

/Answer/ Indeed, the basic problem was capabilities. We are trying to eliminate any material obstacles. Regarding the other point, articles and investigative reports are reviewed by the cultural committee's leader for evaluation. If any of the articles are found to violate the university's sanctity in any way, we discuss it with the student. This does not restrict the student's social freedom.

/Question/ One reason for ceasing publication was the banning of political articles and expression of political views.

/Answer/ The common view says "no politics in universities." I believe that politics is part of life and an expression of views in this regard is a duty. But does politics mean destruction of what already is? If we care about Egypt, let our criticism be constructive.

/Question/ Many students know nothing about the student federation.

/Answer/ This is a reflection upon the students. If a student is unable to convince students to elect him how can he speak in their name?

/Question/ Most students accuse the university of tutelage over their movements.

/Answer/ There is no tutelage. Students are eager to have everything in their hands, as in the past, particularly when it comes to material matters, in order to realize personal material gains. The new bylaws offer them added guarantees and place their money in the safe hands of administrators and faculty members.

/Question/ Student abstention from voting is due to nonfulfillment of their demands. Is there anything new this year?

/Answer/ Student problems can be defined as follows: books, living quarters and transportation. The university has completely eradicated the problem of university books. Regarding living quarters, I was bent on allocating part of the living quarters to the student federation to help in severe cases. As for transportation, we have not found a solution for it thus far.

Dr al-Siba'i Muhammad al-Siba', leader of the federation, adds: Under the auspices of the new bylaws, many gains and accomplishments have been realized to the students' advantage, in contrast to the old bylaws that benefitted only a small group.

/Question/ What is your view concerning the notion that candidates are a bunch of pros?

/Answer/ This is true due to the lack of effective and conscious participation by the student base.

"Youth is distinguished by a dreamy look to tomorrow and does not heed the reality around it which is part of it. That is why it always asks if the present promises something better for the future."

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ISRAEL

BRIEFS

CITRUS TO EGYPT--The citrus growers in the Gaza Strip will export citrus fruit to Egypt for the first time since the 6-Day War. The head of the Civilian Administration in the Gaza Strip, Brigadier General Avraham Binyamin, told our correspondent Moshe Halevi that the Civilian Administration does its best to facilitate the shipment of the fruit consignments through the Rafah border point. The renewal of this supply to Egypt was decided upon during a visit to Egypt by former Gaza Mayor Rashad al-Shawwa. [Text] [TA171020 Jerusalem Domestic Service in Hebrew 1000 GMT 17 Dec 83]

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INDUSTRIAL DEVELOPMENT, PRIVATE SECTOR INVESTMENT DISCUSSED

Role of Private Sector

Kuwait AL-WATAN in Arabic 22 Oct 83 p 11

[Article by Wafa' Khaffaji]

[Text] In the last issue we had an interview with the minister of trade and industry on the future of industry in Kuwait and future projects the state has for industry. Since this important, vital subject concerns many parties, including the private sector, whose management is supervised by individuals, it is imperative to hear the point of view of this sector. It may be in conflict with that of the government, and this sector's interests may also be different. The state feels that the chemical and petrochemical industries are among the basic projects of the nation. However, the private sector feels that it must have the right to build such vital, important industries as these, especially in Kuwait.

Today we have an interview with an official of the private sector in industry, Khalid al-Fassam, board chairman of the Kuwaiti Company for Chemical Industrialization. He comments on the minister's remarks.

[al-Fassam] The minister confirmed that the government is concerned about industry, inasmuch as it is a pillar of the domestic economy. It is also concerned about increasing the volume of industrial production. Since this is the government's view, its duty is to define the nation's industrial strategy and take steps to execute it. This is especially true once the importance of industry was established as a significant field for investment. Investors in the past reproached industry for its slow and uncertain rate of return, because [Suq] al-Manakh attracted most of these investors for the quick, satisfying gains they offered. However, it now appears that a quick return may also bring great loss. It is true that the return in industry is small in comparison with Suq al-Manakh. However, it has been demonstrated that it is a practically guaranteed investment. This confirms the truth of the theory which holds that one must diversify areas of investment. However, have we really learned the lesson now, after the crisis in Suq al-Manakh?

[Question] In your opinion, is the private sector capable of building large-scale industrial projects?

[Answer] The absence of a clear strategy on the part of the government has made the private sector and investors in industry in the nation fumble about in their projects. The lack of a 5-year plan opens the way for conjecture instead of reliance on clearly defined studies. If we look at the chemical and petrochemical industries sector, we find that the government has the supreme authority to control such an important sector of industry. Is it up to the private sector to know where the dividing line lies between it and the public sector? Which industries does the government intend to take on? The private sector makes plans for complementary industries on their basis. What is the government's policy in giving incentives to industry such as facilitating the provision of raw materials, fuel, and services? All these questions require clearly defined answers by the government.

[Question] Do you believe the elements essential for industry to succeed in Kuwait are in sufficient supply locally?

[Answer] Most elements essential for industry do exist, whether in Kuwait itself or the Gulf region, such as abundant capital and raw materials, as far as the chemical and petrochemical industries are concerned. Also, the opening of Gulf markets has contributed toward the availability of markets for Gulf products. Through greater coordination with nations of the region, it is possible to offer a larger market for local products. It is true that there are obstacles to industry in Kuwait and the Gulf, including the lack of manpower. However, this is not a difficult problem, because one can concentrate on projects which are not labor intensive. By controlling these projects, it is possible to surmount this problem.

Another obstacle to industry is foreign competition. Certainly any factory built in this region faces many battles waged by foreign, and particularly Western, companies. It begins with the concept for the project, the attempt to obtain technology, and the attempt to import certain raw materials as they are shipped to world markets. The ideal solution to this foreign competition is for the state to take serious, deterrent measures and to begin protecting local production from the outset, so that new industry may emerge as quickly as possible. Kuwait is not alone in confronting this problem. Even the biggest industrial nations face it. However, the difference is that the large industrial nations rush to protect their established, centuries-old industries. The European nations have faced many crises because of protection of local industries. These nations have therefore separately and jointly enacted laws for protection. Why does not a small, developing nation like Kuwait adopt such laws to protect industries which are still in their infancy?

In addition to the above-mentioned obstacles to industry, there is also the lack of planning which makes the private sector either reluctant to enter the domain of industrial investment or fumble about in implementing projects which benefit both the state and the region. There is also the lack of a strong government apparatus to examine and follow industrial projects. This has contributed to the backwardness of industry and prevents it from progressing as desired. The ideal solution to such a problem may be the creation of a state organ for industry. Encouragement must be given to create industries exporting to foreign markets. As happens in the large

industrial nations, these nations always give a helping hand to domestic companies by granting them tax exemptions and export subsidies, in some cases exceeding 30 percent. There are certain industrial nations whose foreign aid is tied to the use of its local industries. Why does not Kuwait use such methods, to a lesser extent perhaps?

However, the obstacles to local industry are not limited to this alone. Also faced are the difficulty of cooperation and the exchange of information and the lack of organization among those running local industry. This leads to unnecessary competition among industries in several fields. Therefore, there must be an organization of industrialists, an "industrial union," to defend the rights of industrialists through special organs and to hold meetings.

[Question] Do you believe that industry can now attract large numbers of investors in other fields?

[Answer] The development and progress of societies is measured by the extent to which their industry is developed. The presence of strong industry in a nation is considered a solid pillar of the local economy. Also, industry helps provide and train a number of manufacturers, and the region is in dire need of them. Considering the fact that oil is an exhaustible resource, one must concentrate on human resources. However, because they are scarce, one can concentrate on the type of industry which is adapted to this. Also, if industry progresses in ideal fashion, it will create job opportunities for educated youth, and it will help reduce masked unemployment which currently exists in the state ministries. The surplus in the state sectors can be transferred to the industrial sector. Investment in the field of industry is very useful, because every dinar directed toward industry helps turn the wheel of the country's economy. Industrial investment is productive investment, "unlike investment in Suq al-Manakh," since industrial activity will stimulate the sectors of real estate and trade and many other sectors of the nation. Here I would like to make an objection to those who say that if industry imported manpower, it would be a burden on the state to provide them with services. Those individuals, as producers of industry, will contribute to the rebirth of the local economy from which citizens benefit.

[Question] What are the best industrial projects for the private sector, in your opinion?

[Answer] The most important reasons for the success of an industrial project is reliance on the least amount of labor. If we look at Kuwait, we find that the most suitable projects which should be concentrated on are the chemical and petrochemical industries and the construction industries.

The minister mentioned that 38 million dinars have been invested in industry, and in my opinion, this sum is very moderate. It is imperative to reach twice this amount.

Problems Facing Industry

Kuwait AL-WATAN in Arabic 26 Oct 83 p 13

[Article by Wafa' Khaffaji]

[Text] The speech of Minister of Trade and Industry Jasim al-Marzuq on industry in Kuwait is still on the minds of many of those concerned with this vital sector. In the context of our examination of the views of the private sector on industry, we are meeting today with Musa Ma'rifi, appointed deputy member and director general of the Kuwait Melamine Industry Company, to conduct the following interview:

[Question] In a previous speech, Jasim al-Marzuq indicated that the state is encouraging and supporting implementation of industrial projects by the private sector. There is a 5-year plan for the industrial sector drafted by the ministry so that everyone interested in this important domain will turn to it. What is your comment on this?

[Answer] After independence, the state began to issue laws organizing the industrial sector. It aimed at a different degree of participation in industrial companies. However, despite this, many of those concerned with industry believe that there is not yet any defined, comprehensive government strategy for industry, whether publicly announced or otherwise, especially with respect to the industries which are run by the private or joint sectors. Therefore, the lack of a clear plan for industrial development which corresponds to the economic and social conditions of the country is having a negative effect on the development of this important sector. I think that a practical study of the state of industry in Kuwait has come to have great importance in order to understand the obstacles and difficulties confronting industrial projects during the different stages of their development. This would give the state and those building the industrial sector better vision in order to review and amend all existing rules and regulations. It would also help establish appropriate solutions and determine general rules and standards which would aim at reducing the burdens and problems hindering this domain and overwhelming those involved in it. The existence of a clear plan would help increase this sector's contribution to the gross national product, since this contribution has been extremely limited so far. In 1980 processing industries contributed only .9 percent. Available statistics show that the industry's share of bank credit in the country is still very limited. Its share of total bank credit was 5.3 percent in 1975, 4.2 percent in 1977, and 5.7 percent in 1980. This average is not expected to rise in the near future. Industrial activity has been limited by obstacles to its development, and there has been no intervention on the part of government authorities.

[Question] In your opinion, what problems do you face in the private sector which at the same time are an obstacle to national industrial activity and management in the beginning of project implementation?

[Answer] These problems are numerous. Among the most important is production capability, which is lower than planned. This is considered a major problem in the development of such projects. The most important reasons are due to the following:

1. Technical errors in selecting and designing certain production equipment conforming to the region.
2. The difficulty of providing primary products and raw materials imported from abroad.
3. The lack of performance norms for industrial labor because it is in short supply, reduction of wages, low incentives, and no provision of effective training programs.
4. Complicated measures to clear customs, taking approximately 2 weeks to pay duty on orders for spare parts imported by air, thus causing factories to shut down.
5. Lack of industrial expertise among certain project directors, their failure to bear responsibility for making the right decisions at the right time, and their hesitation in making rational decisions.

These causes lead to a rise in the cost of production and a reduction in the volume of sales.

Dealing with Certain Government Authorities and Officials in Kuwait

Industrial projects of the private sector are subject to many intricate, complicated proceedings with the state ministries and organs concerned. In brief, they are:

Ministry of Trade and Industry

The process of granting industrial licenses takes a long time before shares are received. The organs concerned concentrate on restricting the acreage necessary, without concern for technical aspects or future expansion. Red tape prevails over measures for importing spare parts and essential materials. There is no overall coordination among the ministries concerned.

Ministry of Electricity and Water

Industrial projects at the outset complain of delays in obtaining authorization concerning distribution network plans, lack of immediate provision of electricity and water, especially at the start up of operation, in addition to numerous sudden cuts in electric power.

Firefighting Administration

A shortage of experts leads to a delay in authorization for project design plans. There is still a need to define specifications for warning systems

and fire fighting inside factories. There must be coordination with factories concerning the training of industrial workers in fire-related matters, in order to improve current capabilities.

The Industrial Bank and Trade Banks

In addition to the relative increase in interest rates on industrial loans, the Industrial Bank's participation is still limited as far as studying the problems of existing industrial projects is concerned.

Kuwait Municipality

The lack of a special organ in the Municipality of Kuwait to study developed project plans adds to the problems of investors. The lack of integral local specifications, especially for industrial construction, leaves the way open for individual endeavors. We may summarize some of the most important problems confronting industrial activity and its national management in the country especially in the private and joint sectors, as follows:

Industrial Consciousness in the Country

The nature of Kuwaiti society and its commercial background has made it impossible to concentrate on industrial activity, especially in view of the fact that this activity is not compatible with the concept of quick profit. This has contributed toward turning many investments to general commerce, real estate markets, and stocks, far from the concerns of industry and the dangers surrounding it. A contributing factor is the lack of a comprehensive industrial strategy ensuring that society is made aware of the goals and requirements of industrialization and preparing people to contribute toward creating an industrial climate in the country.

The lack of consciousness and industrial expertise among certain founders of industrial companies, the absence of basic goals among them in establishing these projects, and the attempt to trade in the stocks of these companies to obtain quick financial gain places responsibility on authorities concerned to draft appropriate legislation which would prevent speculation in these companies' stocks before production and export begin and to establish industrial investment centers to direct investors toward such domains.

Disregard of the Preliminary Study Stage and Low Level Studies of Economic Benefits

1. For the most part, estimates of capital outlay for industrial projects are lower than the actual outlay. This leads to interest-bearing loans and additional financial burdens which were not calculated.
2. There is disregard of certain economic studies, certain cost elements, and some other factors, or low estimates for them, such as raw materials, shipping, delivery, salaries, and wages. They are uncovered after production begins, adding to the cost of production and leading to difficulty in selling the product or marketing it at a price below cost.

3. Certain marketing studies exaggerate the estimated volume of demand for project products. They ignore elements of competition and currency exchange. This leads to larger inventories, reduced production capacity, and a resultant accumulation of annual losses.

4. As a result, most studies exaggerate gains in estimating anticipated profits. This results in a lower annual profit margin and may lead to financial loss, delay in obtaining industrial shares, and a lack of basic services essential to the project at the appropriate time.

Usually, decisions are delayed in the area of essential industrial shares, due to controversy and bargaining between the investor and organs of the Ministry of Trade and Industry which tend to constrict these areas without well-studied standards. This causes a delay in the time schedule for implementing programs, with a resultant increase in costs and lost production opportunities.

Competence of Organs Concerned with Industry in the Nation

Affairs of the industrial sector are supervised by various organs which often produce many restraining measures. Red tape dominates most of them. In addition, there is an absence of good coordination among these parties.

Rise in Cost of Mounting Industrial Projects in the Country Compared to Their Counterparts in Industrial Nations

There is no doubt that the cost of mounting industrial projects in the country is at least 40 percent greater than for their counterparts in industrial nations. This adds financial burdens on the owners of these projects in a way which negatively affects their emergence in world markets and hinders operational and marketing efforts.

Rise in Industry's Export Costs

There are numerous causes underlying the increase in costs of local products suitable for export compared to the same products in world industrial markets. This stiff competition places restrictions on sales of these exports. This requires the entry of local authorities for more protection and international support in a way which ensures the efficiency of existing production units.

Problems Confronting Export Industries

We may summarize the most important objective problems facing export industries as follows:

1. Rise in cost of products for export in the absence of governmental support and encouragement of national industries.
2. Lack of local marketing experience.

3. Stiff competition in world markets, plus economic restrictions imposed on the region's exports.
4. Kuwait's distance from world market zones and increased rates for shipping and insurance.
5. The policy of flooding adopted by certain international companies with similar products.
6. Increased governmental support and protection for export industries in industrial nations.

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CSO: 4404/165

PROBLEMS STILL ANTICIPATED DESPITE RECENT AL-MANAKH LAW

Al-Manakh Law Discussed

Beirut AL-IQTISAD WA AL-A'MAL in Arabic No 53, Oct 83 pp 28-29

[Article: "After the Birth of the 'Suq al-Manakh', Has Kuwait Overcome the Crisis?"]

[Text] Approximately 14 months have passed since that ill-fated week during August of 1982 when the "Suq al-Manakh" in Kuwait crashed after having reached the peak of a wave of feverish speculation which saw the utilization of the approach of concluding deferred sale contracts with very high premiums.

As we know, the "Suq al-Manakh" crash resulted in this stock market being dominated by a negative climate and shook people's confidence in the Kuwaiti financial market, and this affected all of the sectors of the economy which then were plunged into a state of total inertia. In August of 1983--that is, a year after the occurrence of the crisis--Kuwait's financial arena was the scene of two basic developments, which were the following:

1. The resignation of Mr 'Abd al-Latif al-Hamad, minister of finance and planning, and the appointment of Shaykh 'Ali Khalifah al-Sabah to replace him. This meant that the latter came to occupy the two most important positions in Kuwait's cabinet--the positions of minister of oil and minister of finance.
2. Approval by the National Assembly of the law dealing with solving the problem of the huge claims resulting from the postdated checks which were signed during the speculation which went on in the "Suq al-Makakh" and the other transactions which took place in the official stock exchange.

Actually both of these developments are of particular importance with regard to the future of Kuwait's financial sector and with regard to the changes which will probably take place in it. We should bear in mind that this sector, in the view of the government, is considered to be the primary foundation necessary for the diversification of Kuwait's sources of income for its economy and for decreasing the necessity of relying on oil. During

recent years this sector has taken great strides in the direction of becoming the principal sector of Kuwait's economy.

The resignation of Mr al-Hamad was an event which actually paralleled the conclusion of a particular phase in the development of Kuwait's financial sector. This resignation was a result of the disputes which arose between him and the other members of the government concerning the approach to be taken in order to deal with the problem of the deferred sale debts inherited from the "Suq al-Manakh" crisis. Mr al-Hamad had insisted on a solution which would make it necessary for the speculators to completely repay their debts.

It is clear that international financial circles were somewhat surprised and taken aback by the resignation of Mr al-Hamad. These circles immediately asked the question: What will happen after Mr al-Hamad's resignation? People abroad admired Mr al-Hamad because of the important role which he had played in the establishment and development of the Kuwait Fund for Arab Economic Development [KFAED], his effective management of the Ministry of Finance, and his consolidation of the financial system and exchange rate of the Kuwaiti dinar during a difficult period of time.

International financial circles consider the course of events in Kuwait to have been of particular importance, especially the role played by the monetary authorities in the regulation and stabilization of the financial sector. One thing which enhanced the importance of this factor was the resignation of Mr Hamzah 'Abbas, governor of the Central Bank of Kuwait, from his position 2 weeks after Mr al-Hamad had resigned.

In addition to this, the ratification of Kuwait's parliament of the law issued to solve the postdated check crisis during an emergency session of the National Assembly which was called especially for this purpose is considered to be the latest attempt made by the government to find an overall solution for this dilemma. Law Number 100/83 became effective as of 15 August 1983. This was the maturity date for all of the postdated checks which had been signed by the speculators. According to this law, the debts of all of those who traded in the market will be settled on the basis of the face values of the shares at the time the transactions were being conducted--plus premiums not to exceed 25 percent per year. The Arbitration Committee was given the authority to either reduce the profit margins to zero or increase them to 5 percent if it turned out that parties dealing in the market had provided the committee with either false or misleading information concerning their financial status. Also, any person capable of repaying his debt who intentionally procrastinates will be punished by the committee. Furthermore, all of the decisions and agreements reached before the ratification of this law remain in effect, provided that the Small Investors' Fund undertake to pay the difference between the amounts owed which have been fully repaid and the amounts being collected in accordance with the new law. In addition to this, the law stipulates a review of the financial situation of those traders whose cases were referred to the Arbitration Committee and whose property has been sequestered on the basis of the new legal regulations.

All of this will lead to a great decrease in the number of bankruptcies. One of the solutions, for example, involves the possibility of sharetraders, after their property has been liquidated, repaying their remaining debts in installments over a period of 15 years. The law also stipulates that the government purchase all of the shares put up for sale which belong to companies with a minimum of 500 founding members and which were founded after December of 1980. These shares will be purchased on the basis of their subscription prices plus the cost of issuing the shares. The law stipulates that this can be done if these shares are offered for sale to the government during the 6-month period following the ratification of the law.

The National Assembly also ratified the law regulating the official stock exchange. The stock exchange, according to this law, has been granted the status of legal existence and will be administered by a board consisting of 11 members which will be chaired by the minister of commerce and industry. The administrative board of the stock exchange has been granted the authority to establish the principles and procedures for regulating the trading of shares or having them registered in the stock exchange. This administrative board has also been given the authority to halt sharetrading for a particular length of time during emergency circumstances. In addition to this, the administrative board has been given the task of making a report concerning the activities of the stock exchange and filing this report with the government once every 3 months.

It was reaffirmed that it is prohibited to trade in the market by means of using postdated checks and it is now necessary for brokers to adhere to particular principles and practices when they make their reports to the Ministry of Commerce. It was also decided that the market should close at 9 pm.

Degree of the Law's Effectiveness

The question is: What are the consequences which people hope to see as a result of this new law? This law is considered to be the latest attempt on the part of the government to fill the gaps in legislation and execute authority which frustrated the initial attempts [on the part of the government to solve the crisis], and this law is considered to be an attempt to reduce the number of instances of bankruptcy resulting from the crash of the "Suq al-Manakh." We should bear in mind that a number of observers are of the opinion that Kuwait, no matter what happens, will soon see a series of bankruptcies take place.

Setting the premium rate at 25 percent will no doubt harm a large number of companies which have included an enormous number of postdated checks in their accounts and budgets involving premiums far higher than 25 percent. Since the law stipulates that companies can only add to the face values of their shares the abovementioned premium rate, there will be decrease in the assets category of these companies' budgets which will parallel the extent of this decrease [in the premium rates].

There is also a problem concerning the approximately 5,600 sharetraders in the market who have already completely repaid their debts and have paid the total premiums which in most cases exceeded 25 percent.

One may generally conclude that there are basic factors which will decide the outcome of the crisis and how successful the new version of the solution will be, and they involve the following questions:

1. To what extent is the government determined to implement the new law and to push the process of settling the debts to its conclusion? In this regard it should be mentioned that the decisions by the Arbitration Committee have been severe ones and they have been implemented.
2. What is the additional price which will be paid by the government in order to float more of the bankrupt small investors in order to restore stability to the financial sector? One should bear in mind that the government so far has spent 2.5 billion Kuwaiti dinars in order to achieve this.
3. What will the government do in order to compensate the "sound investors" who have already repaid all of their debts in compliance with the previous laws issued by the National Assembly?
4. What consequences will the solving of the market crisis in this manner have for Kuwait's reputation as a stable financial market, and what consequences will it have for Kuwait's prospects for becoming an international financial center?
5. What will be done by the Kuwaiti government, and by the new minister of finance in particular, in order to change the negative climate which has come to prevail in Kuwait's market during the past year because of the "Suq al-Manakh" crisis? Assuming that the government is able to act in accordance with the law and solve the crisis before the end of the year, will this lead to a stimulation of business activity in the Kuwaiti market during 1984?

So far the indications are not encouraging, especially if the Iraqi-Iranian war continues--let alone if this war becomes worse.

Member of Chamber Interviewed

Beirut AL-IQTISAD WA AL-A'MAL in Arabic No 53, Oct 83 p 31

[Interview with Salah al-Marzuq, member of the Kuwait Chamber of Commerce and Industry: "The 'al-Manakh' Crisis Is a Social Issue"; date and place of interview not specified"]

[Text] The new law does not solve the whole problem.

We will inevitably have a compromise solution which may make no one happy.

The Kuwaiti authorities are attempting to eliminate some of the problems which still stand in the way of the implementation of the recent Law Number 100 which deals with solving the problem of deferred sale debts--especially the preparation of a regulation for determining the face values of the Gulf shares in accordance with the dates that the deferred sale deals were concluded, determining the value of the dinars of those who went bankrupt, and determining the financial status of others who traded in the market. In addition to these efforts, the government has embarked upon the application of some measures intended to revive the market. Some enterprises have been put up for resale, and the banks have been asked to provide easy terms when granting credit to the production sectors. It was within the scope of efforts to evaluate the current status of the Kuwaiti shares market and the degree of progress that has been achieved toward solving the crisis that we held this interview with Mr Salah al-Marzuq. Mr al-Marzuq played a role in crystallizing the law dealing with the debts by virtue of his position as a member of the Kuwait Chamber of Commerce and Industry which prepared a plan for a solution which was then submitted to the government, and the government then adopted the most important proposals contained in this plan. The interview went as follows:

[Question] How do you assess the economic situation in Kuwait after the issuance of the new law?

[Answer] There is no doubt that the situation has been affected by the "Suq al-Manakh" crisis. This has been particularly true because the crisis was so widespread and profound that it affected a large segment of Kuwaiti society, and the stock market also underwent a very severe crisis. These consequences were all the more severe for the financial market because they coincided with the slowdown in the activity of projects and the beginning of the phase of control of expenditures.

As far as the new law is concerned, it should be emphasized that the elements of the problem are intertwined among the individuals affected by the problem and as far as their rights and responsibilities are concerned. There are many obscure points which could be the occasion of dispute when it comes to putting matters in practice. This makes it necessary to vigorously keep track of details and make efforts to establish bases for reaching settlements among the people who dealt in the market. Nevertheless, I do not believe that the law can solve the entire problem. Perhaps it will help to solve 20 percent of the problem after previous measures have helped to solve another part of the problem.

[Question] What is the reason for this?

[Answer] The basic reason is that the proposals which are being put forward are proposals which in vain attempt to reconcile two difficult matters, which are the following--rescuing a large group of persons who have been afflicted by enormous losses, and fully protecting the interests of their creditors. This is a conflict which, whenever we believe that we have solved a problem, causes us to suddenly encounter a new problem.

there is no escaping the fact that we must choose one of the following two alternatives as a priority: Either we must eliminate the consequences of the crisis or alleviate them since they constitute a social issue, or else we must apply the law and everyone must be held responsible for his actions on the basis that this commercial issue must consequently be dealt with by the law. My opinion is that the former alternative should be granted priority--that is, we should consider the crisis to be a social issue. The reason I say this is that the crisis was not a commercial event which took place in a normal market. It was a phenomenon which was out of the ordinary, and consequently it requires a particular cure which involves dealing gently with ailing people instead of punishing them. If there is any reason for taking a severe approach, it should be motivated by interest in taking precautions for the future and organizing the financial market such that companies are officially registered as participating in the stock exchange and their stocks are circulated and priced in accordance with strict principles governing the evaluation of shares, the process of publishing [information concerning the stocks], making information available, and protecting the interests of the investors--especially the small investors. In this regard I believe that it is necessary to pursue the following three courses of action:

1. Mutual reduction of the corresponding balances to be paid, even though there might be a difference in the evaluation of the dinars of all of those who traded in the market.
2. Immediate completion of the clearing transactions on the basis previously mentioned.
3. Having the balances of the debts owed be repaid in installments having reasonable deadlines, with persons who dealt in the market being compelled to make these repayments or having [the debts] transferred to the authority in case they fail to make their payments--with the extent of their involvement in the crisis as a whole being taken into consideration. Furthermore, there should be no discrimination in this matter.

[Question] But this solution might appear to be an oppressive one to a certain group of persons who traded in the market, especially those who have held to their assets. It also rewards a certain category of speculators. Is this not true?

[Answer] When dealing with a crisis which is as profound, widespread, and entangled as the "Suq al-Manakh" crisis is, it is inevitable that one must arrive at a compromise solution which may not make everyone happy. In fact, it may make no one happy. But the important thing is that the government, which represents the nation's society, determine the priorities which must be adopted in order to deal with the situation and the government must act in an effective manner. If we delay the process of settling the debts which have arisen as a result of the crisis, the country and the sharetraders themselves will miss the opportunity to get business activity going and restore the economy to its normal cycle.

[Question] There is, however, a point of view which says that calling the speculators to account for their actions--even though this might affect a large group of people--is something which will guarantee the creation of a long period of immunity against speculation and gambling, whereas any floating [of bankrupt investors] might encourage these people to make the same mistakes again. What are your comments concerning this?

[Answer] I believe that a large category of people, as a result of the compromise solution proposed, would be dealt a powerful blow which would deter [them from making the same mistakes in the future]. Some people have actually lost everything already. But I still believe that many fundamental considerations upon which the entire equilibrium of Kuwait's society is based make it necessary to distribute the punishment among the largest possible number of persons. We are a small society which is dominated by the spirit of family togetherness and personal human relations--not to mention considerations involving the composition and groups of our society. A Kuwaiti individual is a member of a society who has ties of solidarity which bind him to his family or his clan. It is difficult to deal a blow to such an individual without also dealing a blow to the group of persons to which he belongs, whether one wants to or not. We should also not forget that some people are of the opinion that the authorities themselves, because of their permissiveness or at least because of the fact that they did not move vigorously to counter the effects of what was taking place, sent out the wrong signal and provided sufficient time for the phenomenon to develop and for many people to go under because of it. In such a case, there is consequently no justification for these authorities to suddenly adopt a severe approach with regard to those who have traded in the market.

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CSO: 4404/133

YEMEN ARAB REPUBLIC

BRIEFS

NETHERLANDS LOANS--The Foreign Ministry has received a copy of the Dutch Government's decision on the loans extended to the YAR since August 1983 within the technical cooperation agreement between the two fraternal countries. The Netherlands has decided to change these loans to grants. They total 82.8 million Yemeni riyals. [Summary] [CF040617 San'a' Domestic Service in Arabic 1700 GMT 3 Jan 84]

CSO: 4000/117

AFGHANISTAN

COMMENTS ON FIFTH YEAR OF SOVIET INVASION

Auckland THE NEW ZEALAND HERALD in English 30 Nov 83 p 6

[Article by John Stokes]

[Text] It is almost four years since Soviet tanks stormed into Afghanistan, provoking what has turned out to be the longest war the Russians have had to fight outside their borders since 1945.

As the Afghans prepare for a fifth year of guerilla struggle, there are few signs of any real success and even fewer of a speedy settlement.

Peshawar these days is full of Afghan mujahedin who have returned from the front and are spending the harsh winter months with their families, scattered now throughout Pakistan in refugee camps but mostly in the Frontier Province and Baluchistan.

Peshawar is also filled with foreigners--Arab religious leaders trying to get the warring factions together; French, American and British "diplomats" trying to shift the disparate Afghan guerilla groups into their camp; arms suppliers and agents pretending to be journalists; and the ubiquitous Chinese who are now the main arms suppliers to the Afghans.

Monarchy

Despite the unabated blood-letting within Afghanistan, the real theatre of the war has shifted to the international arena where the search for a solution goes on.

In the summer the Russians told the United Nations-sponsored indirect talks between Pakistan, Afghanistan and the Russians that they were ready for a "Zahir Shah solution," meaning a return to constitutional monarchy under the former King Zahir Shah, who would put together a middle-of-the-road civilian government tilted heavily towards Moscow.

Pakistan, with nearly three million refugees on its soil and a blossoming opposition movement that is threatening the regime of President Zia and his generals, is ready for a solution.

In Debt

However, the Pakistanis and the Americans are backing the Afghan Moslem fundamentalists, whom the Russians will never tolerate.

Pakistani officials in Islamabad say privately that the Americans have jettisoned peace moves, preferring to let "the Afghans bleed the Russians white." They also admit that there is really no chance of a settlement until there is global detente between the superpowers.

Pakistan is heavily in debt to America, and its Army is being massively re-armed by the Pentagon, so it is in no position to go through peace talks on its own.

The Saudis and the Chinese, both financial and economic backers of Pakistan, are also in no mood for a settlement.

Afghan guerilla leaders here have already said they do not favour a Zahir Shah solution which would leave them without authority. Neither would they like to see Pakistan's President Zia pushed aside in favour of a civilian government that would doubtless be headed by the People's Party of former Prime Minister Zulfikar Ali Bhutto--for the People's Party has made it clear it would negotiate with the Russians to get the refugees home.

Despite better arms than they have ever had before, the mujahedin have barely dented the Soviet war machine, although damage to their own country has been immense.

The real problem is that even after four years of war, the fundamentalists are split into a dozen groups who fight each other in the field as bitterly as they do the Russians.

Now Standing

President Zia's support for the fundamentalists means the secular democratic parties are being deprived of arms supplies. Their standing is thus low in Afghanistan, another reason for the fundamentalists to refuse a Zahir Shah option.

A third grouping is made up of the half-dozen ethnic minorities inside Afghanistan who hate the Pathan-dominated fundamentalist groups in Peshawar as much as they do the Russians.

Inside Afghanistan life is miserable. More than an eighth of the population have fled and just before the winter snows blocked the passes this year, more refugees arrived in Pakistan telling stories of food and fuel shortages and astronomically high prices.

CSO: 4600/233

AFGHANISTAN

LARGE MUJAHIDIN FORCE REPORTEDLY SURROUNDED

Kuala Lumpur NEW STRAITS TIMES in English 1 Dec 83 p 12

[Text] NEW DELHI, Wed.--Soviet troops have surrounded a large mujahidin force in eastern Afghanistan and are trying to intimidate them into signing a truce, a Western diplomat said yesterday.

"Although (Soviet) MiGs and helicopters come to the area, the rebels have not been immediately attacked from the air and there is no sign of fighting on the ground," the envoy said.

"Soviet and Afghan forces have succeeded in surrounding a sizeable force of rebels" near Ghazni, 128kms south-west of Kabul, he said.

The trapped Islamic soldiers are of the Hazara tribe and led by Sayyed Jaghlan, he said.

"Apparently the Soviets are using the encirclement of the rebels to get Jaghlan to acquiesce in the standing Soviet offer to a truce similar to that in the Panjshir Valley. To date, Jaghlan has spurned the offer," the diplomat said.

The envoy was referring to the truce between the Soviets and Panjshir Valley mujahidin leader Ahmed Shah Masood's estimated 7,000 fighters.

Mr Masood agreed to the truce last May and though it has expired there has not been any major fighting in the valley. The Soviets are pressing Mr Masood for official extension of the truce.

The fiercely anti-communist Muslims are divided on the merits of such truces. Some said the Panjshir truce freed Russian troops to be deployed elsewhere in Afghanistan. Others insisted the truce favoured the Muslims, who could use the lull in fighting to reorganise themselves and prepare fresh assaults.

Meanwhile, 352km north of the trapped Muslims, "approximately 200 Soviet-crewed tanks and armoured personnel carriers conducted sweep operations in villages near Kholm," the envoy said.

CSO: 4600/231

DESERTER CLAIMS 'MANY SOVIET TROOPS HAVE JOINED REBELS'

Penang THE STAR in English 27 Nov 83 p 10

[Text]

BRUSSELS, Sat. — Several hundred Soviet soldiers in Afghanistan have deserted to join Afghan rebel forces, a Soviet deserter who has obtained political asylum in the US said here yesterday.

Nikolai Ryzhkov, 18, arrived here recently from Afghanistan with a second deserter, Alexander Voronov, 19. They are to leave for the US in a few days.

Mr Ryzhkov, a trainee fitter from Petropavlovsk in the Kazakhstan Soviet republic, said he had been drafted into the Soviet army as a private in October 1982 and sent to Afghanistan two months later.

Although he had not personally been involved in fighting, he decided to desert to the Afghan rebel forces on June 16 this year, he said.

Relations between Soviet soldiers and officers in Afghanistan were "bad", he added. "The soldiers are beaten and no military regulations are respected," he told a Press conference also attended by a group which helped the two to flee Afghanistan — a private organisation called "International Resistance."

"I never once got leave to visit my loved ones in the Soviet Union," he said, add-

ing that he hoped his family would one day be able to join him in the US.

He said he was "very well received, and placed in a special camp" on joining the rebels. "One lives well in Afghanistan. We were given all sorts of food and even money," he added.

"Many Soviet deserters, particularly those from Muslim regions in the Soviet Union, have chosen to convert to Islam," Mr Ryzhkov said.

No European country has so far agreed to admit Soviet deserters from Afghanistan.

CSO: 4600/232

AFGHAN OFFICER DEFECTS, REPORTS ON SOVIET KILLINGS

Tehran TEHRAN TIMES in English 8 Dec 83 p 1

[Text]

ISLAMBAD, Pakistan (AP)—Soviet troops slaughtered 20 elderly Afghan civilians during a search operation in Ghazni Province, according to an Afghan army officer who has defected to Pakistan.

Brig. Mohammed Rahim, commander of the Afghan Army's Seventh Division in Charge of Communications, said in an interview published Tuesday that Soviet troops killed 20 elderly Afghans at Ziaratgah, close to Ghazni City, 80 miles (128 kms) southwest of the capital of Kabul last July.

The Associated Press of Pakistan news agency quoted Rahim as saying that the victims were dragged out of their homes and murdered as Afghan troops, who were with

the Soviets, looked on.

Rahim arrived in Pakistan last week but his defection was announced only on Tuesday. He joins the ranks of four million Afghan refugees, three million of whom have sought refuge in Pakistan, and one million in Iran.

Rahim was quoted as saying that continuous defections from the Afghan army had "greatly reduced its strength."

He said the Afghan army was now down to 35,000 officers and men from nearly 100,000 before the December 1979 Soviet military intervention in his country.

"Russian officers are the real masters of the Afghan army units and they treat the Afghan officers shabbily," Rahim was quoted as saying.

CSO: 4600/234

AFGHAN FIGHTERS REPORTEDLY SHOOT DOWN HELICOPTER

Kuala Lumpur NEW STRAITS TIMES in English 23 Nov 83 p 17

[Text]

NEW DELHI, Tues. — Anti-communist fighters have unleashed an offensive in Kabul and shot down a heavily escorted helicopter, killing at least 11 Soviet and Afghan VIPs who were on board, a Western diplomat said today.

Fighting also flared in southern Afghanistan where the Mujahiddin killed 24 Afghan soldiers in the main bazaar of Kandahar, 400km southwest of Kabul in early November, the diplomat said.

The anti-communist fighters have descended from the snowy mountains of rural Afghanistan and are concentrating on attacking Soviet-controlled urban centres.

The fighters shot down a 'VIP helicopter' on Nov. 15 on the southern outskirts of Kabul near the Logar Valley, the diplomat said.

"The MI-8 helicopter was escorted by four helicopter gunships and was carrying a number of high-ranking Afghan military officers and several Soviets."

He said it was unclear if the Russians were military officers or civilians.

The escorted helicopter was heading towards the Soviet-held copper mines near the mouth of the Logar Valley, but its purpose was not known.

"Shortly after the helicopters left Kabul, they came under gunfire."

The fighters may have used heavy machine guns or heat-seeking rockets to shoot down the helicopter, he said,

adding a pilot of one of the escorting helicopters died of wounds after he made an emergency landing.

"The MI-8 helicopter carried 20 to 24 passengers and all sources agree 11 to 12 passengers, Afghan and Soviet, were killed when the helicopter crashed 15km south of Kabul.

"The most prominent death was Afghan Maj. Gen. Mohammad Abdul Azim, commander of the 8th Afghan division based near Kargah, just northwest of Kabul.

"Funeral services were held on Nov. 16 for Maj. Gen. Azim and other victims. The funeral procession was more than one mile long," the diplomat added.

The 'current offensive in Kabul' included heavy fighting in scattered areas of the capital during nights of Nov. 17 to 19.

Violence

"At least one Afghan army post in Kabul was destroyed each of the three nights," he said, adding the violence in the Karte Sangi (area of Kabul) caused most residents to sleep on the floor or behind sand bags.

The diplomat said four Afghan Marxist party members and soldiers were killed by the fighters in Kabul.

One fired rocket went through the window of Darulaman Palace and destroyed the joint Afghan-Soviet military briefing room in the palace, which houses the Afghan Defence Ministry:

CSO: 4600/235

MAJAHIDIN REPORTEDLY SEIZE BORDER CHECKPOINT OF TORKHAM

Tehran KAYHAN INTERNATIONAL in English 21 Dec 83 p 1

[Text]

ISLAMABAD, Dec. 20 (Dispatches) — Afghan Mujahideen captured their country's main customs post on the border with Pakistan on Sunday night after killing four guards and arresting 10 others, Afghan Islamic Press (AIP) news agency reported Tuesday.

About 150 Mujahideen fighting the Russian-backed

regime in Kabul seized the border post on Sunday after a bloody battle, according to the source in Peshawar, northern Pakistan.

They were still holding on the post Tuesday despite repeated air raids during Monday night by Russian aircraft, the sources said.

A dozen or so Mujahideen with serious wounds were evacuated early Tuesday to Peshawar on the Pakistani side of the border.

There, several hundred Pakistani and Afghan trucks were delayed while waiting to cross the border.

According to diplomatic sources in Kabul, a Russian military convoy of 175 vehicles left Kabul on December 12 for the border to try to put a stop to the Mujahideen attacks on the vital highway.

Fierce clashes were reported to have occurred between the freedom fighters and government forces at Jalalabad, halfway between Kabul and the Pakistan border.

Afghan resistance sources in Peshawar said the capture of Torkham was part of a series of spectacular opera-

tions organized to mark the fourth anniversary of the arrival of Russian troops in Afghanistan.

But until now, the Mujahideen had avoided operations liable to disorganize the capital's supplies of food and essential goods exported by Pakistan or transiting through that country.

The Pakistani authorities Tuesday refused to confirm the halt in border traffic, which they reportedly see as a futile provocation of the Soviet Union.

The attack on Torkham was prepared for more than a month by resistance forces who beforehand neutralized a government forward position a few kilometers from the border on the main road.

Elsewhere in Afghanistan, western diplomats said that during the past few days, Russian warplanes and artillery had bombarded districts of Kandahar (southeast Afghanistan) which had fallen to the Mujahideen.

Meanwhile, Afghan army units were shelling an Afghan border post in the Khyber Pass Tuesday after Muslim freedom fighters overran it

and closed the frontier with Pakistan, resistance sources said.

Meanwhile Vitaly Smirnov, the Soviet ambassador to Pakistan, Tuesday warned Islamabad of joint Soviet-Afghan reprisals in case of continued "interference in Afghanistan from Pakistani territory."

He reiterated Moscow's allegation that "Terrorists [Afghan freedom fighters] are not only sheltered and encouraged, but also trained and armed in Pakistan."

He said: "We feel that some powers want this interference in Afghanistan to continue."

He accused Pakistan of being "the biggest conduit through which all sorts of aid reaches the Mujahideen," adding that "if the present situation continues for long, then the Soviet Union and Afghanistan would consider taking joint action to stop it."

Smirnov claimed that "U.S. experts have been considering supplying reinforcements to the Mujahideen" and exploring "how to air drop supplies" to the Muslim fighters inside Afghanistan.

CSO: 4600/230

REPORTAGE ON ISLAMIC FOREIGN MINISTERS MEET

Message From UN Secretary General

Dhaka THE BANGLADESH TIMES in English 9 Dec 83 pp 5, 6

[Text] The United Nations Secretary General Perez De Cueller has urged the Organization of Islamic Conference (OIC) for its support for effective international action to enable the least developed countries to return to the path of economic development. Both the UN and the OIC have made commendable efforts to assist these countries. Text of Mr. Cueller's message, to the Dhaka ICFM reflects, the spirit.

I wish to extend my warm and sincere greetings to the Fourteenth Conference of Foreign Ministers of the Organisation of the Islamic Conference.

Your Conference is meeting at a time when we are passing through a very difficult and dangerous phase in world affairs. We see around us a world riven by a variety of conflicts and confrontations. The pursuit of narrow national interests and the increasing willingness to use armed force as an instrument of policy have contributed to a climate of violence and insecurity which threatens to undermine the fabric of international order. We are, therefore, more than ever in need of a fresh collective look at some of the major problems of the world. The basic issue continues to be the development of and commitment to a working system of international security as an essential complement and arms limitation and a renewed effort at the highest level to strengthen international economic co-operation for growth and development.

Unfortunately, we have yet to confront this issue in full measure. As a consequence, we are witness to a steady fragmentation and erosion of the historic effort to build an international system designed to provide peace, security, stability and justice for all: The drive towards an effective, peaceful and more equitable international order has slowed and the incentive to develop international institutions corresponding to the realities and risks of our time has weakened. The political will to achieve these ends has been dissipated in a variety of rivalries, confrontations and conflicts. The belief in a common future has been, to a large extent, lost in the anxieties of a divided present. Short term national interests, old resentments and fears and ideological differences have obscured the vision of the United Nations Charter. The will to compose differences seems weak or absent in most conflict

situations and, at the other end of the spectrum, the concept of world affairs dominated by concerns for national security or conceived as an open-ended struggle between massive ideological forces seems to have taken the place of the new and enlightened international community envisaged in the Charter.

We are at present in a period when the value of multilateral diplomacy is being questioned and multilateral co-operation is on the decline. Although, in the short-term, the world may get by in its present state, in the long-term, an effective international system, sustained through a conscious political effort by all states, is indispensable if we are to avoid chaos and disaster on a scale hitherto unknown. It is absolutely vital that the present trends be reversed and that we strengthen our international institutions, not only in order to deal with immediate conflicts but also to construct a viable framework for the life of future generations on our crowded planet.

It is in that context that I am convinced that regional organisations, such as the Organisation of the Islamic Conference, can make an invaluable contribution to the collective effort required to revitalise our faith in the concepts which inspired the Charter of the United Nations and to strengthen the system of international security and multilateral co-operation.

Since the Niamey Conference, regional conflicts relating to the Middle East, Afghanistan, Iran-Iraq and Cyprus, which have grave potential implications for international peace, have continued to engage the serious attention of our two organisations.

The developments in the Middle East during the past year have given little cause for hope that the problems of the region are nearer to solution. Pre-occupation with Lebanon has tended to over-shadow the consideration of major aspects of the Middle East problem, and there can be little doubt that certain developments this year have made even more difficult the comprehensive settlement which alone can eventually bring coexistence and peace to this vital part of the world. The central problem of the legitimate rights and the future of the Palestinian people, a matter for which all members of the international community share a clear obligation, has been further complicated by the growth of Israeli settlements on the West Bank and by the failure once again to get down to meaningful negotiations. The facts and the principles involved must be faced if any genuinely effective action is to be taken and if this intractable and increasingly dangerous problem is to be resolved in a relatively peaceful manner.

The elements for a solution would include: withdrawal of the Israeli forces from occupied territories, the right of all the States in the area to live in peace, in secure and recognised boundaries, and a just settlement of the Palestinian problem based on the recognition of the inalienable rights of the Palestinian people, including self-determination. In this connection, the question of Jerusalem remains of primary importance.

The delay in getting to the roots of the Middle East problem cannot, in the long run, serve the cause of peace. The recent events in Lebanon with their terrible toll in human lives and destruction, and the continued tension in

the occupied territories, have highlighted the urgent need to seek a negotiated, just and lasting settlement of this most complex problem. If we are not to be the helpless witness of further futile rounds of fighting in the Middle East, with the potential danger of an escalation into a broader confrontation, serious and realistic negotiations encompassing all the parties must somehow be initiated. As I have repeatedly pointed out, the United Nations, and particularly the Security Council, can have a constructive and crucial role to play in this vital endeavour.

With regard to the situation relating to Afghanistan, I will actively continue my efforts to promote a political solution through negotiations. These efforts have centred on the formulation of a comprehensive settlement designed to resolve the issues inherent in the present situation and to testablish a framework for good-neighbourly relations. I feel that the diplomatic process which has been initiated has moved in the right direction and that a settlement is possible on the basis of what has already been accomplished, provided the necessary policy decisions are made. If these negotiations succeed, all Afghans will be able to decide their future in peace, and the foundations will have been laid for mutual understanding and co-operation among the States in the area.

As regards the tragic conflict between the Islamic Republic of Iran and the Republic of Iraq, I have been engaged in intensive efforts, begun by my predecessor soon after the outbreak of hostilities in September 1980, to put an end to the fighting, and to tackle the underlying issues of the war. Although, regrettable, no substantive progress has as yet been made, I have reiterated to both parties that I remain ready to assist them in any manner acceptable to them in order to facilitate a peaceful solution.

Recent developments in Cyprus have again brought the unresolved problem of that island to the forefront. I cannot but regret the announcement made by the Turkish Cypriot side on 15 November, since it is not consonant with the resolutions of the Security Council and the high-level agreements reached in 1977 and 1979. This announcement has inevitably increased tension in the island and set back the United Nations efforts to bring about an agreed settlement of the Cyprus problem. I shall continue to do all I can to contribute to such a settlement through the mission of good offices entrusted to me by the Security Council, which was most recently reaffirmed by the Council in its resolution 541. It is my earnest hope that all the parties concerned will make a determined effort to overcome the present difficulties and seek a just and lasting solution that will take due account of the vital interests and basic aspirations of the two communities of Cyprus.

On all these issues, I have been in close contact with your distinguished Secretary General and Member Governments of the Organisation of the Islamic Conference. Our mutual efforts, I am sure, will always be guided by the fundamental purpose of strengthening international peace and security.

Our co-operation also encompasses other problems of concern to the international community. Here I am happy to note the consistent support extended by the Organisation of the Islamic Conference to the efforts of the United Nations

to eliminate apartheid and racial discrimination. We also value greatly your support for the right to self-determination and independence of the people of Namibia, which remains one of the priority concerns of the United Nations.

A major economic imperative of our times is the accelerated development of the developing countries. The eradication of poverty which continues to be widespread in several parts of the world must remain a collective responsibility of the international community. The slowing, and sometimes the halt, in the development process that has taken place in recent years should be seen as a temporary phenomenon that must be reversed in the coming years. Every effort has to be made to reduce the vulnerability of developing countries to external shocks and to assist them in attaining greater autonomy and freedom of action, both by themselves and in co-operation with other countries--developed and the developing. I should like to draw particular attention to the critical economic situation of many of the least developed and poorest African countries, particularly in the Sahel region where severe drought conditions and the effects of the international recession have combined to ravage their small and vulnerable economies. The United Nations and the Organisation of the Islamic Conference have made commendable efforts to assist these countries in carrying out immediate recovery and longer-term rehabilitation programmes, but a great deal still needs to be done. To this end, I urge your support for effective international action to enable these countries to return to the path of economic development.

The co-operation between our two organisations in the economic, cultural and social fields has continued to deepen and expand satisfactorily. In response to resolution 37/4 of the General Assembly and the relevant decision of your august body, the first annual meeting between the General Secretariat of the Organisation of the Islamic Conference and the Secretaries of the Organisations of the United Nations System was held in Geneva in July 1983.

It is a matter of gratification for me that, during its thirty-eighth session, the General Assembly endorsed the recommendations of the first annual meeting, which explored ways and means of strengthening cooperation in five priority areas within the framework of the Taif Plan of Action namely, food security, science and technology, mechanisms for investment and joint ventures, eradication of illiteracy and assistance to refugees. I wish to assure you that I will continue to take all necessary steps in pursuing of General Assembly resolutions for promoting cooperation between our two organisations in the interest of international peace and prosperity.

I wish you all success in [word indistinct] deliberations.

Ershad Opens Meeting

Dhaka THE NEW NATION in English 7 Dec 83 pp 1, 8

[Article by Hasan Saeed and Amanullah Kabir]

[Text] The 14th Islamic Foreign Ministers' Conference opened here yesterday in the city of mosques with a passionate call from Chief Martial Law

Administrator General Ershad for stepped up efforts for further strengthening the unity and solidarity of the Islamic ummah and meaningful co-operation between the Muslim countries.

Inaugurating the conference inside tastefully decorated main chamber of the majestic parliament building General Ershad in his 20 minute speech in Bengali urged the Muslim nations to give up differences and divisions amongst themselves and unite together to work for the glory of Islam and wellbeing of the ummah.

Expressing his total faith in the dynamism of the great religion of God that binded together the Muslim world he reminded the delegates that Islam had played leading role in shaping the destiny of the world in the past. He said Islam could play a role of "paramount importance" in the world affairs today as well.

Outgoing chairman of the 13th ICFM and Foreign Minister of Niger Ide Oamarou presided over the first part of the inaugural session which was attended by cabinet ministers, high civil and military officials and heads of the diplomatic missions in Dhaka.

In the second part of the inaugural session, host country's Foreign Minister A R S Doha was elected chairman of the 14th ICFM which is considered important because it is to draw the agenda for the Islamic summit due in Rabat next month.

Africans in white and multi-coloured robes, the Iranians in turbans and female Bangladeshi ushers in bright jamdani sacrees contrasted well with three piece suit of most of the delegates.

The delegates from various countries sat in horse-shoe shaped rows in alphabetical order resulting in unusual proximity between delegation of warring Iran and Iraq and rivals South and North Yemen. Separated by a narrow aisle, the Iranians and the Iraqis did not talk or look at each other. Neither did they make any visible reaction to each other's presence in such close proximity.

Some seats were unoccupied including those of suspended members of Egypt and Afghanistan. Seats were also set aside for observer delegations as such three-member Turkish Cypriots who hope to get the conference support for their cause. Representatives of the Muslim mujahideen fighting the Soviet occupation of Afghanistan were not present in the conference although ICFM sources told New Nation they were welcome as observers.

The conference observed one minute silence in honour of the martyrs who sacrificed their lives till today for the great cause of Islam.

Ershad

In his inaugural speech, the CMLA General Ershad made a clarion call on the Islamic countries to launch a concerted and conscientious effort to rebuild unity and solidarity.

The General said "We would like to see this conference remembered as the conference where Islamic unity and solidarity was given new meaning and new life.

Pointing out the crisis faced by Muslim world he said that our helplessness and ineffectiveness was the direct result of our internal conflicts and disputes. "These fratricidal conflicts have consumed our energies and have devoured our sons and daughters, he said.

In this connection he mentioned the Palestine and Namibia crises, Iran-Iraq war, Afghanistan and the Turkish-Cypriot issues and the problem of Western Sahara and turmoil in Chad.

Gen Ershad, however, posed the question "What the Islamic world has done to right these wrongs?"

He said we in Bangladesh believe that the OIC can play a major role in the world affairs. Referring to the abundant resources and talent of the Islamic world he said that there were many ways we could help each other become self-reliant and there were many unexplored ways to help the rest of the world.

But he observed that the prerequisite for the Islamic world to do so was to regain its position of pre-eminence and to preserve the unity and solidarity.

CMLA said that with these persisting divisions in the Islamic world we had made ourselves vulnerable and open to outside exploitation and domination. "Our security, our economy, our Islamic way of life have been placed in jeopardy," he said.

He said that this had happened at a time when international tension had increased and the global economic situation had caused unimaginable suffering throughout the developing world. The Islamic world cannot, in these difficult and dangerous time, remain a passive spectator, he said.

Expressing the determination that "we must defend the principles of the UN Charter", he said that "we must oppose foreign intervention, we must speak out boldly against apartheid and we must make renewed effort for independence of Namibia."

He strongly disapproved of the senseless arms race which has increasingly taken away valuable resources from development.

"The voice of the Islamic ummah must be heard loud and clear in support of just and equitable international order, which offers a life of peace and dignity to every man, woman and child," he said.

Reminding the danger of the fratricidal Iran-Iraq conflict that was continuing for last three years the CMLA appealed to the leaders of the two countries and through them to the peoples of their countries to end the war.

He offered to make an effort to bring an end to the conflict and called upon them to join him in the effort.

Drawing attention to the problems of the least developed Islamic countries General Ershad said that it was needed to examine as how to expand private investment through out the Islamic world. He stressed the need for encouraging the Islamic Development Bank to play an expanded role in this area.

Referring to the fourth Islamic summit to be held next month in Morocco, he hoped that the Islamic conference of the Foreign Ministers would make a valuable contribution to the forthcoming summit.

"We must give serious thought to devising an effective method for responding to crisis situations in the Islamic world quickly so that we can, through such a method, heal divisions within the Islamic world," he said.

Gen Ershal in his speech also gave a vivid picture of the Islamic heritage here and the activities to promote islamic values and solidarity.

Report on Secretary General's Speech

Dhaka THE NEW NATION in English 7 Dec 83 pp 1, 8

[Text] OIC Secretary-General Habib Chatty said here yesterday that the Muslim world could become a force to be reckoned with on international scene if "we were guided by the Almighty God to organise its ranks, unite its voice and preserve its independence in the contemporary world, reports BSS.

Addressing the inaugural session of the 14th Islamic Conference of Foreign Ministers, the OIC Secretary General said the Muslim world could become a force capable of liberating its occupied homelands, of having a real impact on the course of international events and assuming a fundamental role in the world affairs and for establishment of peace.

Only on that day, all the international forces shall refrain from making any significant decision without taking into consideration the attitude of the Islamic group, he added.

Mr. Habib Chatty, who made a length speech, touched on all the issues and problems faced by the Islamic ummah and the joint Islamic action within the OIC which was proceeding "satisfactory" at many levels.

Mr. Habib Chatty said since the last meeting of the Islamic ministers held in Niamey more than a year ago a great many developments had taken place which were terrible ordeals for Muslim ummah.

He pointed out that the PLO crisis was in the forefront of these developments and the situation had deteriorated so much that it was not jeopardising the future of the organisation and the destiny of the Palestine people. The development regarding the Palestine people also included the violence and tribulation which were taking place in the Middle East, he added.

Referring to the situation in Lebanon, the Secretary General said the meeting was taking place in the wake of ordeals which had fallen on the Lebanese and the Palestine people as a result of the barbarous Zionists invasion.

Mr. Chatty regretted that the occupying forces had not yet abandoned their positions and the conditions in the occupied Palestinian and Arab territories were on constant deterioration.

Mr. Chatty said that Israel was still intent on judaizing the West Bank and Al Quds and increasing the number of settlements, in the occupied Arab lands and Syria continued to be threatened with new aggression on its sovereignty.

Grave Situation Ahead

The Secretary General said should the situation remain unchanged and the current disruption of the Muslim world persisted the outcome would be very grave indeed.

We are living today through a fateful turning point, Mr. Chatty said adding Israel's threats were more dangerous than ever and its determination to carry out its scheme constituted a flagrant threat to the future of the ummah. It is because our views are still divergent and our ranks dispersed in the face of this situation, he added.

He mentioned the Arab-Fez plan which was welcomed by the entire world as a plan to lead to peace but without implementation.

Mr. Chatty reiterated the unqualified OIC support to the unity of the PLO and said that peace could not be established in the area unless the Palestinian people represented by the PLO was permitted to restore its inalienable rights including the right of self-determination and to establish its own independent state.

The OIC Secretary General said Islamic peace committee under the chairmanship of President Sekou Toure was still pursuing its untiring efforts in the hope that the two sisterly Muslim countries would favourably respond to its call for the establishment of peace and an end to the war between them.

Afghan Issue

Referring to the Afghan issue, Mr. Habib Chatty said the OIC was pursuing its efforts to convince the Soviet Union of the need to halt its armed intervention in this muslim country in accordance with the inalienable right of people to run their own affairs to choose their system of government and to secure their independence.

The Secretary General deplored the sudden failure of negotiations between the Turkish and the Greek communities in Cyprus and said it was a set back which compelled the Turkish Cypriots to take their well known decision. He hoped that negotiations between the two parties would resume soon to preserve the unity of the island and work out a formula that would be acceptable to both the parties.

South Africa

Mr Chatty said that it was needless to mention that the struggle for the liberation of South Africa and Namibia occupied an important place among the pre-occupations of the OIC whose character provided for the support of national liberation movements in Africa and the condemnation of racism, apartheid and zionism and the need to eradicate racial segregation and colonialism in all forms.

Mr. Habib Chatty laid emphasis on cooperation and coordination of the Islamic countries in various fields including economic, development, education and culture and said that cooperation in these fields was likely to promote rapproachment and harmony among Islami states and peoples alike. He was convinced that the economic field assumed a fateful importance for all nations on this planet and said our organisation had paid particular attention to this field.

Referring to the problems and difficulties facing the Muslim ummah, he said that the OIC was pursuing its work to strengthen economic cooperation among member countries.

The OIC Secretary General in his speech highlighted the roles being place by Islamic Development Bank, Statistical, Economic and Social and Training Centre for Islamic Countries and the Issamic Chamber of Commerce, Industry and Commodity Exchange to help the member states in their respective spheres. He said that efforts were continuing for the development of economic cooperation among member states through intensive action to implement development programmes of the Muslim world. It was one of the most important decisions of the summit of Makkah Al-Mukarramah and Taif and it carried high hopes of the entire Muslim world. It, therefore, required of us today a great deal of sustained work he stressed.

He referred to the establishment of ISESCO (Islamic Educational Scientific and Cultural Organisation), Islamic Jurisprudence Academy, the Foundation for Science, Technology and Development research centre for Islamic History, Art and Culture, Islamic Centre for Technical and Vocational Training and Research, Islamic Commission for the Preservation of Islamic Heritage, the American Islamic College, and Islamic universities at the capitals of various Islamic countries.

These institutions and establishments were aimed at promoting cooperation among Muslims, consolidating their faith and increasing their knowledge and capacity to defend their homelands and reviving the authentic Islamic civilisation, he added.

Mr Chatty underlined the role of the Islamic Solidarity Fund to alleviate the effects of crises and emergency situations and contribute to raising the economic standard of the people of the Muslim Ummah. In this connection, he mentioned the misery of the drought stricken peoples of the African sahel and made an impassioned appeal to the member countries to demonstrate their Islamic solidarity to alleviate their sufferings.

Touching on the field of information, he said that International Islamic News Agency (IINA) and the Islamic States Broadcasting Organisation were actively pursuing their work and playing a fundamental role in this field.

He said that OIC had strengthened its position as a constantly developing organisation in today's world. It had equally proved its aptitude to be a symbol of Islamic reunion and an appropriate framework for understanding cooperation and rapprochement among the Muslims. The organisation needed continued moral and material support and renewed confidence in its ability to work for the accomplishment of its mission and fulfilment of its purposes through cooperation with and assistance from governments of member states for achieving two desired levels. The first one will be its capacity to confront the challenges assailing the Muslim Ummah from every side and the second one will be its capability to show the real power of this Ummah, a power which resides in its adherence to its faith, unity, solidarity and belief in its common destiny, he said.

Foreign Minister Doha's Speech

Dhaka THE NEW NATION in English 7 Dec 83 pp 1, 8

[Text] The newly elected chairman of the 14th Islamic Conference of Foreign Ministers, Bangladesh Foreign Minister Mr A. R. S. Doha yesterday observed that the Muslim world is assailed today by formidable tensions and challenges that threaten our cohesin, our security and well-being.

He was speaking immediately after assuming the seat of the chairman of the conference in the inaugural session yesterday morning.

Listing the problems being faced by the Islamic World Mr Doha called upon the participants of the conference to evolve ways and means for resolving disputes among the member countries, strengthening collective political and economic security, and promote new avenues for cooperation.

Referring to the forthcoming Islamic summit to be held in Casablanka next month, Mr. Doha expressed confidence that with a collective approach to global problems as well as those affecting the Muslim peoples the conference would formulate recommendations towards this end.

Expressing his gratefulness for honouring Bangladesh and himself by electing him chairman of the conference, Mr Doha sought cooperation of the member countries of OIC for the furtherance of the common causes.

On disarmament, particularly nuclear disarmament, which is a direct threat to the very survival of mankind, he said that while general and complete disarmament remains the primary goal, Islamic countries have taken forthright positions in support of such measures as establishment of nuclear free zones in Africa, the Middle East, and South Asia, for declaration of the Indian zone as zone peace and for ensuring negative security guarantee by the nuclear states to non-nuclear states.

As a littoral state, he said, the creation of the Indian zone as a zone of peace is a matter of importance to us. He said his country believed that the successful implementation of the UN resolution 2832 will be in the interest of peace and security.

In this context he mentioned Bangladesh's participation in the ad-hoc committee work on the Indian Ocean and support to the idea of a conference in Colombo to draw up an instrument ensuring peace and security in the region free from big power rivalry.

The Foreign Minister described the Dhaka meetings as significant in view of the forthcoming Islamic summit in Morocco next month and said, "it will be our duty to seek clear directions from the heads of states or governments" on issues to be discussed here so that the conference could be invested with a defined sense of purpose and a collective approach to global and other problems affecting the Islamic ummah.

Mr. Doha said that the agenda before the conference was a crowded one, encompassing 94 substantive issues but the prime amongst them was the situation in West Asia and liberation of Palestine.

Peace in the region could only be based on a just and lasting settlement of the questions at the heart of the crisis—the vaction of Israei's wanton and continuing aggression and the restoration of the inalienable rights of the Palestinians including their right to an independent state of their own.

Mr. Doha said that the Islamic community must support the efforts of the Lebanese people to maintain the independence, unity and territorial integrity of their country according to their own wishes and free from outside interference.

Gulf War

Referring to Iran-Iraq war, he said that it was a matter of "the most urgent priority for the Islamic world to continue all efforts to bring an immediate end to this tragic conflict".

Afghanistan

On Afghanistan, he said, the Islamic community remained steadfast in its support of all initiatives for a political solution ensuring the withdrawal of foreign troops from Afghanistan so that the people there could freely determine their own destiny.

The Foreign Minister pointed out that Islamic countries had consistently supported the liberation movements of South Africa and Namibia. "Our support will continue to be needed by the peoples of South Africa and Namibia in the realisation of their legitimate goals."

Cyprus

Mr. Doha said that the conference would no doubt take cognizance of the complex situation in Cyprus following the failure of over a quarter century of intractable talks to resolve the differences between the Turkish and the Green Cypriot communities.

"Our conference owes it to the Turkish-Cypriot community and to the people of Cyprus to attempt to heal the current rift in the island in an honourable and just manner," he added.

He pointed out that the situation of Muslim minority communities numbering almost 300 million around the globe had also always been of special interest to this conference and "our attention will be devoted to their problems."

Turning to international economy, the Foreign Minister said, as members of the developing, Non-aligned world, Islamic nations were in the forefront of the demand for a just and equitable international economic order as constituting the very basis of world peace and tranquility in international relations.

Welcoming the delegates Mr Doha said that the current meeting "manifests our adherence to a faith that has demonstrably uniquely enabled us to rise above race, colour and creed and has irrevocably committed us to the creation of a global human society based on justice and equality."

Saudi Minister's Speech

Dhaka THE NEW NATION in English 7 Dec 83 pp 1, 8

[Text] The leader of the Saudi Arabian delegation at 14th Islamic Foreign Ministers conference, Mr Mohammad Ibrahim Massoud, yesterday paid rich tributes to Bangladesh Government and people for the excellent onference arrangements and hospitality extended to the delegates from all over the Muslim workd, reports BSS.

Mr. Massoud who is a State Minister and a member of the Saudi Cabinet was addressing the inaugural session of the conference on behalf of the Arab group at the new Sangsad Bhaban here.

He said that Bangladesh was holding high the banner of Islam under the wise leadership of Chief Martial Law Administrator Lt. Gen H M Ershad. He said that the entire Muslim world regards highly the role Bangladesh is playing towards shaping the destiny of the Islamic Ummah and its servives towards collective efforts in bringing about the security, prosperity and development of Islamic peoples.

"We have profound respect for the efforts of Bangladesh", he said.

Referring to the inaugural address by the CMLA, Lt. Gen. Ershad, the Saudi State Minister said the meaningful ideas and proposals made by the Bangladesh

leader should be given particular attention to achieve the desired success in the deliberations.

Dhaka Declaration Text

Dhaka THE BANGLADESH TIMES in English 12 Dec 83 p 3

[Text] Following is the text of "Dhaka Declaration on Human Rights in Islam adopted at the Islamic Conference of Foreign Ministers which concluded here on Sunday morning, reports BSS

"Bismillah ar-Rahman ar-Rahim".

"Al Hamdu Lillah Wassalatu Ala Rasuli Allah"

The Dhaka declaration on human rights in Islam.

The member-states of the Organisation of the Islamic Conference.

Affirm their belief in Allah, Lord of all the worlds, creator of all things, source of all bounties, who has created man in the best of moulds, elevated Him to a position of honour, made Him His Viceregent on earth to develop it and to improve it, entrusted Him with duties and placed at His disposal all that is on earth and in the skies.

Affirm also their belief in the message of the Prophet Muhammad Sallallahu Alayhi Wa Sallam who was sent by Allah with true guidance and religion, as a mercy for all the worlds. to emancipate the oppressed who proclaimed equality among all mankind with no superiority for one over another, except on the basis of piety, and who abolished distinctions and hatred among people whom Allah has created from one and the same soul".

Basis of Islam

"And proceed from the faith of absolute oneness of God which is the basis of Islam and which calls upon all mankind to worship no one but Allah and not to associate any other being with Him and which lays down the true basis of human freedom and dignity and proclaims the emancipation of man from enslavement by man:

And believe in fulfilling the injunctions of the unchanging [word indistinct] Shari'ah which calls for the safeguarding of man's religion, soul, mind, honour, wealth and progeny, and which is universal in its applicability and is characterised by moderation in all its principles and rulings, which combines spirit with matter and which balances individual rights and obligations and collective privileges, harmonises reason and emotion, idealism and reality, which guarantees justice to opponents in a manner that does not result in oppression or frustration."

Historical Role

Reaffirm the cultural and historical role of the Islamic Ummah which Allah made as the best of Ummah and which save humanity a universal and well-balanced civilization representing a synthesis of the [word indistinct] and the temporal in which knowledge is combined with faith and to fulfil the expectations from this Ummam to guide all humanity which is confused because of different and conflicting beliefs and ideologies and to provide solutions for all chronic problems of this materialistic civilization and to contribute to the effort of mankind to assert human rights to protect man from exploitation and persecution and to affirm his freedom and right to a dignified life in accordance with the Islamic Shariah.

And believe that fundamental rights and freedom according to Islam are an integral part of the Islamic faith and that no one shall have the right to abolish them either in whole or in part or to violate or ignore them in as much as whole they are biding divine commands which are contained in his revealed books and which were sent through the last of His prophets and which completed His revolutions and in as much as obedience to these commands is an act of worship and neglect or violation thereof a sin and since everyone and the Ummah are responsible individually and collectively.

And believe that all human beings are one family whose members are united by their subordination to Allah and being the descendants of Adam all men are equal in dignity and basic duties and responsibilities without any discrimination on account of race colour language religion sex political opinion social status or other considerations:

And that all human beings are Allah's subjects and the most loved by Him are those who serve His subjects and no one has superiority over another except on the basis of piety.

These principles shall henceforth be known as the Dhaka Declaration of Human Rights in Islam.

Education Commission Launched

Dhaka THE BANGLADESH OBSERVER in English 11 Dec 83 p 1

[Text] Bangladesh on Saturday formally launched the National Commission for Islamic Educational Scientific and cultural organisation (ISESCO), an organ of the Organisation of Islamic Conference (OIC), reports BSS.

Minister for Education Dr. Abdul Majeed Khan inaugurated the commission at a simple function in Dhaka on Saturday evening. Dr Abdelhadi Boutajeb Director-General of the ISESCO was also present on the occasion. Qazi Jaladdin Ahmed, Secretary of the Ministry of Education presided.

In his inaugural speech Dr. Majeed Khan dwelt at length on the flourishing of the religion of Islam since its dawn in Arab land 14 hundred years ago and said the ISESCO will help the Islamic world of today to "come back to its right path".

ISESCO provides a great scope for the Muslim world for revival of Islamic heritage he said adding Bangladesh upholds the spirit of the ISESCO since the very beginning of its formation. Launching of the National Commission first of its kind in the world, is yet another example in this respect.

The ISESCO, Director-General Dr Boutaleb who is in Dhaka now in connection with OIC conference said his organisation esteems high the "role played by Bangladesh in the Islamic World".

Qazi Jalaluddin in his presidential speech said the National Commission was launched with the objectives of promoting understanding between the people of Bangladesh and ISESCO and for advancement of Islamic education scientific research and cultural affairs.

The National Commission is headed by the Minister for Education while the Education Secretary is its Secretary-General.

OIC Budget Approved

Dhaka THE BANGLADESH OBSERVER in English 11 Dec 83 p 1

[Text] The 14th Islamic Foreign Ministers Conference Saturday approved a budget of US dollars 9,883,660 for the financial year 1983-84, reports BSS.

The budgetary allocation approved earlier this year, by the administrative and financial committee headed by Bangladesh delegation member, Mr. Mahbubuzzaman, would be of the same level of the previous year.

The conference while adopting the budget put up two conditions. The first condition was that no expenditure relating to the activities of the Islamic Committee of the International Crescent will be committed until the necessary legal ratification of the agreement concerning setting up the organisation is complete.

The second condition is that the decision to set up the Europe office will remain frozen until the financial conditions improve and the amount proposed for the Europe office in the current budget (83-84) be allocated to the Islamic solidarity fund for use for the activities of the fund.

Dhaka Financial Body Member

Dhaka THE BANGLADESH OBSERVER in English 11 Dec 83 p 1

[Text] Bangladesh has become a member of the Financial Control Committee of OIC formed in the 14th ICFM in Dhaka. Other members of the committee are: United Arab Emirates, Tunisia Nigeria Pakistan Morocco and Libya.

The next summit of the OIC would appoint a Chairman for the Trade and Economic Committee of OIC. The Taif summit of OIC formed three committees to be headed

by the heads of the Government of Islamic countries. President Ziaul Huq of Pakistan is heading the Science and Technology Committee while the Information Committee is headed by the Senegal President.

The setting up of the International Islamic Court of Justice which has been finalised in Dhaka meeting would be announced in the 4th summit in Morocco.

The 14th ICFM has welcomed the proclamation of independence of Brunei Darus Salam on January 1, 1984. The conference authorised the current Chairman of the ICFM to convey the message of greetings on behalf of OIC to the Brunei Darus Salam.

CSO: 4600/1387

SUMMARY OF BANGLADESH-BHUTAN JOINT COMMUNIQUE

Dhaka THE BANGLADESH OBSERVER in English 12 Nov 83 pp 1, 16

[Text] Bangladesh and Bhutan on Friday welcomed the launching of the integrated programme of action for South Asian Regional Cooperation (SARC) and reaffirmed their commitment to carry forward the momentum of the process to make it a success, reports BSS.

A joint communique issued in Dhaka on Friday at the end of the four-day official visit of Bhutanese Foreign Minister Mr Lyonpo Dawa Tsering said that both Mr Tsering and Foreign Minister Mr A. R. Shams-ud Doha reiterated their conviction that the structured regional cooperation would lead to the strengthening of relations among the countries of the region. This would also contribute to the betterment of the quality of life of the peoples of the region the two Foreign Ministers observed.

According to the communique the two Foreign Ministers expressed satisfaction at the steady growth of bilateral relations between the two countries. They also noted that there was considerable scope for increasing mutually beneficial cooperation for the well-being of their peoples and to meet the challenges of economic development.

The two Foreign Ministers agreed that cooperation between their two countries in the field of education and technical training should be intensified. They also felt that exchange of cultural troupes would help in promoting understanding between the two peoples. Both sides agreed to take necessary steps to achieve this objective.

The joint communique said the two Foreign Ministers noted that the Indian Ocean area had become a focus of great power rivalry as a result of recent developments. They reiterated their support to the 1971 U.N. declaration of the Indian Ocean as a zone of peace. In this connection they recalled the resolutions of the meeting of the littoral and hinterland states as well as the meetings of the adhoc committee of the Indian Ocean and declared their commitment to work for the convening of the conference on Indian Ocean in Sri Lanka at an early date.

On the current international economic situation, the two sides called for speedy implementation of the special measures already agreed upon by the

international economic order and stressed that progress should be made towards the launching of global negotiations they also called for intensifying meaningful efforts for South-South Cooperation.

The Foreign Ministers of Bangladesh and Bhutan also reviewed the international situation and expressed their concern at the escalation of international tension endangering peace and security in the world and continued deterioration of the global economic climate, they also reaffirmed the commitment of their governments to the U.N. charter and the principles and objectives of the Non-Aligned movement.

Expressing deep concern on the situation in Afghanistan and Kampuchea the two Foreign Ministers called for an immediate and unconditional withdrawal of foreign troops and for full respect of the independence sovereignty and territorial integrity of these countries.

CSO: 4600/1378

NOTES ON JAPANESE LOANS TO BANGLADESH EXCHANGED

Dhaka THE BANGLADESH OBSERVER in English 12 Nov 83 pp 1, 16

[Text] Bangladesh will receive from Japan Taka 267 crore as loans and grant under two separate "Exchange of Notes" signed between the two countries in Dhaka on Friday, says BSS.

The visiting member of Japanese House of Representatives and President of Japan-Bangladesh Association, Mr Daisuke Akita, was present at signing ceremony of the Exchange of Notes at the Planning Commission office. Secretary of the External Resources Division, Mr Mofizur Rahman, and the Japanese ambassador, Mr. Shunji Kobayashi, initialled the notes on behalf of their respective countries.

Of the total amount Taka 160.82 and Taka 100.68 crore have been earmarked as commodity and project loans. The rest Taka 5.50 crore will be available as grant for establishment of the rice seed and genetic resources laboratory at the Bangladesh Rice Research Institute (BRRI).

The laboratory, which will be first of its kind in the country will work as a milestone towards intensification of rice research programme in the country. It will also help preserve the precious genetic resources of indigenous and other rice plants. The grant is tied.

The commodity loan and the project loans will be available for utilisation after the signing of formal loan agreements in Tokyo, between the Overseas Economic Cooperation Fund (OECF) and Bangladesh government.

Both the commodity and project loans bearing an interest rate of 1.25 per cent per annum are repayable in 30 years, including a grace period of 10 years. The interest rate is the softest rate currently offered to the developing countries by Japan.

The commodity loan, which will be disbursed within two years from the date of signing of the loan agreement is fully untied and will be utilised for procurement of a wide variety of items like industrial raw materials and spares equipment, machinery, chemicals, fertilizers, cement and raw cotton from all OECD countries and the LDCs, excluding Bangladesh.

The major portion of the commodity loan will be allocated to different agencies for procurement of items under the current import policy and the balance for meeting the foreign exchange requirement of the development projects in the ADP.

The project loan of Taka 100.68 crore will be allocated to Kaptai Hydro-electric Power Plant Extension Project which is being implemented by the Power Development Board. With the installation of the 4th and 5th generators at Kaptai, country's power generation capacity will be augmented by another 100 megawatt.

Japan has been maintaining a steady level of aid to Bangladesh and with the signing of these Exchange of Notes, her total assistance to Bangladesh since 1971 stands at Taka 3,063 crores of which soft loans amount to Taka 2,305.50 crore and grant of Taka 757.50 crore.

Japan has also indicated an increase in the proportion of grant element in her economic assistance programme to Bangladesh in the future.

CSO: 4600/1378

BANGLADESH BANK RELEASES ANNUAL REPORT FOR 1982-83

Dhaka THE BANGLADESH OBSERVER in English 13 Dec 83 pp 1, 12

[Text] Bangladesh Bank in its annual report (1982-83), released on Monday stated that the performance of the country's economy showed 'notable improvement during the year under review. The gross domestic product (GDP) in real terms increased by 3.72 per cent during 1982-83 as against the nominal growth in 1981-82. The GDP growth as the report notes, was largely attributable to the agricultural sector which registered an increase of 4.73 per cent in 1982-83 as against a decline of 0.62 per cent in the preceding year.

Noting that 'there was recovery and some growth in the economy during the year' the report pointed out that the activity in the industrial sector remained sluggish. Total industrial production increased nominally by 4.41 per cent during the year under report as compared to the growth rate of 2.89 per cent during 1981-82. Accounting the reasons for sluggish industrial operation the report noted that shortfall in the revenue receipts and increase in expenditure severely constrained investible resources which necessitated cut-back in public investment. "These factors, together with poor crops in the previous year led to a decline in rural incomes low demand for goods and services and stagnation in the economy as a whole", it stated.

According to the bank's annual report, the average per capita income increased by 1.3 per cent in 1982-83 as against the decline of 1.6 per cent in the preceding year. The per capita income growth was due to the economic growth rate exceeding the population growth rate.

Giving a review of the sector wise performance of the economy the annual report stated that foodgrains production in 1982-83 was higher at 153 lakh metric tons as against 143.67 lakh metric tons in the preceding year thus recording an increase of 6.56 per cent during the year under report. Production of raw jute and tea increased by 16 per cent and 12.58 per cent to 50 lakh bales and 95.24 millin lbs in 1982-83. Besides agriculture the sectors which showed significant growth were power and gas, transport and trade. The growth rate of power and gas sector increased from 14.17 per cent in 1981-82 to 17 per cent during the year under review. The transport and trade sectors registered growth of 3.4 per cent each against decline of 0.20 per cent and 0.10 per cent respectively in 1981-82.

About the overall economic situation Bangladesh Bank in its annual report stated that a sizeable surplus was recorded in 1982-83 in balance of payments. There was a surplus of Tk. 496.90 crore (208 million US dollars) in the balance of payments of the country in 1982-83 as against a deficit of Tk. 642 crore (319 million US dollars) during 1981-82. The improvement in the overall balance was due to increased flow under Unrequited Transfers and capital account. The foreign exchange reserves (convertible) increased by Tk 618.44 crores over the year under report to Tk 856.12 crores at the end of June '83.

Total export earnings of the country in 1982-83 stood at Tk 1616.25 crores (679 million US dollars) at a level higher by 28.72 per cent over the previous year's earnings. As against the total allocation of Tk 2910 crore under the import policy for 1982-83, value of licences issued during the year stood at Tk 2887.83 crores. "The commodity terms of trade which had recorded deterioration in the preceding three years improved significantly during 1982-83" the bank reports.

The foreign aid disbursement at 1,346 million US dollars during the year under report recorded an increase of 8.90 per cent from the level of 1,236 million US dollars in 1981-82.

About the monetary and price situation the Bangladesh Bank reported that performance on the price front was not up to expectation, partially reflecting larger increase in money supply in 1982-83 than in the previous year. The general cost of living index for the middle class people in Dhaka city (1973-74=100) which stood at 298.80 in June '82 rose to 340.30 in June '83' indicating an increase of 13.89 per cent over the year.

Money supply (marrow money) increased substantially by Tk 439.91 crore or 22.79 per cent to Tk 2664.05 crore in 1982-83 as against the nominal increase of Tk 0.80 crore or 0.04 per cent in the preceding year. The marked increase in money supply over the year was brought about by substantial increase in credit to the private sector to the extent of Tk 778.42 crore and surplus in the country's international account to the tune of Tk 413.74 crore. Credit to public sector was expansionary to the extent of only 37.13 crore. However, the accruals of Tk 812.50 crores in time deposits and surplus in the Government fiscal operations to the extent of Tk 22.83 crore during the year under report exerted some neutralising effect on monetary growth.

The report pointed out that there was a domestic credit expansion at 12.27 per cent during the year under review and the credit expansion was consistent with the target. "Reflecting a surplus in the fiscal operations of the Government net credit to the Government declined. Due to adjustment in administered prices and better inventory management the financial position of some of important public sector corporations improved", the report added.

CSO: 4600/1385

BRIEFS

KHALEDA ZIA STATEMENT--BNP leader Begun Khaleda Zia on Wednesday called for a political solution of the crisis now facing the country reports ENA. In a signed statement issued to the press BNP leader maintained that creation of an appropriate political atmosphere is an essential pre-condition to achieve this objective. She pleaded for release of all political prisoners and withdrawal of all warrants of arrest before December 16. In conclusion Begum Zia expressed the view that the present political impasse can be overcome through the implementation of their 5-point programme. [Text] [Dhaka THE BANGLADESH TIMES in English 15 Dec 83 p. 1.]

DELEGATION IN JAPAN--A four-member Bangladesh businessmen delegation led by Mr M A Sattar Chairman Bangladesh Jute Mills Association, paid a six-day visit to Japan from November 28 to December 3. The visit was sponsored by the Export Promotion Bureau and the EEC according to a message from Bangladesh Embassy in Tokyo received in Dhaka recently. In Tokyo the delegation met with the officials of the Japanese Foreign Ministry Japan Chamber of Commerce and Industry and also attended a reception hosted in its honour by Mr Daisuke Akita, Member of the Parliament and President, Japan-Bangladesh Association. The Bangladesh delegation called for increased import of Bangladesh products to Japan and more Japanese technical assistance for the research and development of Bangladesh's exportable items particularly jute and jute goods. Japanese side expressed eagerness to increase its imports from Bangladesh in the coming years. [Text] [Dhaka THE BANGLADESH TIMES in English 15 Dec 83 p 3]

COST-OF-LIVING INDEX--The general cost of living index for the middle class people in Dhaka city increased by 13.89 per cent over the year 1982-83 as against 7.50 per cent during 1981-82 according to the Bangladesh Bank annual report released on Monday. The rise was shared by food fuel and lighting housing and household requisites clothing and footwear and miscellaneous items. The general cost of living index which was 298.80 in June 1982 rose to 340.30 in June 1983 (1973-74 = 100). However, the annual average increase in living index was lower at 9.93 per cent. The general cost of living index for middle class people in Chittagong city increased by 7.68 per cent in 1982-83 as compared to the increase of 13.72 per cent in 1981-82. The general cost of living index for middle class people of Khulna increased by 10.14 per cent and for Rajshahi middle class people by 7.58 per cent during the year under the report. [Text] [Dhaka THE BANGLADESH TIMES in English 13 Dec 83 p 1]

AMBASSADOR TO FRANCE--Government has appointed Major General Mohammad Abdur Rahman, psc, at present Officer on Special duty in the Ministry of Foreign Affairs as Ambassador of Bangladesh to France, it was officially announced in Dhaka on Tuesday. General Abdur Rahman will be proceeding to Paris shortly to take up his new assignment. [Text] [Dhaka HOLIDAY in English 3 Dec 83 p 3]

FRENCH INDUSTRIAL AID--An agreement was signed in Dhaka Wednesday between Bangladesh Bank and a consortium of eight French banks for a loan of French Franc 56.25 million (about Taka 17 crore) to finance industrial projects and purchase of industrial equipment and services from France, reports BSS. A Bangladesh Bank Press release said, Mr. M. Ijadur Rahman, Deputy Governor of Bangladesh Bank and Mr. F. Chatagnon, Director, Banque Française Du Commerce Extérieur, signed the agreement on behalf of their respective sides. The agreement forms part of the French financial assistance of French Franc 150 million agreed upon between the Governments of the two countries through a protocol signed recently in Paris, the Press release said. [Text] [Dhaka THE BANGLADESH OBSERVER in English 17 Nov 83 p 1]

PRC RAILWAY DELEGATION--CHITTAGONG, Dec. 12:--A high level meeting, held today between senior railway officials and the visiting Chinese railway delegation discussed elaborately various developmental aspects of Bangladesh Railway including uplift of mechanical infrastructure, reports BSS. The six-member Chinese delegation led by Liu Weinian has been in Bangladesh for the last one month and a half for studying the railway requirements for developing its mechanical infrastructure and for creating facilities for manufacture of essential parts and better maintenance facilities for its rolling stock. Presided over by Mr. A. M. Chowdhury, Secretary and Director General, Railway Division, Ministry of Communications the meeting attended, among others by Mr. M. Asjad Ali and Mr. M. S. Duha, General Managers Bangladesh Railway East and West Zone respectively besides a number of high officials of the concerned ministry. The leader of the Chinese delegation presented a resume of his team's findings during the study and their draft recommendations to the railway side. The two sides also exchanged views on various aspects of the team's draft proposals. [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 Dec 83 p 12]

CSO: 4600/1386

GANDHI OPENS INDIGENOUS AUTOMOBILE PLANT

Bombay THE TIMES OF INDIA in English 15 Dec 83 p 1

[Text] NEW DELHI, December 14. (PTI). THE Prime Minister, Mrs. Indira Gandhi, this evening inaugurated the Rs. 269-crore Maruti car project, heralding a new era in the automobile industry in the country.

For the Prime Minister, who also formally released four cars for sale on the occasion, it was a moment of "sorrow and jubilation" as she herself described.

She was visibly sad because her son, Sanjay Gandhi, who had dreamt of the car project was no more but she was happy that the dream of the young visionary had been realised.

The first person to get the Rs. 47,500 Maruti car from the Prime Minister was Mr. Harpal Singh, a retired assistant manager (flight operation) of Indian Airlines. The other three who were lucky to get their numbers in the computer draw were Mr. Ajit Singh, Mr. N. B. Choudhary, general manager, Auto and General Engineering Company, Delhi and Mr. Anil Agarwal, a sales executive of a private company.

The Prime Minister apart, every other speaker on the occasion made a touching reference to Mr. Sanjay Gandhi and described that the inauguration of the factory on his birthday today was a fitting tribute to the young entrepreneur.

Mrs. Gandhi said India had for long admired Japan for the tremendous technological progress it had made. Naturally, it was a matter of pride that the project had made such rapid progress.

Both Mrs. Gandhi and the industries minister, Mr. N. D. Tiwari, who presided on the occasion, expressed the view that the project, in collaboration with Suzuki Motor Co. Ltd., leading manufacturers of small cars in the world, would create a new awareness in Japan about the potentialities and possibilities which existed for industrial investment in India.

The chairman of Maruti Udyog Limited, Mr. V. Krishnamurthy, said the inauguration of the project was the fulfilment of the dream the late Sanjay Gandhi had seen of producing a low-cost passenger car for the common man.

This factory was built by him. It is under this very roof that he had worked to give shape to this dream, Mr. Krishnamurthy said.

Mr. O. Suzuki, director of the company, and the Japanese ambassador in India, Mr. Hara, said the project was of vital interest to both the countries as its progress was being watched with great interest.

"The success of this project is the cornerstone of future collaboration in other spheres between the two countries", they said.

Mrs. Gandhi spoke briefly in English and then switched over to Hindi to narrate the "big story of the small car."

The project, she said, had a long history. For that sake, she said, she and her son had to face vilification, accusations and allegations, though she was stepping into the factory for the first time.

Though for long there was discussion on the question of the country having a small car project, there was opposition from the vested interests and other automobile manufacturers.

It was Sanjay who took the initiative to see that the small car project became a reality. "Right from his childhood he dreamt of only aeroplanes and cars. He asked for nothing else," she said.

Mrs. Gandhi narrated in great detail how Sanjay went to London to work in the factory of the Rolls Royce, where he served in the factory during daytime and studies in the night. In between, he did his own cooking, she said.

After obtaining his diploma, she said, Sanjay set up a small workshop in Gulabi Bagh here where he sweated it out daily for 12 hours.

Mrs. Gandhi said Sanjay built the factory, about 35 km from here, with whatever money he had, but he had no more money to go ahead with the project.

The Prime Minister was presented with a small silver car as a memento by Mr. Krishnamurthy, while Mr. Suzuki presented her with a model of Maruti car. On behalf of the employees, Mr. K. K. Dutta, general secretary of the Maruti employees' union, presented her with a portrait of Mr. Sanjay Gandhi.

CSO: 4600/361

INDIA

REPORT ON GANDHI INTERVIEW WITH BULGARIAN NEWS AGENCY

Calcutta THE STATESMAN in English 14 Dec 83 p 4

[Text] NEW DELHI, Dec. 13.--Mrs Gandhi has called for resumption of the dialogue for disarmament "without further loss of time", reports PTI.

"The lack on purposeful dialogue for limitation and reduction of armaments, particularly in nuclear weapons, among the most powerful nations is responsible for the continuing atmosphere of mistrust and the growing threat of war", the Prime Minister said in an interview to the Bulgarian Telegraphic Agency.

The escalating race the relentless search for greater sophistication in weaponry and their "deployment in newer areas are making us drift towards a situation which will be disastrous, with no one the victor and, perhaps, no survivors either", Mrs Gandhi said in the interview recorded on the eve of the State visit of President Todor Zhivkov of Bulgaria to India.

All nations, she said, had a stake in the "positive outcome" of negotiations for disarmament. She had, herself, proposed a five-point programme during the U.N. special session on disarmament calling for a declaration on the non-use of nuclear weapons and an immediate suspension of all nuclear weapons tests.

The seventh non-aligned summit held in Delhi had endorsed the proposal. The non-aligned movement had been widely perceived as the "largest peace movement in the world", she said.

"The dialogue for disarmament", Mrs Gandhi said, "must be resumed without further loss of time" and the "enormous expenditure" now being devoted to weapons of mass destruction diverted to developmental goals. There was widespread recognition, she asserted, that India had made an "important contribution" to the building up of a climate of peace in the world.

"We take our international responsibility seriously. We are non-aligned while judging issues on their merits. We stand for friendship and the resolution of differences through discussion and without recourse to arms".

Replying to a question on the achievements and goals of the Government headed by her, Mrs Gandhi referred to self-sufficiency in foodgrain production and the

rapid strides made in industry which had put India among the first 10 industrialized nations. She also pointed out the achievements made in satellite communication and the commissioning of an indigenously designed and fabricated nuclear power station.

But development itself created new problems with the relatively stronger persons or groups taking advantage of the facilities created, she said. The 20-point programme pin-pointed the most urgent measures as well as those directly serving the neediest.

"Domestically, we have welded a population" consisting of many religions, languages and ethnic origins into a "vibrant, forward-looking nation through the policies of tolerance and equality of opportunity. India is the world's largest functioning democracy".

Her Government's goal was to consolidate and build further on what had been achieved and "realize the vision of an economically strong, democratic and progressive India dedicated to peace and harmony among nations."

Asked for her assessment of India's cooperation with Bulgaria and other Socialist countries, the Prime Minister said "We attach very great value" to friendly relations with such countries.

Cooperation with those nations in different fields had expanded steadily. They were working together for peace and "we have mutually benefited from the steadily growing economic interchange" and cultural contacts.

India and Bulgaria had different backgrounds and followed different systems "but are of one accord in furthering the cause of peace and goodwill among all peoples. This is an excellent example of coexistence and constructive cooperation".

Relations between India and Bulgaria, she said, transcended "mere utilitarian considerations". That was the reason why friendship and cooperation between the two countries had developed steadily and grown stronger over the years.

CSO: 4600/1359

FINANCE MINISTER: IMF REPAYMENT NOT TO HURT ECONOMY

Calcutta THE STATESMAN in English 12 Dec 83 p 1

[Text] REPAYMENT of loans, taken from the International Monetary Fund, from 1984-85 would not distort the Indian economy, according to the Union Finance Minister, Mr Pranab Mukherjee, reports PTI.

Mr Mukherjee told reporters at Calcutta airport on Sunday evening that this would also not have much effect on the price front and "if at all, the price rise will be marginal because of good debt servicing".

He said while repayment would start from 1984-85, the major impact would be felt from 1985-86. As against India's calendar year of April to March, the period counted by the IMF was from July to June. "Our overall debt service is manageable and I do not agree with the idea that any major impact will be felt", Mr Mukherjee added.

As regards inflation, the Finance Minister said, the annual rate, as on November 12 was 9.4%. He said there was nothing to be scared about it as in a developing economy, some sort of inflation had to be there. "My aim is to keep the rate of inflation at single digit level. But you cannot have zero rate of inflation in a developing economy", he said.

In reply to a question on the price front, Mr Mukherjee said the situation was difficult no doubt. He hoped that till the end of December, he would get some advantage of the seasonal decline of the percentage. But to what extent it would be was yet to be ascertained.

He admitted that the overall decline in prices had taken place, but the fall was weak. As against his expectation of 1%, the decline was either 0.3% or 0.4%. The downward trend was there, but it was very weak. He said the price situation in September was unchanged, but in October and November, there was a downward trend. The normal pattern was that from mid-September, prices began to fall, he added.

The Finance Minister attributed this weakness in the decline in the price situation to delayed impact of good crop and good monsoon. The second reason might be that in the system, there was some excess liquidity for which the Reserve Bank of India had to tighten the monetary policy. The third reason might be

that industrial activities were not yet picking up while the fourth one might be that the Government had to give higher prices to the growers in order to encourage production.

Mr Mukherjee hoped that the price level would come down but it was difficult to predict anything till December had passed.

CSO: 4600/1355

INDIA

DEFENSE MINISTER: NO LAG BEHIND PAKISTAN IN WEAPONS

Calcutta THE STATESMAN in English 17 Dec 83 p 1

[Text] NEW DELHI, Dec. 16.--The Defence Minister, Mr R. Venkataraman, told the Lok Sabha today that "at the moment", there was no gap between this country and Pakistan in electronic warfare missiles, but if Pakistan acquired Mohawk and Hawkeye missiles, as was reported, "we might be in some difficulty". However, the Government wants to see what steps it should take to meet that situation.

"We are always on the watch, we are fully equipping ourselves, and, right now, we are not lagging behind," he added.

Mr Venkataraman was answering supplementaries to a question on installation of electronic surveillance devices in Pakistan.

He told one member that a careful study had been made of that country's surveillance systems, on the ground, in the air and on the seas, "and we have made adequate provisions to meet these."

Asked about Pakistan's acquisition of Harpoon missiles, Mr Venkataraman said that India had sufficient equipment and missiles to meet the threat.

Another member asked about the reported movement of Pakistani troops along the border, Mr Venkataraman told him that there was indeed some Pakistani troop deployment along the border, "but this can be part of their usual annual exercise and we have no information to the contrary."

The main question put by Mr Bheekhabtai (Congress-I) was whether it was a fact that sophisticated electronic devices for extensive surveillance were installed in Pakistan, and what remedial measures were being taken by the Government.

The Defence Minister said: "There are reports to indicate that Pakistan is acquiring surveillance systems as part of the on-going programme for modernization of its armed forces. The Government is aware of the implications of such acquisitions and is taking appropriate measures."

CSO: 4600/1367

PARLIAMENT DISCUSSES STEPS TAKEN IN SPY CASE

Bombay THE TIMES OF INDIA in English 15 Dec 83 pp 1, 9

[Text] NEW DELHI, December 14 (PTI). THE home minister, Mr. P. C. Sethi, today assured the Lok Sabha that all steps were being taken to complete soon investigation of an espionage case in which four persons, including three retired high-ranking defence officers were allegedly involved and arrested.

They had been "engaged in passing on sensitive information to a foreign agency for monetary consideration", he said in a statement.

They were still in judicial custody, and one of them had made a confessional statement before the court, he said.

The four arrested were Maj-Ten. F. D. Larkins, his brother Air Vice-Marshal K. H. Larkins, Lt-Col. Jasbir Singh and Mr. Jaspal Singh Gill, who represents a private firm.

Mr. Sethi said search of the premises of some of the arrested persons has led to the seizure of classified documents.

He told the house that counter-intelligence agencies of the defence services and the police were vigilant against espionage activities and were taking action for improving security measures to prevent leakage of classified information.

Steps were also being taken for strengthening departmental security, he said.

The minister requested members to refrain from seeking further details since the matter was under investigation.

Mr. Sethi said information received from air headquarters and investigations made by the intelligence bureau and the Delhi police had resulted in the detection of an espionage network.

The Delhi police, he said, had registered a case under sections three, five and nine of the Official Secrets Act and section 120-B of the Indian Penal Code.

Maj-Gen. F. D. Larkins (retd.) had made a confessional statement before the court, the home minister said.

The government refused to confirm or deny in the Rajya Sabha that the CIA was the foreign agency which had been receiving sensitive information.

To persistent demand from opposition members to name the agency, the minister of state for home, Mr. N. R. Laskar, said it was not possible to do so unless the involvement of the agency was proved.

He was replying to clarifications sought by members on a statement made on the espionage network which was identical to the one made in the Lok Sabha.

Mr. Laskar said two foreign personnel involved in the case had already left the country.

His assertion that it was not customary to name such personnel drew angry protests from several members, including Mr. G. C. Bhattacharva (DSP), who demanded to know what custom he was referring to.

Mr. S. C. Jha (Janata) said the minister could at least say whether it was a government or private agency. He urged the minister for defence, Mr. R. Venkataraman, who was present in the house, to clarify the position, but the latter did not respond.

An observation by Mrs. Margaret Alva, who was in the chair, that members were intelligent enough to guess the name of the agency, was greeted with shouts of "No, no".

Earlier, Mr. Jha said the espionage disclosure had revealed only the tip of an iceberg. A parliamentary committee should inquire into it and deterrent punishment should be meted out to the guilty.

Mr Sukomal Sen (CPM) asked to which government the secret information had been passed on and whether India had lodged a protest against it.

Dr. Mahavir wanted to know the antecedent of one Brig. Kapoor who was reported to have introduced the arrested officers to a woman librarian. He also wanted clarification about the disappearance of a scientists, Shyam Das.

Mr. Bhattacharya wanted the government to name the foreign agency. He said the U.S. was trying to destroy the country in various ways. It was an attempt at "balkanisation".

He said one U.S. diplomat had already left. Twelve more were still there. They were all CIA agents, he alleged.

Mr. Bhattacharya demanded action to expel the U.S. diplomats.

Mr. Malik said since India was the leader of the non-aligned movement, the government should not hesitate to name the foreign country or diplomats involved.

This would not affect security of the company. He said names of seven U.S. diplomats figured in the CIA publication of 'Who is who'.

Mr. Malik said counter-espionage in the country was in a primitive stage and details given in the statement were less than those published in newspapers.

Mr. Laskar told him that spy scandals had rocked even countries like the U.K. The government was, however, constantly vigilant.

Mr. M. C. Bhandare (Cong-I) said members deserved to know more than what had been published in papers or mentioned in the FIR. Reply to the question whether the foreign agency involved was governmental or commercial would change the whole perspective. He asked whether the recent departure of a diplomat at the government's instance was connected with this espionage case.

Mr. L. K. Advani also wanted the chair's ruling on the minister's argument quoting convention to deny certain information to the house.

The minister shared the members' concern at the leakage of classified information and said the government was not at all complacent in the matter. The government would try to plug the loop-holes wherever they existed.

Mr. Laskar said the Centre and state intelligence agencies maintained constant vigil on the routes to neighbouring countries.

Referring to the demand of Mr. S. C. Jha (Janata) for instituting a commission of inquiry to go into the case, the minister said there was no such need since the investigation was progressing smoothly.

Dr. Bhai Mahavir (BJP) pleaded with the government not to shield guilty persons in the name of secrecy. He mentioned certain names involved in this case and in 'scuttling a defence research project.'

Mr. Advani said the CIA was not 'a holy cow' while the Soviet Union's KGB might be. It had been mentioned umpteen times. But why was the government fighting shy of naming the CIA, the BJP member asked.

Mr. Malik's information was that at least seven employees of the U.S. embassy were involved in this case.

CSO: 4600/1361

ANALYST EVALUATES QUALITY OF PARLIAMENT SESSION

Madras THE HINDU in English 11 Dec 83 p 2

[Article by G. K. Reddy]

[Text] ONE of the sad features of democracy the world over these days is the continued decline in the quality of Parliamentary debates, which is only a disconcerting reflection of the steady retrogression in the calibre of representation. This is not something peculiar to developing countries like India that have to cope with the pressures of mass politics, but even developed societies like Britain are faced with falling standards in public life.

It is not just permissiveness that has crept into politics coarsening the sensitivities of politicians, but the growing disregard for the superiority of informed opinion that has led to a loss of respect for elitism in upholding basic values in an elective system.

The days of great orators are gone for good, since what is required today is not an unfailing ability to speak out as an oracle of wisdom with impressive self-possession, but a capability to articulate one's views with clarity to be able to carry conviction. A point that could be well made with some degree of sophistication gets lost these days in the hurly-burly of declamation and denunciation with no hard core left in the line of argumentation. It is difficult to sustain a debate these days, since there are not many on either side of the House to make any original contribution other than repeating ad nauseum what had been said on similar occasions.

Dull Session

The present session of Parliament has been particularly full, except for some fleeting moments of inflamed passion or righteous indignation, partly because the focus of activity had shifted elsewhere when the two Houses had to go into recess during the Commonwealth Conference. Once the momentum of a session is broken, it is difficult to restore the missing element of excitement when Parliament reassembles, in the absence of some major development to animate it.

The threat of Sant Jarnail Singh Bhindranwale to plunge Punjab into communal violence did infuriate members into demanding stern action against him, but in the prolonged debate that followed they had nothing new to say other than what had been said before with the result that there was hardly any quorum during the discussions.

Similarly, the foreign affairs debate in both the Houses was equally listless with no worthwhile speech to make the average Indian any better informed about the complexities of the country's policies and pursuits. The debate was converted by Congress (I) M.P.s into a symposium for counting the blessings of Mrs. Gandhi's benign leadership of the non-aligned community, while the Opposition members sought to transform it into a post-mortem on the Commonwealth conference.

The Minister, Mr. P. V. Narasimha Rao, had an easy time in restating the known views of the Government on most issues, while rebutting the charges that India had diluted its stand on some controversial ones in the name of consensus during the Commonwealth Conference.

Enlightened Self-Interest

He missed the opportunity to elevate the level of the debate with a more candid exposition of the inherent limitations in the conduct of foreign relations, instead of pretending that the Government had not stepped back from some of its earlier positions during the Commonwealth conference. He did not make any great impression with his clever turn of phrase that India had no global aspirations, only aspirations for the globe, as though it was the only virtuous country in this wide world that was not seeking anything for itself, but selflessly crusading for peace on behalf of the entire human race to save it from nuclear annihilation. A country's foreign policy should not be articulated pontifically in terms of first principles by adopting a holier than thou attitude but propounded vigorously in the context of its own enlightened self-interest.

It is both possible and desirable to interpret this self-interest in loftier language, without sounding sanctimonious, for driving home the theme that the basic projections of the country's foreign policy in pursuit of its national aspirations were not in any way incompatible with its larger international commitments to work together with like-minded countries for the promotion of better understanding and preservation of world peace.

The focus has to be on the national angle, much more so during domestic political debates, to assure the people that the Government was not allowing its international preoccupations to come in the way of a more vigorous advocacy of its interests. The mantle of NAM leadership has fallen on India in extraordinary circumstances, but in attempting to make the best of it, the Government need not develop exaggerated notions about this role by initiating moves that are beyond achievement in the foreseeable future.

It is not necessary, for example, to keep up the pretence that the so-called New York summit was a grand success, when it should be sufficient to stress the bare fact that even the limited response had helped to set the tone for a North-South Dialogue that could be delayed but not avoided for ever by the affluent Western nations.

There was no harm in admitting that to go along with the others India had to adopt a relatively low profile at the Commonwealth conference without prejudice

to its own policies and principles. But such an admission had to be backed by credible assurances that the country was indeed, adhering steadfastly to its basic positions, irrespective of the semantic concessions made to keep up the pretence of unanimity in the Commonwealth's approach to many contentious problems. The mere denial that there was no compromise in the name of consensus would not help to enhance the credibility of the melodramatic postures of the Government.

The defence problems, like the foreign policy pursuits, continue to be dealt with in an equally bizarre fashion both inside and outside Parliament. The Prime Minister has been talking quite frequently about the mounting dangers of another war, implying that Pakistan was preparing to attack again.

The Defense Minister, Mr. R. Venkataraman, does not speak of an imminent threat but indulges equally frequently in the pep talk that the country's military preparedness is at its peak and it can face any challenge from any quarter in the region. This duality, or double track approach, is intended to caution the people that the country is vulnerable to an attack by a predatory neighbour under foreign instigation, while assuring them at the same time that the armed forces are fully prepared to thwart any such attempt.

Threat Perception

There is no informed debate either in Parliament or outside about the country's security environment or threat perception, with the result that the period talk of war no longer generates the kind of patriotic fervour that makes even bitter critics proclaim their support for the Government in facing it. The Prime Minister and the Defence Minister do not take into confidence even their senior party colleagues, let alone the leaders of the Opposition, about the nature of the threat or the probability of a conflict. The odd references made to this danger at public meetings and at party conclaves, or the reassuring observations made about the country's preparedness in off-the-cutt replies to supplementary questions in Parliament, do not provide a clearer picture of the Government's own assessment of the situation.

There is similar ambiguity in governmental pronouncements on the extent of arms assistance received by Pakistan from the United States. The fact that the bulk of the equipment offered has not yet reached, and may not be received for another two or three years, is not mentioned even during parliamentary debates, and members are inclined to imagine that it is already deployed against India when senior Ministers talk of the threat of another war or assure bravely that the country is fully prepared to deal with it. The members do not generally ask awkward questions about the nature or extent of this threat, lest the powers that be misconstrue their motivations. The safest thing for both the ruling party or the Opposition members to do in such a situation is to join the chorus with fresh affirmations of their readiness to make all possible sacrifices to defend the nation's integrity from foreign aggression.

Ambivalence

The double talk on the country's nuclear policy is no less perplexing to the average member of Parliament, who was told some time back by the Prime Minister that India would respond appropriately if Pakistan went in for the bomb, but more recently she said that India would not exercise the option even if Pakistan acquired nuclear weapons. There is not only no informed debate in Parliament over the nuclear issue, but even the defence chiefs have not been encouraged to discuss the strategic implications of Pakistan going nuclear and come forward with specific suggestions on how best the country should cope with such a situation. In the face of this political ambivalence, successive service chiefs have chosen to steer clear of the controversy by maintaining that this is primarily a matter for governmental decision.

The confusion is further confounded by the attempts of the Government to differentiate between the use of nuclear power for propulsion and exercise of the option for using it even for genuine defence purposes. The Defence Minister said the other day that, keeping in line with the policy of using nuclear energy only for peaceful purposes, India might go in for a nuclear powered submarine. No member told him when he said this in Parliament that it would not make much sense to acquire this white elephant at enormous cost if the intention was to fire only conventional torpedoes or missiles from it.

Cloak of Secrecy

Thus undue secrecy that prevails in all matters relating to defence, with no accountability to Parliament, enables the Government to treat not only every policy decision but also every defence transaction as a highly confidential matter on which no question can be asked even when it does not involve national security in the real sense. In other countries a distinction is kept up between defence strategy and defence policy, between defence purchases and development of new weapon systems. It enables the public to keep itself better informed of national security problems without impinging on genuine defence secrets or inhibiting policy discussions in depth with the Government.

But here in India the cloak of secrecy often serves as a convenient cover for holding back information on transactions involving hundreds of crores of rupees, running into thousands of crores over the years, giving arms dealers an opportunity to try every conceivable method for influencing decisions. It leads to avoidable speculation often uncharitable insinuations, in the absence of authentic information about deals that are known to everybody except the Indian public and Parliament. The latest spy scandal is only one aspect of the covert and overt influence at work at various levels of secure contracts, sell arms or ferret information.

An informed Parliament and an alert public opinion are the best safeguards against misuses of political patronage or abuses of official influence in matters of national security requiring the utmost vigilance. The correlation between foreign and defense policies should be debated openly to associate public opinion with the decisions, without treating unquestioning support for a policy as the same thing as adulation for the head of government. One should

be able to have faith in the leadership of the Prime Minister without blindly accepting the validity of all her policies and actions. And it is even more necessary in the case of other Ministers who say or do things often imagining that they are complying with her wishes, even when they are doing exactly the opposite at times much to her subsequent embarrassment.

CSO: 4600/1354

NORTHEAST PARTIES OPPOSE ILLEGAL MIGRANTS' ORDINANCE

Calcutta THE STATESMAN in English 16 Dec 83 p 9

[Text] SHILLONG, Dec. 15--The regional parties of the north-east, from the hill areas and the plains, have, for the first time, come together on a specific issue. The parties are opposing the Illegal Migrants (determination by tribunals) Ordinance, 1983, and include the APHLC, HSPDP and PDIC, all from Meghalaya, the Nagaland National Democratic Party, the Manipur People's Party and the PLP of Assam, a constituent of the Gana Snagram Parishad and the host at the Gauhati conference of regional parties in November.

Eight of their leaders were in New Delhi to brief MPs about the "serious implications" of the Ordinance and the Centre's failure to perform its constitutional and legal duties to detect and deport aliens. Mr B. B. Lyngdoh, a former Chief Minister of Meghalaya, explained that in issuing the ordinance, the President had "presumed and implied that all the foreigners who entered India before March 25, 1979, were to be accepted as citizens. This was unconstitutional and against the interest and security of the nation.

Referring to Article 6 of the Constitution, which bestowed citizenship on those who had entered India before 1948, he stressed that the Article had not been amended despite amendments to the Constitution. The President, he alleged, had extended the period by 35 years "with a stroke of the pen".

The Centre, however, is reported to have an open mind and may delete certain provisions of the Illegal Migrants Bill, whereby the tribunals which are being formed in Assam will have no authority to question the citizenship rights of those refugees from erstwhile East Pakistan who have resettled in Assam.

The north-eastern regional parties have, meanwhile, endorsed the three-stage formula of the Assam movement leaders calling it "humane and reasonable". Mr Lyngdoh, the spokesman, said he and the other members of the delegation had returned from New Delhi having "convinced" a number of M.P.s

The reported decision of the Khasi Students Union to organize a two-day bandh in Meghalaya this month could dramatize the regional spirit, hence the stress once more on opposing a railhead at Byrnihat at the foothills of Meghalaya. The ruling Congress (I)-led coalition has handled the issue deftly by promising to consult public opinion (Mr Lyngdoh called it "hypocrisy"). Previous experience

suggests that the bandh may be called off. A protest against high prices would be welcome, but the last bandh only helped push up prices by creating a sellers' market.

Although Mr Lyngdoh made it clear that the tie-up with regional parties from the hills and the plains was limited to the foreign nationals issue and deportation, it revives memories of 1967, when Nehru's federal plan was accepted by the APHLC, which had wider membership then, but rejected by the Assam leaders, in effect, the Assam Congress men. Some months ago, a Manipur leader demanded the formation of a north-east autonomous region which would handle its affairs barring foreign affairs and defence.

The suggestion is far too ambitious and does not take cognisance of internal rivalries and contradictions.

Integration of tribal populations is one of the long-term objectives even with the underground, but the formation of the North-East Congress (I) Co-ordination Committee under captain Sangma has minimized tribal fears about the plainsmen dominating them. And that explains the relative stability of the Meghalaya Democratic Front Government. In fact, a 250-member Meghalaya delegation will attend the AICC session at Calcutta.

CSO: 4600/1364

SPY AFFAIR ALLEGEDLY MAY HAVE WIDER RAMIFICATIONS

Calcutta THE STATESMAN in English 17 Dec 83 pp 1, 9

[Text] DEC. 16.--The espionage affair involving some retired Defence officials may have wider ramifications than the cases registered under the Official Secrets Act against Major-General F. D. Larkins his brother, Air-Vice Marshal K. F. Larkins, Lieutenant-Colonel Jasbir Singh and Mr Jaspal Singh Gill, a businessman.

It is now felt that since many of the Defence documents, which they are alleged to have passed on to a foreign intelligence agency, had been obtained from the documentation centre of the Defence Services in New Delhi, it would mean that there was, at least, passive connivance of some of the people working there.

This has led officials of the investigating agency to believe that more people are involved. Whether all those suspected of involvement will be arrested is a matter of some conjecture; it is felt that other forms of action may be taken.

There are also indications that similar charges may not be made against all the four currently under arrest. In the case of the businessman, sources said, the line of action might be different in that he was passing on information to foreign arms manufacturers, for whom he was an agent, and not a foreign intelligence unit.

Applications for bail moved by the Larkins' brothers were not taken up on Friday, as scheduled, in the court of Ms. Kanwal Indern, additional-chief Metropolitan magistrate, as she was on leave. The date for hearing those applications has been fixed for December 21. General Larkins and Air-Vice Marshal Larkins are now being kept in judicial custody in the Tihar jail. The remand is till December 24. The bail application moved on behalf of Mr Gill will be taken upon December 23.

General Larkins was arrested from his Vasant Vihar house on November 10, reportedly while the birthday party of his wife was going on.

The officers, while raiding the house, reportedly found 20 bottles of imported liquor, but they did not confiscate all of them immediately so that the party

could finish. They also reportedly found a revolver in the house. General Larkins was later booked under the Arms and Excise Acts as well.

The arrest was made just eight days before General Larkins was to have gone to Australia. The officers reportedly found an air ticket for November 18 in the house.

A few days later, the younger brother, Air-Vice Marshal Larkins was arrested from his sister's house in Lucknow. This was followed by the arrest of Mr Gill from his Sunder Nagar residence and that of Lieutenant-Colonel Jasbir Singh.

The arrests were kept so confidential in the beginning that not even the local police were aware of them.

Under a provision of the Official Secrets Act, the first information reports, filed by the investigating Officers, were sealed immediately afterwards, and they were to be opened only in court, where all the proceedings were in camera.

According to the sources, an indirect proof that General Larkins' allegedly had a clandestine source of income was his bank balance.

It had reportedly been found that almost the entire amount of Rs 5,000 a month which General Larkins got a retainership from an arms manufacturing company, as well as his Army pension, had accumulated in the bank. This led to the question of how he had the money for his apparently lavish lifestyle. The bank accounts were frozen.

It had also been alleged that the main conduit through which the Indian operators in the spy ring used to get their money was an international trading company, run by Mr Gill.

The sources added that in the confessional statement made by General Larkins, he had named four diplomats to whom he used to pass on the information. They now already left the country, and another was asked to leave within 24 hours in the second half of November.

CSO: 4600/1367

DEFENSE PLANS, BUDGET DISCUSSED IN LOK SABHA

Calcutta THE STATESMAN in English 7 Dec 83 pp 1, 9

[Text] NEW DELHI, Dec. 6.--The Defence Minister, Mr R. Venkataraman, told the Rajya Sabha during question hour today that the Government had information that Pakistan was "trying to go through a process of enriching uranium at a plant in Kahuta".

Countries like Britain, the Federal Republic of Germany, Switzerland, Italy, Belgium, Canada, Turkey, the Netherlands, France and Dubai were providing Pakistan with equipment for manufacturing of the bomb.

Whether China and the USA were helping Pakistan in the process was "too wide a question", Mr Venkataraman told a Congress (I) member.

However, he assured the House that "our defence preparedness is at its peak and it can meet any challenge from any quarter".

So much was the interest generated that the discussion took up nearly 50 minutes of the one-hour question time. The Defence Minister's replies promoted the Chairman, Mr M. Hidayatullah, to say that he was doing "exceedingly well".

Mr Venkataraman said the information with the Government "does not suggest that Pak submarines are equipped with nuclear warheads".

Nor did the Government have information whether any missile had been installed in Tibet. "We have information that in parts of Tibet, certain arrangements were being made. For what purpose, we do not know. We have no information that they are building any particular missile landing pad for firing nuclear weapons", he said.

Mr. Venkataraman stated emphatically that the supply of lethal arms to Pakistan had "not tilted the balance". India, through purchases from "friendly countries", was trying to equip itself with every kind of defence equipment, regardless of its origin. India's purchases from the Soviet Union, as also from Western countries, were based on merits of each weapon, he clarified, adding that "we are getting it from all countries, wherever they are available".

Soviet 'Generosity'

In this context, Mr Venkataraman spoke of the Soviet Union's "generosity" in helping India. He referred to his recent visit of some European countries and said that India planned to purchase some weapons from them.

Referring to nuclear-powered submarines, Mr Venkataraman said that India had kept its option open. "If necessary, we will go for it", he said. At the same time, he made it clear that India was going to use atomic energy only for peaceful purposes.

Mr Dinesh Goswami (Ind) asked whether India has used diplomatic channels to persuade at least members of the Commonwealth and the Non-Aligned Movement not to supply arms to Pakistan.

The Defence Minister replied that he had only "peripheral" information about it, as it was the domain of the Minister for External Affairs. But it was "too much to say that the countries supplying equipment to Pakistan, which would be used for the manufacture of a nuclear weapon, did not know that it will be used for that purpose".

Defence Budget

Mr B. P. Maurya (C-I) was not satisfied with the Minister's assurance that India's defence preparedness was at its peak. "We had heard the same thing in 1962, and I wish the Minister had not referred to it", he said. He wanted to know if the defence budget would be increased.

Mr Venkataraman said that he would "see" if the Defence budget could be increased. But the efficiency of the Armed Forces depended on its morale, which was "very high". Besides, India had the best stock of conventional arms.

In reply to a question by Mr G. C. Bhattacharya (DSP), the Defence Minister said that he discounted reports that China had allowed Pakistan to use its territory for a nuclear explosion.

Mr Jaswant Singh (BJP) wanted to know if Pakistan's Kahuta plant had been shut down because of an explosion in which two persons had been killed, causing a setback to the Pak programme of uranium enrichment. "We don't know. It is not verified", the Defence Minister replied, but assured the House that he saw all such things as "dangerous"

Sharp Exchanges

There were sharp exchanges between Mr Manubhai Patel (J) and Mr G. C. Bhattacharya (DSP) and Mr Ramanand Yadav (C-I). One word used by Mr Yadav against Mr Patel was expunged by the Chairman. Mr Patel wanted to know whether the Government's policy to use the atomic power for peaceful purposes would be given a go-by, in view of the contrary plea by Mr Yadav. "This is an example of internal democracy in our party", the Defence Minister said, reiterating that the Government adhered to its policy.

FAILURES IN DESIGN, DEVELOPMENT TECHNOLOGY DEPLORED

Bombay THE TIMES OF INDIA in English 8 Dec 83 p 8

[Editorial: Designs in the Air"]

[Text] The performance of Hindustan Aeronautics, India's aviation giant, continues to be bedevilled by complacency, controversy and official double-think. Laying the foundation-stone of HAL's corporate building in Bangalore the other day, the defence minister, Mr. R. Venkataraman, boasted that as many as a third of the 2400 aircraft produced by the firm so far were of indigenous design. He should know best that, in terms of value and sophistication, they could for very little. HAL's failure to keep abreast of modern technologies in design and development (D and D) of armaments, airframes, avionics and power packs shows in the long line of foreign warplanes in service with the Indian Air Force over the years. Even now IAF will be buying MiG-27s, Jaguars and Mirage-2000s to meet its needs during the eighties and beyond. Clearly the government has given very low priority to D and D in aeronautics, as in many other areas. Nor has it taken firm measures to ensure greater co-operation between HAL and IAF on the one hand and between the design and production wings of HAL itself on the other. Though HAL now has a 700-man D and D facility at Bangalore, at least four such units are required to obviate dependence on imports in the foreseeable future. Worse, even its existing D and D organisation has been demoralised by the unsavoury controversy about the alleged British nationality of the man who headed it since the late 'fifties before his eventual transfer a few months ago. Equally to the point, the authorities have always been reluctant to fund its research and utilise its tested prototypes for production. In 1961, the design of a suitable power pack for the projected supersonic HF-24 (Marut) airframe developed by Professor Kurt Tank's team was abruptly halted; Maruts are still flying with subsonic Orpheus engine of British design. HPT-32, the piston-engined basic trainer and the more advanced Ajeet trainer, both developed by HAL, have been just cleared for production after years of inter-departmental wrangling. The public accounts committee has had harsh things to say about costly delays for the same reason in the design and manufacture of an armed light helicopter. Initiated in 1970, the project has still to get off the drawing boards! Such examples can be multiplied.

If the government is really serious about self-reliance in aeronautics, it must have another look at HAL's D and D effort. For a start, agencies like

Gas Turbine Research Establishment, Aeronautics Research and Development Establishment and Aeronautics Technical Establishment should be brought under HAL's central control. Besides, the authorities must ensure that proposed foreign collaboration for the design and development of light combat aircraft (LCA) for the nineties does not become a thin disguise, as in the past, for the import of almost everything from engines to door hinges. As it is, an excellent engine, GTX, developed by the Defence Research and Development Organisation at a cost of Rs. 80 crores, may not fly at all. Its bypass variant, likely to be suitable for the projected LCA will take another five years to design and test. Planning to produce and use it for LCA should begin right away.

CSO: 4600/1349

OBJECTIVES OF THIRD ANTARCTIC EXPEDITION DISCUSSED

Madras THE HINDU in English 9 Dec 83 p 8

[Text] FINNPOLARIS, the Finnish ship chartered to carry the members of the Third Indian Scientific team on another Odyssey to Antarctica is a beehive of activity.

Everybody is busy with the arrangements to complete the loading of the precious cargo in the ship docked at the Mormugao harbour. As the D-day draws near, they keenly await the green signal. There was a slight postponement by a day in the schedule of the sailing of the ship, which was billed to leave the shores of Goa on December 1.

The members of the team have many chores to perform. It is difficult to track them down on board the ship. The family members of some of them have just dropped in to take a look at the ship and also a chat "for the road".

For most of the members of the team as well as crew members, it would be their first tryst with the icy continent.

Among the 26-member crew including the captain, there is a German pilot, who had been to Antarctica before. "We are thrilled" says the 47-year-old Mr. Lasse Kulju, a veteran in the field of Arctic journeys. "All of us coming from the Arctic region, the extreme cold in Antarctica does not bother us at all," says the young Radio Officer, Mr. Pecca Perivita.

In the 83-member Indian contingent, there are two repeaters, Dr. S. G. P. Matondkar, microbiologist from the National Institute of Oceanography (NIO) is performing a hat-trick with this trip. Maj. P. K. Nair of the Army Corps of Engineers, Bombay Sappers, who heads a strong army contingent to provide logistical back up for the operations was in the second expedition.

For the rest of them, including Dr. H. K. Gupta, Director of Earth Science Studies, Trivandrum and Lt. Col. S. S. Sharma of the Defence Research and Development Organisation (DRDO), the leader and the deputy leader respectively of the third expedition, and the two women scientists, Dr. Miss. Aditi Pant, marine biologist of the NIO and Dr. Miss Sudipta Sengupta of the Nadavpur University, Calcutta, it would be a maiden venture.

Growing Involvement

The expedition itself is no longer confined to making scientific forays in Antarctica during the December-March summer. The growing involvement of the Indian scientists in polar research, is sought to be consolidated this time, with the establishment of a permanent manned station.

While the main personnel of the third expedition will return to India in March, a 13-member team led by Lt. Col. Sharma will remain in the icy continent carrying out experiments and studying firsthand the various facets of the Antarctic winter. They are expected to be picked up only when the ship carrying the fourth expedition next year calls them around Christmas time and return in March 1985 as a new batch takes over from them.

Incidentally, the mean temperature during the warmest summer months is about -35°C on the plateaus and around 0°C in the coast and peninsula of Antarctica. During the coldest months on the plateau, the temperature is below -70°C , and at times it has gone down to -86°C .

New Dimension

One Indian scientist, again from the NIO, Dr. Vinod Dhargalkar is already in Antarctica with an Australian camp on an acclimatisation schedule of the Antarctica winter.

It is this new dimension to the current operation of the third expedition-of setting up a manned station and planning for a winter stay, that explains the large size of the contingent and the bigger size of the ship chartered for this voyage.

The bulk of the contingent accounts for the logistic support needed for the operation of this magnitude and it has been mainly drawn from the three wings of the defence services, with the army contingent having the lion's share.

The Norwegian vessel, the Polar Circle which carried the first two expeditions, has been replaced by a bigger ship, the Finnpolaris (159 metres long), which is among the eight such ice strengthened ships moving in the Arctic region. Originally a cargo vessel, the Finnpolaris has been suitably modified, renovated to provide for a helipad (four helicopters go with the ship) and living accommodation for the Indian team. It belongs to the biggest class of ice strengthened ships--Class 1-A super.

Well-preserved Repository

The exploration of Antarctica, where the ice sheet originated perhaps 50 million years ago and has remained since then in a completely undisturbed state unlike the Himalayan glaciers, has always held a fascination for scientists and others.

It is looked upon as an extremely well preserved repository of all things falling on it, and buried in it are fragments of cosmic bodies, nuclear products of cosmic rays, samples of entrapped air and minerals and other fossils.

Antarctica, where it is possible to undertake research of varied sorts, by geologists, biologists and oceanographers is regarded by scientists as crucial to the weather phenomenon, the air circulation pattern, the cold phases--the glacial and interglacial and sea currents and is a happy ground for the study of physical parameters like radiation balance, water balance and the temperature induced phenomenon.

Indian interest in Antarctica dates back to 1959-65 when some of the scientists took part in the International Indian Ocean Expedition in which 20 countries and 46 ships participated, and which was sponsored by the Intergovernmental Oceanographic Commission of the UNESCO. The expedition covered the Indian Ocean, Red Sea, the Gulf, and adjacent areas, extending southwards up to the Southern Ocean but did not go beyond 40° south.

Research

Though research on Antarctica caught the imagination of scientists, it is only recently that 12 countries are seriously pursuing it. India made its debut in the Antarctic studies in 1981-82 and the success of its two expeditions, has helped the country to earn the status of a consultative member of the Treaty. India, along with Brazil, was admitted at the 12th consultative committee meet held in Australia in September this year under Article IX of the treaty relating to scientific research, establishment of station and scientific expedition.

"This has been the fastest achievement shown by any country," says Dr. S. Z. Qasim, Secretary to the Department of Ocean Development of the Government of India, who led the first expedition to Antarctica. "I am raring to go again," Dr. Qasim, told this correspondent on board ship, where he had come to take a hand in the preparation for the sailing of the ship.

The Antarctica Treaty took its birth at the conclusion of the International Geophysical Year more than two decades ago, under which 12 countries engaged in research decided to suspend all territorial claims. Poland joined the treaty in 1961 and became a full member 16 years later.

Common Heritage

India is among the countries, that have pleaded for treating Antarctica as a common heritage of mankind, a feeling that was recently reflected when the United Nations decided to call for a study of all aspects of Antarctica.

There has been an interim agreement on the protection of marine living resources of Antarctica.

India has big stakes in the study of the region, which is divided from it only by a few islands and a continuous stretch of water of the Indian Ocean.

Unlike the Pacific and the Atlantic, there is a land mass on the northern side of Antarctica which plays a significant role in several of the oceanographic processes in the Indian Ocean.

According to Dr. Qasim, the weather conditions and the climatic phenomenon in the Indian Ocean countries depend entirely on Antarctica. Aspects like how the energy cycles are built, and how cold and warm waters mix require to be studied in Antarctica. Its unpolluted nature, makes it an ideal datum point for studies on pollution effects. In effect, he says India's future economic gains depend on its presence in Antarctica.

The first Indian expedition, carrying a complement of 21 persons, left Goa on December 6, 1981 and returned on February 22, 1982, after a stay of 10 days for a journey of 5,800 sea miles either way with a brief stopover in Mauritius.

"Dakshin Gangotri"

Mainly exploratory, the expedition set up the first Indian station and called it as "Dakshin Gangotri" and paved the way for the formulation of the new Antarctica policy. About 30 original scientific papers are being brought out shortly for which the Prime Minister, Mrs. Gandhi, has written a foreword.

Based on the experience of the first, the scope of the second expedition was widened and a slightly bigger team (28 members) successfully landed in Antarctica on December 28 last year. Led by Mr. V. K. Raina of the Geological Survey of India, the team spent a record two months in Antarctica, before returning to a joyous welcome on March 21 this year.

An unmanned weather station has been set up to measure the wind speed, wind directional air temperature and humidity. The solar-powered station was fully charged with heavy duty batteries for carrying on the work during winter. The cassette left by the first was recovered by the second and the one left by the second mission will be retrieved now.

One of the difficulties noticed has been that radio communication suffers from several problems like the blackout, lasting a few hours every day, caused by the polar cap. The non-conducting ice cover makes the operation difficult and the non-directional beacon transmitters from helicopters were found to be difficult to be set up by the first expedition.

The second expedition depended mainly on satellite communication to maintain its constant contact directly with Delhi. It is this aspect which gets special attention this time. Apart from satellite communication, efforts are to be made to have a high power radio transmitter contact with India. A member of the Amateur Radio Association has been included in the team since "hams" have succeeded in establishing contact with Antarctica.

Another problem has been that of the living conditions. The two previous expeditions had to live in tent without any central heating facility. Since a few members of the team are slated to spend the winter also providing congenial living conditions for the third expedition is a priority item. With the arrangements for melting the ice, it is proposed to make running water available, and taped music, library and video cassettes have been added to the cargo for providing entertainment to the members of the team who have to remain away from home in inhospitable conditions.

Dr. Qasim and Dr. Gupta, told this correspondent on board the ship, that the main emphasis of the mission would be to set up the manned station.

Dr. Gupta indicated that the permanent Indian station, also to be known as Dakshin Gangotri, was likely to be moved nearer the coastline from the present location, after assessing the suitability of the site to take on the structures which would come up.

Habitat Models

Another area of activity keenly watched would be the testing of the prefabricated huts designed and developed by the DRDO, Poona, under Antarctic conditions. The three modules used for living, utility and ablutions made up of light weight materials each with a size of 20' x 8' x 8-1/2' all insulated and airheated and capable of withstanding wind velocity of 200 km hour, were being taken for the purpose of the test, according to Col. R. G. Wastrad, the Project leader of the DRDO. He was confident that the containerized habitat models would prove useful.

Lt. Col. Sharma, who would take over as the leader of the winter team, has specialised in structural engineering. He said that snow sledges had been developed and the suitability of the living modules were important from the point of view of the future of the permanent station.

Dr. Qasim said that most of the equipment was indigenous and self-reliance was the keynote of the Antarctica programme. Tentatively the cost of the third expedition was put at around Rs. 4 crores, the bulk of the money going for chartering the ship. Proposals to acquire a ship were under consideration and a decision depended on the availability of soft loan assistance.

Research in Four Areas

Dr. Gupta said that besides the main task of establishing the mission, the expedition would concentrate on research in four areas, namely, meteorology, oceanography, geology and geophysics and communication. The various aspects of krill as a source of food in future would be studied. As a seismologist himself, he had his own set of experiments planned on seismic reflection and magnetic properties.

For the purpose of providing better living conditions, arctic tents brought from Britain were being taken. The difference between the second and third expeditions could be better illustrated by the load carried, according to him. Against 50 tonnes carried by the second mission, the current one was taking 1,000 tonnes.

According to the Captain, the ship may take six days to reach Mauritius and from thereon it will be a sailing of 12-14 days to Antarctica depending on weather conditions. The ship should be able to land around Christmas time in Antarctica, for what one of the members of the team described, for a "White Christmas".

REVISED ESTIMATES OF OIL, GAS RESERVES DOUBLE

New Delhi PATRIOT in English 12 Dec 83 p 10

[Text] India's established oil and gas reserves have been upgraded to 3.95 billion tonnes on the basis of new exploration data now available, reports UNI.

The revised estimates of the country's oil and gas reserves made by the ONGC's K D Malaviya Institute of Petroleum Exploration is almost double that of the estimates of established reserves mentioned in mid seventies.

Nearly two-thirds of the reserves of oil and gas established up to the end of 1982 are in the offshore. At present, a little over one billion tonnes of established reserves are considered recoverable. Enhanced oil recovery schemes in the next decade will considerably improve the quantum of recoverable reserves, according to Institute's director L L Bhandari.

At present, hydrocarbon reserves in Assam and Cambay on land and Bombay offshore basins are being commercially produced.

The potential and prognosticated oil and gas reserves in the country is now estimated at 16.6 billion tonnes. This includes 1.6 billion tonnes in areas under exploration by Oil India Limited.

In the mid-sixties, the prognosticated reserves were estimated to be only 5.6 billion tonnes. In the mid-seventies the reserves were estimated to be 12.6 billion tonnes.

The prognosticated reserves of oil and oil equivalent of gas in Bombay offshore basin is estimated at 5,514 million tonnes. On land, in Assam shelf and Cambay basin, the prognosticated reserves are 859 million tonnes at 1 900 million tonnes respectively.

In 1982-83, the ONGC produced 18.3 million tonnes of oil and 1.8 million tonnes of gas in oil equivalent. The Oil India produced 2.5 million tonnes of oil.

The production of oil by ONGC is planned to be 23.6 million tonnes in 1983-84 in addition, the Oil India is expected to produce 2.8 million tonnes.

In 1984-85 the production of oil is planned to be stepped up from 26.4 to 27.6

It may be pointed out while the production of oil is pexpected to remain static after reaching a level of 56 million tonnes per year in 1995, the production of gas is expected to steadily go up from 11 million tonnes in oil equivalent in 1995 to 44 million tonnes per year in 2005.

CSQ: 4600/1358

INDIA

TRIPURA EXTREMIST ATTACKS SAID TO CAUSE CONCERN

Calcutta THE STATESMAN in English 16 Dec 83 p 4

[Text] AGARTALA, Dec. 15.--Despite measures taken to further strengthen the police stations, mainly in the sensitive areas of the west and norther districts, the authorities here are anxious at following renewed attacks on the security installations by tribal extremists.

While members of the "Army of the Tripura People's Liberation Organization" led by Mr Binonda Jamatiya are coming overground in batches to surrender to the ruling CPI (M) Ministers in response to a "political negotiation", the dominant "Tribal National Volunteers", another underground unit of the extremists are reluctant to lay down their arms.

The State Government's efforts to get them to change their minds has not yielded any results. The TNV however, does not seem to have a political objective which it wants to achieve through insurgency.

After a lull in their activities for about a year since their attack on a police station at Manu, in the north district, in August 1982 when 23 weapons, including 18 rifles were looted from the arsenal after the guard on duty was killed. The TNV extremists have again resumed their terrorist acts.

Using automatic rifles they attacked a police post at Lufunga, near here, in the West District on December 10. A policeman was killed and a constable seriously injured, three rifles were also stolen. The TNV members used similar weapons in an ambush in Amarpur subdivision of South District recently. A Homeguard, who was accompanying a CRPF patrol was killed.

The TNV extremists killed a labourer of the Oil and Natural Gas Commission and injured two others at a labour camp at the Baramura drilling site near here on November 24.

The armed tribals are still quite active around Mandai, the scene of the June 1980 massacre, in the sadar north subdivision along the Baramura hill range.

CSO: 4600/1364

BRIEFS

ILMENITE RESERVES DISCOVERED--BOMBAY, December 2: Surveys off the Konkan coast of Maharashtra for ilmenite, the ore that yields the strong, light and corrosion-resistant element titanium, have indicated very large reserves. According to the scientists of the National Institute of Oceanography (NIO), Goa, which carried out the surveys, the surficial offshore placers have been confirmed to extend to water depths of 13 metres to 20 metres over an area of about 436 square kilometres. The occurrence of onshore ilmenite placers along about 200 km. of the Konkan coast is known since 1945 and the Maharashtra directorate of geology and mining has estimated the reserves between Undi and Purnagad, a distance of 48 km.) at four million tonnes. NIO surveys in the Kalhadi, Mirya and Ratnagiri have been shown that surficial offshore ilmenite placers extend over a distance of two to five km. and cover an area of about 96 sq. km. Beyond that area they extend below the overlaying clays. [Text] [Bombay THE TIMES OF INDIA in English 3 Dec 83 p 5]

FRENCH TRAINING CENTER--PARIS, Nov. 30.--A training Centre to instruct Indian pilots on the advanced Mirage-2000 fighter is to be set up in the French city of Dijon by the middle of next year, aviation sources said yesterday, reports Reuter. India has ordered 40 Mirage-2000s, including three two-seater trainers, and the first batch will be delivered at the beginning of 1985. The \$510-million deal also provides for the transfer of technology to the Bangalore-based Hindustan Aeronautics Limited to allow it to produce the Mirage-2000 if necessary, the source said. The French Air Force's first production Mirage-2000 was handed over last April and the first squadron is to be formed in Dijon next month. Both Indian and French pilots will be training at the Dijon instruction centre starting next August, the sources said. The Mirage-2000 is equipped with the latest in aviation electronics and capable of carrying the lethal Exocet surface-skimming missile, it will form the backbone of the French Air Force. [Text] [Calcutta THE STATESMAN in English 1 Dec 83 p 5]

CPI-M PARTY LINE--CALCUTTA, November 30: Emphasis on new and collective leadership at the district, state and all-India levels of the CPM was the keynote of speeches delivered at a brief, solemn function at the party's state committee headquarters yesterday to observe the first death anniversary of Mr. Promode Dasgupta, who died in Beijing. The speakers included the West Bengal chief minister, Mr. Jyoti Basu, and the CPM state committee secretary, Mr. Saroj Mukherjee, Mr. Basu said the death of Mr. Dasgupta had left a void in the organisation which needed to be filled in through the collective leadership

process. He went on to quote Mr. Dasgupta as having told the last party conference that all of them had grown old and the party would suffer if new leadership could not be built and projected. He said the party had, therefore, decided to do it consciously. Today the party had grown much bigger with a total membership of over 125,000. Mr. Mukherjee said that a committee set up after Mr. Dasgupta's death had drawn up a programme to perpetuate his memory. One of the main points was to set up a "Promode Dasgupta Marxist training centre." The party thought it might be possible to inaugurate the centre on the occasion of his first death anniversary but that could not be done. Mr. Mukherjee said the rank and file should endeavour to emulate Mr. Dasgupta's devotion to work, diligence, discipline and punctuality. [Text] [Calcutta THE STATESMAN in English 1 Dec 83 p 18]

NEW CROP VARIETIES--BOMBAY, Dec 3 (UNI)--The Bhabha Atomic Research Centre's (BARC) biology and agriculture division has developed four new high-yielding crop varieties--two of pulses and one each of jute and groundnut--by using radiation techniques. The pulses are Tur Trombay-Vishakha-I and Moong Tap.7 which have been accepted by the Maharashtra Government for release in the Vidarbha region, according to the latest edition of "Nuclear India" an official publication of the Department of Atomic Energy. The jute variety TKJ-40 (Trombay-Kendrapara-jute-40) is high fibre-yielding and the central sub-committee has recommended it for use in Orissa, the magazine said. The groundnut variety TG-17 was recommended by the Maharashtra Government's seed committee for summer cultivation. Exposure of seeds to gamma rays and neutrons induced wide genetic variability and BARC utilised this to breed improved superior varieties compared to the existing ones, it said. [Text] [New Delhi PATRIOT in English 4 Dec 83 p 5]

NORWEGIAN AID AGREEMENT--Norwegian assistance to India in 1984 will be about Rs 21.15 crores, seven per cent higher than the level of assistance this year under an agreement signed in New Delhi on Saturday, reports UNI. The agreement followed five days of consultations between the delegations of India and Norway on economic cooperation. The Norwegian delegation has also indicated that assistance of about Rs 21.15 crores would be provided to India per year for the three years till 1987. The Norwegian assistance is on grant basis and would be utilised for implementing projects and programmes in the field of fisheries, health and family welfare, development schemes for women and children, science and technology and also for import of commodities like fertilisers, paper and fisheries equipment. [Text] [New Delhi PATRIOT in English 4 Dec 83 p 5]

TRADE WITH ROK--SEOUL, Dec 2 (PTI)--South Korea and India today agreed to step up bilateral economic and trade cooperation, which includes the expansion of joint investments and mutual business advancements into other countries in the construction field. The agreement came at the third standing committee meeting of the representatives from the two participating countries, reports YONHAP. The two sides also decided to conclude a fisheries agreement in the future and agreed to exchange technicians. The 20-member Indian delegation, headed by D N Patodia, also asked Korea to boost its purchases of Indian raw cotton, iron ore, leather products and manganese. The Korean side led by Lee Kyung-Hoon, chairman of the Korean side of the binational body, requested that

India increase the import of Korean-made iron and steel, ships, electronics items automobiles and machinery. [Text] [New Delhi PATRIOT in English 3 Dec 83 p 7]

ALLEGED CIA ACTIVITY--The Union Government has come across some reports to the effect that Central Intelligence Agency (CIA) was training Sikh terrorists in Pakistan, Minister of State for Home N R Laskar told the Rajya Sabha on Thursday, says UNI. Replying to Mr Adinaragana Reddy, he said the authorities were keeping a close watch in this regard. In reply to Mr Ram Naresh Kushawaha, Mr Laskar said the Government was aware of the playing of taped speeches of Sant Jarnail Singh Bhindranwale spreading communal hatred between Hindus and Sikhas in Punjab. Cassettes containing objectionable speeches by Sant Bhindranwale had already been proscribed and a case had been registered against him. [Text] [New Delhi PATRIOT in English 2 Dec 83 p 1]

TEXTILE PANEL FORMED--NEW DELHI, November 29 (PTI)-- A central advisory council on the textile industry with the Union commerce minister as its chairman was formed today, it was officially announced. The term of the council would be for two years. So far the textile industry was represented on the central advisory council on trade, but recognising the importance of this industry it was decided to set up a separate council exclusively for textiles, the official announcement said. The function of the 38-member council would be to advise the government on matters relating to policy and programmes for orderly growth and development of textile industry, on measures for removing various constraints impeding the growth of this industry, and for improving the production base for augmenting export of textile products. The minister of state for commerce would be the vice-chairman and the deputy commerce minister and three members of parliament would be among its members, the announcement said. [Text] [Bombay THE TIMES OF INDIA in English 30 Nov 83 p 7]

CSO: 4600/1347

IRAN

IRP ORGAN COMMENTS ON KHOMEYNI'S RECENT 'WARNINGS'

Tehran JOMHURI-YE ESLAMI in Persian 18 Dec 83 pp 1,3

[Text] In the Name of God, the Merciful, the Compassionate. Throughout the last century, numerous uprisings against despotic governments have materialized in Iran, some on the basis of religion, others on the basis of nationalism or other objectives. These uprisings, even the ones based on religion, either failed to achieve victory, were defeated on the threshold of victory, or were drawn into deviation after achieving victory. The constitutional revolution and Ayatollah Kashani's uprising, the first of which was stricken by Westernization and drawn into deviation after achieving victory, and the second of which got entangled with nationalism and changed its course on the threshold of victory, are clear illustrations showing the failures of the uprisings of the present century.

It may be that the nation of Iran would not hesitate for a moment in saying that the failures of the uprisings of the past were due to the lack of a strong leader, and that even the Islamic revolution would have met a fate similar to that of its predecessors without a perceptive, clear-sighted leader such as Imam Khomeyni. The Islamic revolution was victorious because the nation followed the Imam, and after the victory, the mystery of this revolution's victorious perpetuation is solely due to the people's following of the Imam. At sensitive points, the Imam has always guided the nation on the path it must follow with his fateful talks and decisions. He has removed uncertainties and eliminated obstacles and difficulties. Our people have been searching for such a leader for a century; finally God favored this nation with this leader. The nation's worthiness was definitely a factor in God's granting this great blessing.

The important thing is that our nation must appreciate the value of this blessing, just as it has done so far. If the victory of the Islamic revolution was the result of emulating the Imam, and if its victorious continuation to date was also due to emulation of the Imam, then henceforth only emulation of the Imam will be able to guarantee the continuation of this genuine line.

Just as the people emulate the Imam in everything they do and even in what they say, the grand ayatollas, the Friday imams, the Majlis deputies, officials in government, and anyone else who is concerned for this revolution must all emulate the Imam in what they say and do. This is no slogan, it is a reality.

Yesterday the dear leader of the Islamic revolution opened a new era in the history of the Islamic revolution in a very important talk. The Imam made a report to the nation. It was a report from history, with concern lest history be repeated, concern lest the plots be repeated of those who have tried throughout history, pretending to serve the clergy, to suggest the implementation of their corrupt goals with beautiful and melodious phrases seeming to show concern. He was concerned about the devilishness and ignorance of the self-interested, concerned about penetration by the dissatisfied, the power-grabbers, and the welfare-seekers on the fringes, and the forgetting of the true issues of the revolution. Let us take this report to heart, and take it upon ourselves more to attend acceptably to emulation of the Imam, in order that we may protect the revolution from all forms of predators.

Just as the Imam stated in his very important remarks, it has recently become fashionable to quarrel with the government. This is monotonous, organized quarreling, even channeled into well-defined topics, the principal hackneyed contents of which are high-prices and shortages. It would seem that the gougers and monopolists have been able to reach their ultimate goal, which was to strike the government. Despite the all-encompassing war which Satanic forces have imposed upon the Islamic republic, despite the sabotage being perpetrated against this government at the international level, and despite the godless monopolists and gougers whose main objective is to bring down the Islamic republic, if anyone imagines that any more can be done than has been done already in this country, he is mistaken. Of course, if there are those who believe that they can do more and better things, it would be well if they would take it upon themselves to get busy and do what they can for this nation, instead of nitpicking, dissenting, accusing the government of having socialist ideas, and a thousand other accusations. The most genuine children of this revolution now hold high positions, and the management of this government is in their hands. These people, who are among those most concerned for the condition of this revolution, have always welcomed and continue to welcome those who are capable and committed and who have an interest in serving the Islamic republic, and they themselves have also made the maximum effort to serve the nation. Therefore, today, just as the Imam has said, to dissent is actually to ignore reality. Today, the most genuine and concerned children of the Islamic revolution in the Majlis, in the government, in the judiciary, in

the revolutionary guards, in the reconstruction crusade, in the martyrs' foundation, in the educational profession, in the Islamic revolutionary committees, in the relief committees, and in other groups and organizations, are making ceaseless and sincere efforts to advance the highest aspirations of Islam. These sincere people have found their way into these groups and organizations at an extremely high price, which includes the oppressive martyrdom of Ayatollah Beheshti, the martyrs of the altar, Bamonar, Raja'i, Hashemi-Nezhad, and thousands of others who have sacrificed everything. These people must therefore receive cooperation and support so that they will be able to continue serving with confidence. If there are impurities to be found in some instances, we must all undertake to correct that, taking inspiration from the honorable leader of the Islamic revolution's efficient method, and refrain from bringing up such issues in society as far as possible.

Now, in view of the Imam of the nation's important warning to all the nation's classes, especially those named by the Imam, meaning the clergy, the Friday imams, the Majlis, and the merchants, it is necessary for everyone to respond positively to the Imam's call, to join hands, to rush to the government's aid, to solve problems, and to emulate the Imam in their manner of confronting issues.

9310

CSO: 4640/67

NVOI ASSAILS IRAN'S ANTI-COMMUNIST, ANTI-SOVIET POLICY

TA101526 (Clandestine) National Voice of Iran in Persian 1730 GMT 9 Jan 84

[Unattributed Commentary: "The Tragic End of the Islamic Republic of Iran's Tyrannical Rulers"]

[Excerpts] Dear Compatriots: Stage productions of the Islamic Republic's rulers--in the form of contrived Islamic Revolution courts in which, after months of torment and torture, the tyrannical rulers are allegedly trying patriotic and revolutionary individuals affiliated with the Iranian Tudeh Party--once again have exposed the Satanic aims of the Islamic Regime's authorities.

What has become obvious to the people so far with regard to the proceedings of these Kangaroo trials is that one of the objectives of this court is to slander and accuse our Northern and friendly neighboring country--the Soviet Union. The proceedings of these contrived courts show that the regime's leaders--who have severed their link with the people and who have betrayed the goals of the popular and anti-imperialist revolution--are exerting all their efforts and endeavors in order to fulfill Brzezinski's directive for the creation of suspicion and mistrust between Iran and its neighbors, particularly neighbors that support the revolution.

Our country's painful situation demonstrates that those who at one time, for appearance sake and demagoguery, used to profess struggle against imperialism, at present have set foot overtly and publicly on a path of reconciliation with imperialism, and are carrying out in its entirety the order of their American masters. They have transformed anti-Sovietism, as well as hostility toward the friends of the Iranian Revolution on the international scene, into the policy of the Government of the Islamic Republic of Iran.

The assault on true revolutionary patriotic forces, the attack against the Iranian Tudeh Party, the torment and torture of the best sons of this land, and now the convening of contrived Islamic courts, are all indications of implementing world-devouring America's directive. It is not without reason that leaders of imperialist governments now consider Khomeyni's regime as one of their own.

In the arena of domestic policy, the Islamic regime has not carried out any fundamental reform measure to benefit the working people. Whatever it has accomplished was with the aim of gaining the satisfaction of amassers of wealth and social parasites--large landowners and major capitalists. In the arena of foreign policy as well, the Islamic regime, by pursuing an adventurous approach, has isolated the revolution on the international scene. By creating conditions for the escalation of U.S. imperialism's military presence in the regime, it has opened and is opening the country's gates for the revival of U.S. domination in Iran.

Now the people themselves are realizing the reason for the treacherous assault by the Islamic Republic's tyrannical rulers against the Iranian Tudeh Party--a party which uncovered the joint plots of imperialism and its agents is the Islamic Government. As long as the Iranian Tudeh Party was allowed to operate openly, imperialism and reaction did not have the opportunity or possibility to act so brazenly against the Iranian Revolution. The vain belief of the Islamic Republic of Iran's rulers is that by incarcerating and torturing a large number of members of the Iranian Tudeh Party's cadres, the arena will be left empty, and they will be able to implement their own as well as America's Satanic and evil plans against the Iranian Revolution.

However, these gentlemen should know that by these ploys and crimes they cannot deter the combatant Iranian nation from struggle. A tragic end is awaiting those who have betrayed the Iranian nation's revolution under the mask of Islam.

CSO: 4640/94

NVOI ASSAILS IRAN'S WAR POLICY

TA301927 (Clandestine) National Voice of Iran in Persian 1730 GMT 30 Dec 83

[Unattributed Commentary: "War is a Pretext in the Hands of the Islamic Republic's rulers to Crush the People"]

[Excerpts] Dear Compatriots: Despite the intense protests of our homeland's people, rulers of the Islamic Republic of Iran are persisting in continuing their policy of war. In all his guidelines, recommendations and remarks, Ayatollah Khomeyni talks about the war's priority and the need for its continuation. Other leaders, as well, do not refrain from resorting to various reasons and even to ridiculous and baseless excuses with regard to the need for continuing this destructive war.

Thus, the issue of the war's prolongation has become the number one topic of discussion by leaders of the present oppressive regime. They project this war as a war of truth against falsehood and a war against world blasphemy, but these deceitful and disgusting lables are put forward by the government's leaders with the aim of justifying this government's criminal and treacherous deeds, and in order to mislead public opinion.

The tragedies and devastations stemming from the war, as well as its consequences, are clear to everyone. For this reason the people can no longer be deceived and misled by such demagoguery. With the war's prolongation, poverty, homelessness, high costs, destruction and misery also increase. Despite all this, the regime's leaders who are not able to conceal this daily tangible fact, continue to brag about the government's attention to improve the people's situation, and claim that they are providing the people's needs in such difficult conditions.

Everyone knows that despite claims by leaders of the regime ruling in our homeland, in the issue of the war's prolongation, the reason is neither the Koran nor the honor of Islam nor support for the oppressed. Furthermore, who has assigned such a mission to this oppressive government? When and how has the Iraqi nation assigned Islamic Republic of Iran's bloody rulers the mission of saving it?

Everyone knows that this tyrannical and bloodsucking government has no mission other than crushing our homeland's oppressed, other than suppressing our nation's

popular and anti-imperialist revolution, other than stabilizing the rule of exploiters and destroying the people's freedom. They continue the war in order to have an excuse for achieving all these evil antipeople aims. It is for this reason that the people's protest at the government's treacherous and criminal policy of continuing the war is escalating daily.

CSO: 4640/92

TEHRAN PAPER COMMENTS ON WESTERN AXIS

GF111352 Tehran KEYHAN in English 10 Dec 83 p 2

[Editorial: "Washington, Paris, Tel Aviv Axis"]

[Text] The aftermath of the recent explosions in the command headquarters of the Israeli Army and the NATO forces in Lebanon, has resulted in a closer policy coordination between the U.S., French and the Israeli Armies. The U.S. and the French forces that were initially deployed in Lebanon under the pretext of preserving peace, do not shy away from revealing their vindictive attitude toward the Muslim Lebanese and unashamedly announce the savage bombings of the defenseless Muslim areas by their respective air forces.

That the U.S., France and Israel have formed a vicious triangle cannot be doubted. What is the reason for this consensus of views? The answer is clearly obvious. America, France and Israel have formed a united stance against the Islamic Revolution and the fast growing Islamic awakening in Lebanon and are determined to destroy it. They have common views regarding the Lebanese incidents, because all of them have been badly mauled in Lebanon.

It should, however, be pointed out that the situation of the U.S. and French forces in Lebanon is somewhat different from that of the Zionist forces. Because, if Israel wants to preserve something then it has achieved its goal through the forceful occupation of the Lebanese territory. However, French and U.S. forces have other reasons, they have certain objectives that Israel is incapable of attaining alone.

Since 1948 until today, the U.S. and France have given their unstinted support to the Zionist regime. President Francois Mitterrand is the first European head of state to visit occupied Palestine and has therefore hurt the feelings of the Muslim peoples around the globe. Moreover, Washington's staunch support of Israel is so obvious that there is no need for testimony. However, the turbulent trend of events in the Middle East and the swift stances of France and America, in this regard points up the harsh reality that the Zionists are gradually gaining an upper hand on the centers of decision-making in Europe and America so that they could entangle the Christian West against the world of Islam and thus ignite a religious war (crusade). In other words, the Zionists are revealing their real identity as instigators of religious wars.

Moreover, the decisive factors of resistance in the region are basically different from what was prevalent 5 years ago and the grooming for war in the entire Middle East has undergone far reaching changes. This means that the strategic goals of the effective forces in the balance of power have undergone principle changes.

Previously, measures were taken to introduce the nationalists as the pioneers of anti-colonialism. However, due to the anti-climax of the nationalistic goals because of mass regional awakening, the centers of anti-imperialist struggle shifted to the religious centers and mosques became the strong fortresses of unceasing struggles. This has pushed NATO to feel that it should show its teeth in Lebanon.

As was mentioned before in this article, the U.S. and France have always given their uncompromising support to Israel. During the 1956 Arab-Israeli War, France entered the war in favor of Israel and the French Socialists believe that past history can be repeated.

That the U.S. swiftly and explicitly admitted that the bombings of the Muslim regions in Lebanon took place is because its policy of creating a state of terror and fright through the movement of its naval fleet toward the Lebanese shores misfired.

Right now, the West's plots to deviate the Muslim peoples from their Islamic struggle have met with failure, however, the West refused to confess to its total defeat.

The fact that the Super Etendard planes are shot down in Lebanon tears apart the false notion that they are indestructible. Moreover, the false euphoria about the French aircraft was aimed at magnifying its real potential in order to lure the lucrative Middle East weapons market which will in turn be a shot-in-the arm for the ailing French economy.

Charles Hernu, the French defense minister held a meeting recently with Weinberger, his American counterpart, in order to review the feasibility of a policy coordination of the NATO forces in Lebanon. These negotiations have taken place under conditions whilst the global imperialist publicity network has the mission to raise a hulabaloo about the recent U.S.-Israeli agreement and this is aimed at triggering a war of nerves against the Lebanese Islamic movement. It should be pointed out that close strategic cooperation between the U.S. and Israel is not a new phenomenon and has been so since the very inception of Israel in 1948. This vicious cooperation was aimed at humiliating the Arabs. However, right now it has gained further momentum and is directly aimed at the Islamic movement.

Washington is willing to carry out extensive propaganda about such agreements. Because, it has become aware that the existence of such pacts will result in the political withdrawal of the Arab reactionaries. However, is this true in the case of the nation's peoples?

What imperialism has achieved in the Middle East is the result of the extensive and coordinated propaganda regarding imperialism's show of strength and belittling of the Arabs. The fantastic belief in Israel's invincibility, the indestructible Super Etendards, the colossal U.S. military power and the intricate CIA system, are all based on this hypothesis. However, with the destruction of the headquarters of the NATO armies, CIA's dreaded efficiency and the giant U.S. military machine, is put under question. When a superpower deems it necessary to declare its military pacts so that it could apprehend its enemies, this is never an indication of its might but on the contrary, it is a revelation of the anxiety of its politicians.

The U.S. had signed identical pacts with Vietnam. However, can military pacts guarantee the security of the U.S. forces? The fact is that even the Israeli and U.S. soldiers doubt its effectiveness. They ask, why should we kill and be killed? They have no motive for fighting, killing and getting killed. However, the revolutionary Muslim Lebanese always have a motive in their liberation struggle against the colonialists.

Summing up, the recent vicious Washington, Paris, Tel Aviv axis although being projected as a new move, is the revival and revitalization of an old plot that was devised since the partition of Palestine in 1948.

Initially, the NATO armies came to Lebanon under the pretext of preserving peace. However, today it has become crystal clear that their real objective is to fight against the progressive and revolutionary forces in Lebanon.

CSO: 4600/273

IRAN DAILY ATTACKS UNITED STATES AS 'TERRORIST'

GF111400 Tehran TEHRAN TIMES in English 15 Dec 83 p 3

[Article by Dr Bassem Sarhan: "Who Else Is Bigger Terrorist Than U.S.?"]

[Text] It is a well known fact that the Arab masses hold the U.S. responsible for the Israeli invasion of Lebanon in 1982. There is a general feeling among the Arab masses that the U.S. has gone too far. To the ordinary Arab, the presence of the U.S. Marines in Lebanon and the shelling of nationalists Lebanese positions is an act of aggression against the Arab nation.

All reasons and pretexts advanced by the U.S. Government for its involvement in the Lebanese war are totally rejected by Arabs. In fact few Arab citizens would "buy" President Reagan's statement that the marines are in Lebanon to protect the oil and to keep the Soviets out. To Arabs these are fabricated causes since it has been proven by more serious development in the Middle East and the oil flow is not threatened. A war as long and close as the Iranian-Iraqi war has not effected the flow of Gulf Oil to the Western world. The oil is quite safe, the Arabs are not crazy enough to destroy the major source of Arab wealth.

As for the Soviet threat to the Middle East preached day and night by U.S. administration, most Arabs believe this imagined threat is also fabricated by the Americans to promote their imperialist interests in our area. How can anybody with minimum intelligence expect the Arabs to believe that the real threat to their wealth, sovereignty and security comes from the Soviet Union at a time when every Arab sees Arab villages, towns and cities raised to the ground by a U.S. sponsored power--Israel and by sophisticated U.S. weapons? How could any Arab be convinced that the Soviets who adopt the Arab cause at least verbally are the real threat while he is invited to believe that the huge U.S. arsenal in Palestine which threatens the security of Jordanians, Syrians, Lebanese and Palestinians every minute is a friendly power?

Most Arabs believe that the U.S. forces are in Lebanon to try to achieve what Israel has failed to achieve, namely driving the Syrians and the Palestinians out of Lebanon and installing a puppet government there after disarming the Lebanese nationalist movement. The Arabs believe the U.S. administration is more ambitious. It hopes that by fighting a limited war in Lebanon it can topple the regime in Syria and force her to accept the U.S. framework for peace

in the Middle East. By controlling Lebanon, the U.S. also hoped to gain a new NATO base.

The fight over Lebanon is a decisive battle for many issues and powers in the Middle East for the reason the U.S. troops and warships are on Lebanese shores. The Lebanese conflict is far from being over especially after the U.S. involvement. The Americans face a very difficult task in Lebanon. They have two choices: Either to withdraw (which seems unlikely), or to bring in more troops into the Lebanese swamp. Regardless of the alternative picked up by the Americans they should realise that they cannot secure their interests in the Middle East with the guns of the "New Jersey." The Reagan administration's current policy in Lebanon and the Middle East jeopardizes rather than safe-guards U.S. interests in the Arab world.

CSO: 4600/271

IRANIAN PAPER ON ISLAMIC REVOLUTION IN LEBANON

GF090632 Tehran KEYHAN INTERNATIONAL in English 3 Dec 83 p 2

[Text] The Phalangist regime of Lebanon, the child of Israeli aggression, has recently severed ties with the Islamic Republic of Iran.

It appears that this has been directed by the members of NATO because recently President Amin al-Jumayyil had indicated his willingness to post an ambassador to Iran. This recent Lebanese decision cannot be considered as an independent policy decision of the Phalangist Party.

There have been mixed reactions inside Lebanon and it is highly doubtful if the Phalangist group could have assessed in advance the wrath and indignation of the Muslims against Lebanon's severance of diplomatic relations with Iran. The 3-day sit-in-strike at the Iranian Embassy in Beirut by the Muslims is a warning signal to the Phalangist government to ponder over its decision.

That the imperialist news media observed complete silence over the recent sit-in-strike is in itself a proof of its political implications. By releasing the news, it will become clear that the embassy of the Islamic Republic of Iran in Beirut is not like other foreign embassies--it has a sacred mission to fulfill. The Lebanese masses have a special feeling toward it because they believe that it is the guardian of the Islamic values and therefore consider it a center of Islamic Revolution.

Hence, despite the Phalangist government decision to sever diplomatic relations with Iran, the fraternal bonds between the people of Lebanon and Iran will continue to flourish. Diplomatic relations do not necessarily represent the masses of the nation. It is interesting to note that the Phalangist decision is aimed at isolating the Muslim revolutionary forces, especially the Lebanese Shi'ites.

However, the crux of the matter is that a revolution with human and lofty ideals cannot be confined within any geographical borders, because it is supernatural by nature.

Didn't the Ba'athist regime of Baghdad fail in its diabolic mission to block the glorious march of the Islamic Revolution? Can the Phalangists who have a relatively much weaker regime block the rising waves of Islamic protests?

The Phalangists and their NATO supporters should be naive to believe that the Islamic movement in Lebanon depends on Iran and that they can block it through the closure of the Iranian Embassy in Beirut. The fact is that the Lebanese Islamic movement has deep roots within the Lebanese society and has nurtured itself among this cohesive and determined Muslim people.

What are NATO's plans and objectives in Lebanon? Perhaps it won't take long to discover that the major objective of the NATO forces in Lebanon is to partition the country.

They believe that this measure will have a twofold result:

Securing the northern borders of Israel and taming the Islamic Revolution. That Washington hopes to cover up the weakness of the Israeli army in a protracted war, cannot be doubted. Because, in its last aggression against Lebanon, the Zionist army showed clear signs of exasperation and suffered heavy casualties.

This point of view is strengthened by the recent visits of Yitzhak Shamir, the Israeli prime minister, and Amin al-Jumayyil, the Lebanese president to Washington. U.S. measures for an emergency plan to deploy new weapons in Israel, actually amounts to Israel's confession of its weakness in defending itself. The fact is that the presence of the NATO forces in the Middle East is an indication that Israel and the Phalangist regime of Lebanon are not capable of defending themselves and Israel's security must be guaranteed by NATO. In other words, the aim of the NATO forces in Lebanon is not to preserve peace or even to protect the Phalangist government, but it is the very existence of Israel that is at stake.

Right now, Washington is considering permanently occupying the south of Lebanon in order to take a fresh step toward the hidden agenda of the Balfour Plan.

The Islamic Republic of Iran is now an anti-Zionist citadel. Perhaps the Phalangists have forgotten that the Muslims have gained valuable experience through their struggle and can destroy their puppet regime much easier than anyone can anticipate.

The tumultuous farewell, given the members of the Iranian diplomatic corps on the eve of their departure from Beirut by the Muslim Lebanese, is clearly proof of unpopularity of the Phalangist government and the support given to the Islamic Revolution inside Lebanon.

CSO: 4600/270

IRAN

IRAN CLANDESTINE REPORTS ON PURCHASE OF BULLET-PROOF VEHICLES

GF261826 (Clandestine) Free Voice of Iran in Persian 1500 GMT 26 Dec 83

[Text] Khomeyni's regime is again purchasing bullet-proof Mercedes Benz cars for the mullahs occupying Iran. The latest purchase is for another 1,000 cars from the FRG. The Mercedes Benz factory is already the recipient of contract to construct 1,000 bullet-proof Mercedes Benz cars.

The regime has also signed a contract with the British Rover company for purchase of bullet-proof land rovers. The vehicles ordered by the regime will be equipped with heavy machineguns and can be turned into a very fast armored vehicle in a short time to be used as gun platforms in streets. Apparently the mullahs have decided to use these well-equipped vehicles, put at their disposal by the British, to quell any future street demonstrations and for firing on the Iranian people. Even though the figure for the contract signed between the Islamic Republic and Britain has not been revealed, it has been said that the contract for 700 bullet proof land rovers equipped with heavy machineguns will exceed 1 billion tumans.

The traitorous Islamic regime so far has spent billions of dollars of the property of the people of Iran by giving it to Americans and providing investments in Japan, General Motors, the Mafia and British companies by purchasing bullet-proof Toyotas, BMWs, Alfa Romeos, Mercedes Benz, and Rovers. It is using bullet-proof vehicles constructed in the West and the money of the Iranian people to purchase them with murder groups of our compatriots, and it now intends to expand this barbaric and harsh policy.

CSO: 4640/80

EVIN PRISON VISITED, DESCRIBED BY EYEWITNESS

Melbourne THE AGE in English 12 Dec 83 p 11

[Article by Andrew Veitch: Repentance---Or How the Rebels Come to Love Khomeiny's Way"]

[Text] The Shah built Evin prison high on a hill in north Teheran for the use of his secret police, Savak. Now it is the kingdom of the Revolutionary Prosecutor-General, Asadollah Lajevardi, accuser, and according to his enemies, torturer and executioner/jailer; a short, thick-set man, his face hidden behind a black beard and glasses, a combat jacket flung over his shoulders.

Officially, there are 3000 prisoners here, men and women, girls and boys, all terrorists. Unofficially, there are 6000 or more at any one time, some of them hostages. Officially, more than 5000 have been executed since the revolution, the majority here at Evin. Unofficially, prisoners have talked of 490 being shot in one night.

The gates were opened last month to allow 270 visiting doctors, in Teheran for a medical conference sponsored and paid for by the Government, to see for themselves that tales of torture were nothing more, as the prosecutor put it, than Western propaganda.

The jail, he said, was a place where terrorists were taught the true ways of Islam; where they confessed their sins and repented: it was not a jail, it was a university.

We could talk to any of the prisoners, he said. If a prisoner said he was innocent, there were files in the office to prove his guilt. But, regrettably, the office was locked at this time, so we would not be able to see them.

"In Evin we only prison terrorists," said the prosecutor. "They belong to the Tudeh Party (the Communists) and other minorities. Prisoners with other criminal diseases are in other prisons."

Inside the gates, 100 women had been graded in a line, waiting our arrival. The courtyard was dark and cold. Only their eyes showed through their chadors. Their black coats reached to the ground.

They broke into a perfectly-drilled chant: "Imam Khomeiny to pay for our crimes, we have to become the wall in front of the fighters at the front... Down with the US...Down with the Communist Party...down with the Mujahedeen... With the help of God's Party, the prison has become a university...Imam Khomeiny, God be with you, we don't have anything against you in our heart..."

There were no chains, no handcuffs--there were children.

A baby clinging to a mother's breast; a boy of about seven, a brass key hanging on a string round his neck, clutching his mother's hand; a little boy, perhaps four years old, in a yellow jump suit and a woolly bonnet, joining in the chant, thrusting his fist into the air in the universal revolutionary salute--only here in Evin it is the salute of obedience.

In the workshops, one for men, another for women, the night shift was sewing clothes.

They clutched their veils about their faces. Their eyes were not the eyes of grown women, they looked so young. Like girls in their teens.

One sat at her sewing machine with tears rolling down her cheeks. I asked her why. "I am very sinful," she said.

We were led to the prayer hall, the Jamat, the meeting place--in a British prison it would perhaps be called a concert hall. An enormous painting of Ayatollah Khomeiny hung above the stage. Pictures of the other Ayatollahs lined the walls. The floor was carpeted.

There were more than 500 black-robed women kneeling on one side of the hall. I counted 15 children. The youngest was eleven months old.

The baby's mother told me she had been arrested nine days after the baby was born. She had been accused of working for the Mujahedeen. She did not want to give her name.

I asked how long she would be in prison. "I don't know," she said. "I have not had the formal hearing yet." She was frightened. An official arrived. The interview was over.

A low curtain separated the women from the men. More and more men arrived until there were almost 1500 people in the hall. There were guards, but I saw no guns.

What sounded like prayers turned to chants: the women singing a verse, then the men. There was a drumming sound, as though they were beating the floor. Then I saw they were beating their hearts, hard continuously, with their fists.

These "terrorists and communists," as the Prosecutor had described them, were cursing the Communists, cursing the Mujahedeen, repenting their sins, praising the Imam, swearing their loyalty to the Islamic revolution.

One of the repenters was Mehran Asdaghi, aged 23, arrested seven months ago for his part in the alleged torture and murder of three Revolutionary Guards. He told me he had been the military commander of the Tehran section of the Monafeghin guerillas.

He had confessed it on television, he said. He had been involved in a plot to kill Ayatollah Khomeiny's son, and had attempted to kill the commander of the police force.

He had helped to torture the Revolutionary Guards by binding them with cables, pouring hot water on their feet, breaking their feet, and injecting them with cyanide--two of the guards were still alive when they were buried, he said.

Asdaghi is due to be sentenced later this month. It is thought likely that he will be shot.

I asked another prisoner who described himself as a former guerilla leader, Abolighasen Esmansheri, aged 30, why they had not been executed already: "Islam does not want to kill people," he said. "It wants to re-educate them, to use them to serve the revolution.

"We will be here until the Governor (the Revolutionary Prosecutor) realises that we will not harm society anymore, that we have become useful members of society."

A tall, thin, studious man was led to me. He wrote down his name as Vahid Savidghalan, age 34, and he said that he had belonged to the Union of Iranian Communists which had staged an uprising in the northern city of Amol in late 1981, and that he had a degree in maths from Kansas University.

He spoke calmly, quietly: "Sixty of us were killed or arrested in the uprising. We were trying to build a liberated area from the mountains to the city. We thought the people of the city would support us.

"The reverse happened. Twenty or thirty members of the party returned to the forest but could not hold out. They came down to the city and were arrested."

Why had he not been executed? The file had not been completed, I was told. It would eventually be sent to court, and it would be for the court to decide his fate. I understand that along with Esmansheri, this man is due to be sentenced later this month.

The chanting, the repentance, the beating of chests, went on for nearly an hour. The children with their mothers were docile. They demanded nothing. They watched, occasionally they mouthed the words.

The prosecutor was asked if we could see the torture cells. They were the Shah's cells and they had been destroyed, he said. No one was tortured in his jail.

Stories that girls had been raped before they were shot (in Islam, it is a sin to execute a virgin) were Western propaganda, he said: and no virgins had been executed either.

The report from the International Federation of Human Rights that prisoners sentenced to death had been drained of blood for the benefit of wounded soldiers was also propaganda, he said. "Go and ask the blood transfusion service. The prisoners are asked if they wish to donate blood and they give blood voluntarily."

And the children? "The prison is like a hotel," said the prosecutor. "Small children live here with their mothers. It is the wish of the sisters (in the Islamic revolution, people are brothers and sisters rather than comrades). They want to bring their children with them. In other countries conditions are so bad you cannot keep an animal. In this place everyone can be educated."

I was told later that the prison also acts as an orphanage. I was also told, although I have not way of proving it, that some of the women with children were being held to force their husbands to give themselves up.

A statement from a sister was read out. She said she had been six months pregnant when she was arrested. The conditions in prison were so good that for the first four months she had kept her baby with her. "Then I sent my baby outside to grow up. That was my preference."

I listened as one of the doctors, a European paediatrician, attempted to find out from a group of mothers how their children were treated. Were they given good food? Did mother and baby share a room?

The answers were beginning to come when an official arrived. The women, who were beginning to open up, became quieter. The translated replies became non-committal, vague. The paediatrician gave up.

The mass repentance we witnessed in Evin could have been faked. Clearly, the presence of women and children in the hall guaranteed a measure of obedience. We saw, at most, half the prisoners and less than half of the prison.

But if it was genuine, and many psychologists and psychiatrists who saw it believe it was, it was a demonstration of the awesome power of Ayatollah Khomeiny and of the Islamic revolution--a power that has been misunderstood, and hence underestimated, by many in the West.

As a display of conditioning, it made conventional brainwashing look positively crude, and the methods--the slogans, the chants, the prayers, the worship of the Imam--are repeated every day throughout Iran, from the streets of Teheran to the soldiers at the front.

"Khomeiny is an astute psychologist," said Dr Goolam Karim, a Moslem psychologist from the Transvaal, South Africa, who was permitted to videotape the tour of Evin.

The Jamat, the meeting hall, was essentially a conditioning hall, he said. The prisoners gathered to be told where they had gone wrong. Their old ideas were gradually replaced by Islamic theology. Then they were welcomed into the Islamic brotherhood.

"They repeat the slogans maybe five times a day after prayers. The hammering of the heart, and the repetition of the litany, alters the state of consciousness. One soldier told me he did it because it increased his faith and made him insensitive to fear.

"The repetition and the hammering erases old memories, behavioral reflexes, impressions and knowledge of events. The people come to believe the new ideology.

"A prisoner is told that he cannot commit any act against the prophets, and if he acts against Khomeiny then he acts against the prophets."

In other words, disobey Ayatollah Khomeiny, and you disobey the prophets; disobey the prophets and you disobey God. Anti-revolutionary acts are therefore more than crimes--they are sins.

I put this, later, to a businesswoman in Teheran. She had a different explanation of the Evin phenomenon: "The weak repent," she said. "The strong are killed."

CSO: 4600/226

BRIEFS

ISLAMIC CONFERENCE ORGANIZATION VIEWED--The ICO is an organization of governments and not people. Thus, it is necessary that the progressive Muslim governments should unite in order to counter the enemies of Islam. Muslim unity is tantamount to Israel's annihilation as well as an end to the super-powers dominance of the Islamic nations. It is highly regrettable that the ICO is itself a tool for the suppression of revolutionary Muslim uprisings. Habib Chatti and other high ranking officials of the ICO have always eluded the issue of freedom and justice in the Muslim countries. In other words, the organization has turned into a center for confirming the reactionary regimes in the Muslim countries which are totally dependent on U.S. imperialism. The one billion Muslims should be left alone to decide their own destiny. The prosperity and moral upliftment of the Muslim peoples is tied to the liberation of Qods. This will enhance and liberate the spirit of the Muslims and will be the end of tyranny and dawn of peace and justice in the world. Putting it in a nutshell, to rely on the ICO will amount to the negation of the Muslim peoples struggle and will eventually result in their despair, because liberation struggles can never achieve victory within the narrow and biased framework of such organizations. [Editorial: "ICO in Favour of Reactionary Regimes"] [Excerpts] [GF111309 Tehran KEYHAN in English 12 Dec 83 p 2]

IRAN MULLAHS FEAR REGIME'S FALL--The fear of public discontent and the fall of the regime of the so-called Islamic Republic has engulfed the mullahs in Tehran. A sign of this open fear was Hoseyn 'ali Montazeri's remarks toward the nation and the army when he stated that the aware nation and the brave armed forces are prepared to fight the enemies of Islam. The remarks show that the mullahs, who have become weak, have suddenly become (?nationalists). It seems that the weapon of Islam's internationalism which considered nationalism, heathenism, and which labeled the Iranian nation the Islamic ummah, has been crushed when Khomeyni and then Montazeri talk about the nation and the army and awareness and wisdom. Our political commentator writes: It is true. The Iranian nation and army are aware and wise and will topple the anti-nationalist and illegal so-called Islamic regime with a national uprising. [Text] [GF201719 (Clandestine) Free Voice of Iran in Persian 1500 GMT 20 Dec 83]

GOVERNMENT POLICY ON MARTYRS--The Khomeyni men now prevent the gathering of martyr families in Tehran and other cities. According to our correspondent, the clerics of the Khomeyni regime are afraid of the rallies by the martyr families and are afraid of rallies by dissidents of the regime and this is why in many cities they have demolished martyr graveyards. The report says that the graveyard which has been named by the anti-national regime and had been allocated for burial of the executed persons has been demolished and all traces of the graves have been removed. Now there is no trace left of the graves of the executed persons. [Text] [GF261034 (Clandestine) Free Voice of Iran in Persian 1500 GMT 25 Dec 83]

TORTURE IN PRISONS--According to our correspondents, conditions for political prisoners held in the jails of Ayatollah Khomeyni are worsening daily and the treatment of the prisoners by the executioners of the Islamic regime is getting more inhuman. In addition to the increased executions and torture, mental and physical pressure against released prisoners has assumed new dimensions. Apparently the prisoners who were released as a result of illness brought about by torture in the prison are not allowed to go to a doctor of their choice or to hospitals and have to go to the clinic of Evin Prison for medicine and treatment. They are also supposed to go to the prison every 15 days and report about their lives and those of their close friends and relatives. Another report from the terrible Qezelhesar Prison states that the conditions there are the worst imaginable. The food has been some bread and rice for months now and as a result the majority of the inmates are suffering from many severe diseases. The report adds that most inmates in Qezelhesar have lost their hair, teeth and are losing their sight and their nails. Skin and bone diseases are also rampant in the prison. [Text] [GF111926 (Clandestine) Free Voice of Iran in Persian 1500 GMT 11 Dec 83]

CSO: 4640/69

END