

JPRS-NEA-92-049  
15 APRIL 1992



# ***JPRS Report***

# **Near East & South Asia**

***EGYPT***

**DTIC QUALITY INSPECTED 2**

19980113 230

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# Near East & South Asia

## EGYPT

JPRS-NEA-92-049

### CONTENTS

15 April 1992

#### POLITICAL

##### INTERNATIONAL AFFAIRS

|   |   |
|---|---|
| Musa Cited on Foreign Affairs Issues [London AL-SHARQ AL-AWSAT 22 Feb] .....      | 1 |
| Musa on Peace Talks, CIS, Sudanese Ties [London AL-SHARQ AL-AWSAT 2 Feb] .....    | 2 |
| Creation of Asian Islamic Commonwealth Discussed [AL-AHRAM AL-DUWALI 2 Mar] ..... | 5 |
| Military, Political Ties To Rwanda Bolstered [London AL-HAYAH 20 Feb] .....       | 5 |
| Germany Grants DM200 Million Loan [London AL-SHARQ AL-AWSAT 3 Feb] .....          | 6 |

##### REGIONAL AFFAIRS

|  |   |
|--|---|
| Creation of Islamic Economic Bloc Discussed [AL-AHRAM AL-DUWALI 2 Mar] ..... | 6 |
| Kuwaiti Paper Maligns Ministers .....  | 9 |
| Says Some Carry AIDS [MISR AL-FATAH 9 Mar] .....                             | 9 |
| Charged With Insulting Nation [AL-AHRAR 9 Mar] .....                         | 9 |

##### INTERNAL AFFAIRS

|   |    |
|---|----|
| Opposition Parties Attempt United Recovery [AL-SIYASI 7 March] .....              | 10 |
| NDP Members Lacking Trust in Leadership [AL-HAQIQAH 7 Mar] .....                  | 10 |
| Overview of al-Jihad Extremist Group [ROSE AL-YUSUF 9 Mar] .....                  | 11 |
| Shaykh Calls For Pilgrimage Town Construction [AL-JUMHURIYAH 9 Mar] .....         | 13 |
| Funding of Opposition Paper Questioned [MAYU 2 Mar] .....                         | 13 |
| Court Official Criticizes al-Azhar Book Confiscation [Doha AL-SHARQ 21 Jan] ..... | 15 |
| Book Censorship Issues Debated [London AL-HAYAH 26 Jan] .....                     | 16 |
| Former al-Azhar Official on Religious Friction [AL-JUMHURIYAH 9 Mar] .....        | 17 |

#### ECONOMIC

|   |    |
|---|----|
| Specialized Councils Issue Report on Reforms [London AL-HAYAH 5 Feb] .....              | 19 |
| Panel Discusses Waste in Economy [London AL-HAYAH 3 Feb] .....                          | 20 |
| Officials Discuss Tourism Issues [AKHIR SA'AH 6 Jan] .....                              | 20 |
| Tourist Statistics Discussed by Officials [London AL-HAYAH 28 Jan] .....                | 23 |
| Supertanker Traffic Traverses Suez Canal [AL-AHRAM AL-DUWALI 3 Mar] .....               | 24 |
| Information Technology Contracts Signed [London AL-SHARQ AL-AWSAT 21 Feb] .....         | 25 |
| Experts Discuss Increases in Energy Consumption [London AL-SHARQ AL-AWSAT 11 Feb] ..... | 25 |
| Protectionism Supports Ceramics Industries [London AL-SHARQ AL-AWSAT 29 Feb] .....      | 26 |
| Study Projects Future Water Needs [London AL-HAWADITH 22 Jan] .....                     | 26 |
| Consumption Outpaces Wheat Production [London AL-SHARQ AL-AWSAT 3 Feb] .....            | 27 |
| Increase in Potato Exports Projected [London AL-HAYAH 1 Feb] .....                      | 28 |
| Coal Project Begins Operations [London AL-SHARQ AL-AWSAT 22 Feb] .....                  | 29 |

#### MILITARY

|  |    |
|--|----|
| Sinai Military Exercise Reviewed [AKHIR SA'AH 4 Mar] ..... | 30 |
|--|----|

## INTERNATIONAL AFFAIRS

### Musa Cited on Foreign Affairs Issues

92AF0549B London AL-SHARQ AL-AWSAT in Arabic  
22 Feb 92 p 4

[Article by Suzi al-Junaydi; "Musa: 'Election One-Upmanship in Israel Threatens Peace Process; We Want To Contain Lockerbie Issue According to UN Resolution 731'"]

[Text] Cairo—Egyptian Foreign Minister 'Amr Musa stated that Egypt is fully opposed to any Israeli aggression against Lebanon. He added that Israeli acts of aggression against southern Lebanon must be stopped and contained, and efforts must be made to prevent them from recurring. He said that violence begets violence, and that the recent Israeli aggression will lead to reactions. However, he called on everyone to exercise self-restraint and to work in the interest of the peace process. He intimated that Israel is well aware of the Egyptian view on these points.

In remarks to AL-SHARQ AL-AWSAT, the Egyptian minister denied that Palestinian President Yasir 'Arafat will visit Cairo shortly. He said that major efforts are being made to contain the tension in the American planes crisis, and that these efforts are leading to one objective, namely the implementation of Security Council Resolution 731, based on respect for the principles of international legitimacy regarding Libya's sovereignty, respect for the Libyan people's rights, opposition to terrorism, and the trying of persons accused in terrorism cases.

Musa stated that the current disagreement between Libya and the United States concerns ways to arrive at the best formula for solving the problem. The current effort, he added, concerns the implementation of the Security Council resolution, and the preservation of international legitimacy and Libya's honor. He pointed to Egypt's efforts to remove Libya and Syria from the list of countries that support terrorism.

Regarding the peace process, 'Amr Musa emphasized that the next round of bilateral negotiations is important and should be monitored closely. If progress occurs, it will be reflected in the peace process. A lack of progress will also have an effect, and it will cast a shadow on the peace process.

Regarding Israeli elections, he stated that "we must be ready to listen to considerable one-upmanship during these elections." He expressed hope that Israeli officials would avoid one-upmanship that would affect the peace process, and other factors that might sweep away the entire peace process.

Regarding the postponement of a visit by Syrian President Hafiz al-Asad to Cairo, 'Amr Musa emphasized that Egyptian-Syrian coordination continues, and that meetings are ongoing. He said, "Peace cannot be established in the Middle East without Syria and a full Israeli withdrawal from the Golan Heights. This will permit

peace between Syria and Israel." He added that Egypt understands Syrian exasperation with Israel's refrainment from alluding to the principle of land for peace, which led to Syria's refrainment from participating in the multilateral discussions in Moscow. However, Syria continues to be a primary element in the peace process.

### No Egyptian-Jordanian Summit

Regarding Egyptian-Jordanian coordination, 'Amr Musa stated: "In general, coordination exists between all of the Arab parties to the peace process. Egypt coordinates with all of the Arab parties. The Jordanians are our brothers, as are all people in the Arab world."

He added that Jordan's labor minister did not request the convening of an Egyptian-Jordanian summit when he visited Egypt recently.

'Amr Musa denied reports that Israel has requested a share of the Nile's water from Egypt. He said that the Arab countries will exploit several cards in the peace negotiations, such as the water issue.

Regarding the negative repercussions of the Gulf war on the peace process, he stated that "everyone wants to transcend the effects of that war. Egypt is working to put Arab solidarity on the right track, because fundamental, momentous peace is in the future. However, there are still deep wounds that have yet to heal because of what happened, especially given the violence of the blow and the intensity of the shock. However, that does not prevent us from striving to restore Arab solidarity."

### No Contacts With Iraq

Regarding statements to the effect that the fall of Saddam Husayn's regime might restore Arab solidarity, 'Amr Musa said that there are no current Egyptian contacts with the Iraqi regime. However, there is more than one committee that is studying the situation of Egyptians in Iraq. Two administrative officials have been sent to attend to Egyptians in Iraq. The Iraqi regime's actions have produced great doubt as to the ability of many Arab countries to cooperate with that regime.

'Amr Musa denied reports of arrangements to convene an Arab summit. He said that such a summit is currently not in the offing.

He stressed that a case of Israeli spying against Egypt would be a serious matter. Any such case, if proven, could negatively affect relations between any two states. He added: "If the results of the investigations prove the existence of such things, Egypt will confront it with whatever is necessary. We are waiting for the results of the investigations."

### The Iranian Role

Regarding Iran's role in the region and its relations with Sudan and the independent Islamic republics of the former Soviet Union, 'Amr Musa stated: "Recent reports about Iran's role are greatly exaggerated, as if we

were facing a power attempting to spread over numerous fronts." He stressed that "Egypt will carefully follow any expansion [of Iranian influence] that might affect Egyptian security or Egyptian interest. However, we are not in a race or contest with any country. There is no problem if Iran wishes to start a new chapter with the Islamic republics, because that is also what we want. The goal is to establish constructive relations, not to move toward other goals that might be seen by others as unjustified and illegal.

"Egypt has been establishing diplomatic relations with all of the former Soviet republics. Matters of diplomatic exchange concerning the opening of embassies or consulates require time for consultations, the purchase of embassy buildings, and other routine matters."

Regarding his visit to Addis Ababa, which will begin today, 'Amr Musa stated that he will be attending the annual foreign ministers' meeting of the Organization of African Unity [OAU]. The ministers will examine a number of topics concerning the OAU's activity and budget, and political problems, including the Somalia problem, which is considered among the most important topics on the agenda. Egypt has been seeking to raise this problem in the OAU, as it did in the last Arab League meeting. The meeting will discuss what the OAU can do to solve the Somalia problem. A new mechanism has already been established.

He stated: "UN Secretary General Dr. Butrus Ghali has undertaken a new, important initiative on Somalia, and we salute him for it. He has brought together, in an unprecedented forum, several international and regional organizations to help solve the Somalia problem, including the UN, the Islamic Conference Organization, and the OAU. Also, other subjects to be discussed at the OAU foreign ministers' meeting include the situation in South Africa and related developments, economic problems in Africa, and several other problems in the international and African arena, the most salient being the Palestinian problem and the Middle East peace process.

#### **We Do Not Fear for Halayib**

Regarding the border problems that have emerged lately, such as the Halayib problem and others, 'Amr Musa stressed that border problems have existed for some time elsewhere in Africa, in Mauritania and Senegal as well. However, the OAU holds to the principle of non-encroachment upon existing political borders. This principle is respected. Each country may present what it wishes in a peaceful manner. He stated: "We do not fear for Halayib."

#### **An African Common Market**

He added that "An African common market is still a slogan. Self-sufficiency still has to be achieved in agriculture, industry, and trade. Egypt welcomes the creation of an African market, which is nonetheless still difficult from a practical standpoint. Egypt calls for the start of the implementation of plans developed by the OAU in

this regard. No importance has been given to implementing these plans practically and gradually, taking into account existing African cooperation and historical links, and the improvement of transportation and communications."

'Amr Musa said that Egypt welcomes the convocation of the next African summit in Senegal. He added that Egypt had been proposed as the site for the summit, unless another African country had yet to chair the conference. However, it was agreed to hold the summit in Senegal. He denied that there is thought of transferring the OAU's headquarters from Addis Ababa to Cairo.

Regarding the Damascus Declaration, 'Amr Musa said that he is waiting for the results of the foreign ministers' meetings in Doha next month before giving a detailed opinion on the future of cooperation in the framework of the Damascus Declaration.

#### **Musa on Peace Talks, CIS, Sudanese Ties**

*92AF0548E London AL-SHARQ AL-AWSAT in Arabic  
2 Feb 92 p 3*

[Interview with Egyptian Foreign Minister 'Amr Musa by Ghassan Sharbal and Sami 'Imarah in Moscow: "We Support Spreading Stability in Algeria, Arab Position on Peace Talks is Unified"; date not given; first three paragraphs are AL-SHARQ AL-AWSAT introduction]

[Text] On the morning of the conclusion of the Moscow round of multilateral talks, and after his meeting with former president Mikhail Gorbachev, AL-SHARQ AL-AWSAT met with 'Amr Musa, Egypt's foreign minister. The interview moved away from the subject of the peace talks to deal with Mideast concerns, Egypt's relations with Iran and Sudan, and new concerns about Arab relations with the former Soviet Asian republics.

In his interview, Minister 'Amr Musa confirmed that relations with Sudan are marred by a certain tension. While he did not attack Iranian-Sudanese relations, he said that Egypt was alert to what was going on regarding them.

The following is the text of the interview.

[AL-SHARQ AL-AWSAT] How do you assess the results of the Moscow multilateral talks and Russia's role in organizing them?

[Musa] We came here in the context of the peace process and the multilateral meeting, Russia having become the sponsor of the conference after the Soviet Union. When we met Andrei Kozyrev, we found in him full cooperation and understanding of the situation as one of the cosponsors of the multilateral conference. The position of the Soviet Union and the positions of Russia have changed with the change in the international situation. The problem, naturally, is not in Russia's position or in the Soviet Union's position. Rather, the international situation as a whole has changed. The Soviet Union has broken up. The Soviet Union and Russia are not what they once were, now that the whole situation has changed. The world has changed. There are new realities,

represented by the end of the cold war and the end of competition with the United States. All this has led to an enormous change in the international situation as a whole. The Russian view and the considerations on which Russian policy was based have changed, and this has influenced, and is influencing, international realities.

[AL-SHARQ AL-AWSAT] Don't you think Russia has inherited the Soviet Union's weak role in the peace process?

[Musa] First, I do not want to go into an explanation of this, because the circumstances of the Soviet Union and of Russia, in particular, are difficult. We thank them, because despite the difficulties they are experiencing—difficulties that could affect the activity of Russia diplomacy—there are many positive aspects in the Russian position. As Egyptians and Arabs, we see many positive aspects in Russia's position. Russia's role in the peace process, in partnership with the United States, could be beneficial with the conclusion of the multilateral talks.

#### Yeltsin's Absence

[AL-SHARQ AL-AWSAT] There is a problem that was brought to the fore by the absence of President Boris Yeltsin from the opening ceremony of the Moscow round, despite his previously scheduled attendance. The atmosphere in Moscow is Western. Its leaders, including Foreign Minister Andrei Kozyrev, acknowledge this. He himself has long criticized his country's relations with the Third World. We also say that the Moscow round was organized in the context of affirming an international role, not to espouse a position. There is much evidence of this. How do you see this question?

[Musa] This view contradicts what I have heard from Andrei Kozyrev. President Yeltsin's absence may be due to his involvement in more pressing duties on the eve of the Security Council session and President Bush's speech in Congress. I do not see it as calling for all these rumors.

[AL-SHARQ AL-AWSAT] How do you see the future of Arab relations with Russia and with the former Soviet Islamic states?

[Musa] First, regarding Russian-Egyptian ties, they must remain as they were in the past, while making allowance for the many existing developments. We have good relations with Russia. It is a big country on the international scale and plays a leading role in world events, whether in its capacity as a major power or as a large country. The difference is great, but the importance is there. Russia must contribute to international development. So we reach the conviction that there must be a strong relationship between the Arabs and Russia. It is not a question of balancing between Russia and America and walking a tightrope; the whole international game has changed. This means that relations with Russia will not be built on the basis of competition with other powers. We must have relations with Russia because Russia itself is big. This must be taken into account. Also, there is Russia's influence over the regions bordering it. This is not because they are neighbors of the

former Soviet Union, but because they are neighboring regions that influence and are influenced by what is around them, including the Middle East.

So we advocate maintaining relations with Russia. The other dimensions in our relations with the new republics and states have a kind of independence, but are also connected to relations with Russia. Furthermore, we should keep in mind that when the CIS was forming, its connection with other countries was not loosened in the way that we might have expected. Countries in every region of the world today cannot continue to gather around themselves alone through industrial integration. They will have to become one country. So this interconnectedness must continue, though without infringing on independence. We will enter into relationships with the independent states, particularly with the Islamic states, while maintaining relations with Russia and the other states.

[AL-SHARQ AL-AWSAT] There is a competition between Turkey and Iran for influence in the former Soviet Islamic republics. Where do you stand on the matter?

[Musa] There is no competition between them. Every country, especially Islamic countries such as Iran, Turkey, Saudi Arabia, or Egypt, has the right to establish and strengthen relations with the new Islamic states. This is something we cannot hold against anyone. On the contrary, every country has the right to establish such relations.

The important thing is that the point of departure for these relations be constructive, not destructive. In these republics, which lived under communist rule for 70 years, the religious dimension may be somewhat underdeveloped. We should restore this dimension to them on a constructive basis, and restore them to a moderate, progressive Islamic trend. We must convince these Islamic states that the Islamic religion is a constructive religion, progressive in the ideological sense, and can coexist with every time and place. It is a constructive, not destructive, force; a force of progress, not backwardness; a force for participation in development, not a force that impedes world progress. This is our position in Egypt.

[AL-SHARQ AL-AWSAT] Some people are talking about Iran's desire to play the role of major regional power. Is this the cause of the disagreement between Cairo and Tehran?

[Musa] Iran is indeed a large country, one with 55 million people, one with position and standing. If we take this as our point of departure, arming ourselves with the facts, then we are forced to give the facts some kind of sound assessment. Iran is a big country in the Gulf region. At the same time, the fact of the matter is that most of the region's countries, such as Iraq, Kuwait, and the Gulf states, are Arab. These Arab states have their own policy and their own links inside and outside the Arab world.

Iran is part of the Third World, and not of the Arab world alone. Thus, there should be a great deal of talk, consultation, and partnership with Iran from a constructive point of departure.

We have an integral Arab entity with shortcomings and flaws, as well as positive points. As for Iran, we must give it its due and not exaggerate on the subject of its interference in Arab affairs. We call for viewing things rationally, with insight into their dimensions in a period of international and regional flux. Any ill-considered operation motivated by, or aiming at, certain sorts of expansion will not pass by easily. The point of departure must always be constructive. I repeat that there are no contradictions between Egypt and Iran. There are many areas of cooperation between Egypt and Iran.

#### Iran, Sudan

[AL-SHARQ AL-AWSAT] Are you troubled by the Iranian-Sudanese rapprochement and the agreements signed between the two countries?

[Musa] I have said previously, in the wake of President Rafsanjani's visit to Sudan, that any country has the right to receive the president of another country. On this basis, we have nothing to do with the subject. We constantly say that these relationships should always contribute to a pool of positive relations, both bilateral and collective; not to a pool of negative relations, deepening hostility and conflict between countries; or moving toward a time that has passed. We are not living in the days of the eighties or the late seventies. We in Egypt are following all moves.

[AL-SHARQ AL-AWSAT] Your relations with Sudan seem to be disturbed. How can they be described?

[Musa] There is some tension in our relations with Sudan over certain matters, but many links remain.

[AL-SHARQ AL-AWSAT] Do you consider the [National] Islamic Front's role in decisionmaking in Khartoum a factor of tension?

[Musa] It is one of the causes of tension.

[AL-SHARQ AL-AWSAT] You supported the Algerian State Council. What were the reasons and calculations?

[Musa] We support spreading stability in Algeria. Egyptian-Algerian relations remain strong. The situation in Algeria deserves interest. We are concerned about Algeria's stability and the progress of the Algerian people. Algeria is a thoroughly Arab state. Its stability is important, as is its continued progress within the framework of a rational state working hand-in-hand with the other Arab states to emerge from the dangerous situation in the region. This is the required task.

#### Israel, Soviet Jews

[AL-SHARQ AL-AWSAT] Israel, basing its activity on its representatives among the Jews of Bukhara, is acting energetically in the republics of Central Asia. What is the Arab response?

[Musa] The work going on in the Islamic republics is not directed against anyone. It is Islamic activity to restore the entire group to the broad Islamic melting pot on a rational basis. We want Israel to share in the peace process. It is not our role to ask the Jews to keep away from the Islamic world. What we want from Israel is peace and withdrawal from the occupied territories. We are not concerned about Israel's relationship with the Jews of the world, just as our relations with the Arab states are not something that concerns Israel. We are not disturbed by Israel's move, although some people may be disturbed by its moving in the context of the Islamic world. The question is one of a reasonable position. If Israel is concerned about the fate of the Jews in some of these republics, this is something we must meet by showing interest in working with these republics. The important thing is that this should not be interference in our affairs and should not be directed against the Arabs or Islam.

[AL-SHARQ AL-AWSAT] We do not mean expelling the Jews. Rather, what is wanted is movement aimed at bolstering cultural and economic, not ideological, relations.

[Musa] As you know, an Egyptian delegation headed by the deputy prime minister came here and met with certain prominent economic figures (to use an expression of our Syrian brothers). So we are working, and the door is open. Interest will decide. We embark on our economic relations on the basis of give and take, and we do the same in cultural and Islamic relations, represented by al-Azhar scholars and thinkers, so as to restore these countries to the Islamic region. We will see what others do and will cooperate.

#### Arab Relations

[AL-SHARQ AL-AWSAT] Have the Arab coordination meetings in Moscow helped alleviate the differences that arose after Iraq's invasion of Kuwait?

[Musa] First, there is no need to confine all relations to one melting pot or one framework. I think you have seen here that when we meet the Yemeni, Jordanian, or other delegations, we do not try to allude to the tension that arose from the Gulf war, the division of the Arab world, and the position of our brothers on the Kuwait events. This is something obvious and a clear position that needs no review. On the other hand, in the context of the peace process, there are many constructive sides.

[AL-SHARQ AL-AWSAT] Is there anything new in Egypt's relations with Jordan and Yemen? What are the possibilities for holding meetings at the summit level?

[Musa] Relations with Yemen have always been good. As for King Husayn, we are not closed[-minded] with regard to our brothers in Jordan. Although we see the need to review Arab-Arab relations, we believe that all things we be set right in good time.

[AL-SHARQ AL-AWSAT] How do you regard the effect of Syria's absence from the multilateral talks in Moscow?

[Musa] We were clear about the subject. As long as Israel has not cooperated in the context of a settlement, and one sees it doing what it is doing in the occupied territories, the result has been that Syria has not agreed to take part. Syrian had its reasons and justifications. We in Egypt have taken the position of defending the Syrian position or raising the Syrian position as much as possible in this context. We say—and we are not alone—that one cannot move the peace process without Syria, or make decisions on an Arab or non-Arab basis.

[AL-SHARQ AL-AWSAT] The Palestinians in Moscow did not come to seek a compromise. They were in Moscow from Arab calculations. Does this indicate a divergence of calculations?

[Musa] The Palestinians have their own calculations. This is something about which I will not comment. They have their calculations, and we have guaranteed the legitimacy so that they might have their own calculations. It is logical for them to have their calculations. They had specific demands that were met. They will participate in the next phase—so we understand. Syria did not come, but it did not oppose the multilateral talks. On the contrary, it will attend when progress is made on the principle of land for peace and when Israel begins to deal positively with the bilateral negotiations. In other words, the Arab position is united. Syria was convinced for a certain reason, and we consider it logical. We think the Syrian position is completely logical. We would have preferred that Syria attend the conference, but they did not come for the logical reasons I have mentioned, so we raised the issues. The Palestinians did well by their attendance here. This is a considerable step.

Then came their political behavior, which also was not at all bad. I also preferred that they attend, especially after there was agreement to nudge the Madrid formula. Overall, there is a united Arab position. There is difference on a few details, but no disagreement in the old sense. There are differences in views.

[AL-SHARQ AL-AWSAT] In light of Washington's role in the peace talks, can one consider James Baker the secretary of state of the new world?

[Musa] James Baker is the secretary of state of the United States.

[AL-SHARQ AL-AWSAT] Only?

[Musa] Yes, only. As far as my information goes, he has assumed no new post.

### **Creation of Asian Islamic Commonwealth Discussed**

92AF0609C Cairo AL-AHRAM AL-DUWALI in Arabic  
2 Mar 92 p 6

[Article by Dr. Muhammad 'Ali Abu-Rayyan, Professor at Alexandria Faculty of Arts: "Toward Islamic 'Commonwealth' in Asia"]

[Text] The press has informed us of developments at the Islamic Conference meetings in Senegal and on how this

broad gathering has splintered and hasn't been united by a single tendency. The conferees have disagreed on the simplest constants. This event and others, such as the rush of a number of Islamic countries to bolster political and economic relations with Israel, have followed the collapse of the Soviet Union, one of the two sides in the international balance.

This is why this weak bloc, which has united outwardly, is not fit to support the former Soviet Islamic peoples as they take their first steps toward a free world that is open to all contemporary cultural and social tendencies, and as they face the danger of falling prey to those who are hostile to the Islamic faith and civilization, especially since most of these peoples were subjected to the process of atheist communist "brainwashing" throughout 70 years of authoritarian rule.

Moreover, these peoples will not benefit greatly from the separate aid offered by Iran and Turkey or from intentions for to their national interests. We have seen how the United States is delaying recognition of most of the Islamic republics, and how it is afraid that nuclear weapons will proliferate from these republics to the Third World, by which the United States definitely means the Islamic world. This is in addition to the fact that the Slavic republics view the Islamic republics as culturally backward.

Therefore, these six (Islamic) republics must form amongst themselves a more closely-knit economic and political bloc, i.e., an Islamic "commonwealth" emanating from the Soviet Commonwealth—as happened with the blocs emanating from the Arab League—provided that the neighboring Islamic countries join as members of this new bloc. Thus, the Soviet republics will assume their place in the world and will have their influence on supporting the Arab right and confronting the Israeli challenge, before the efforts to contain these new Islamic republics succeed. The weight of the Israeli nuclear challenge against the Arabs will diminish when it is countered by prepared nuclear forces or forces on their way to being completely prepared, whether in the Islamic republics or elsewhere, since the Iraqi endeavors have failed.

### **Military, Political Ties To Rwanda Bolstered**

92AF0548A London AL-HAYAH in Arabic 20 Feb 92  
p 5

[Article: "Egypt and Rwanda Strengthen Their Political, Military, and Economic Cooperation"]

[Text] Two sessions of political and military talks between Egypt and Rwanda were held in Cairo yesterday morning, chaired by President Husni Mubarak and his Rwandan counterpart, [Juvenal] Habyarimana, and attended by the two countries' defense and foreign ministers. The talks were intended to wrap up what the two presidents had discussed in the first session of talks, which they held two evenings ago and which dealt with

issues relating to border problems on the African continent, economic development, trade cooperation, cooperation in the water field, effects of international changes on the continent, and the Mideast peace process.

After the conclusion of the two sessions, the two defense ministers and the two foreign ministers held separate meetings. A joint communique is expected to be issued today at the close of the visit.

Informed Egyptian sources said that the talks "revealed agreement in points of view." Both countries agreed that moves should be made at next Sunday's African ministerial council in Addis Ababa to work to create dialogue between countries at odds over borders, in order to end these conflicts peacefully through talks and negotiations. Political and constitutional reforms should be supported in South Africa, so that the black majority can obtain their legitimate national rights in a political system that realizes equality. The talks also affirmed the need to implement the 1983 Lagos agreement to create an African common market, with the goal of participation by all African countries, including the 18 East African countries that have joined the Preferential Trade Area Agreement. Both countries agreed to increase mutual trade.

The countries also agreed to exchange expertise and training in military fields and to cooperate in the service of the two countries' stability and security.

#### **Germany Grants DM200 Million Loan**

*92AF0548D London AL-SHARQ AL-AWSAT in Arabic  
3 Feb 92 p 9*

[Text] Cairo—Germany has agreed to lend Egypt DM200 million on the condition that the sum be used on projects by the Social Fund for Economic and Social Development, which Egypt has created to alleviate the social impact of economic reform.

Germany also stipulated that the loan be used to fund the program to encourage the private sector and to help fund environmental protection by private-sector companies.

The loan comes in the context of German-Egyptian financial cooperation, inasmuch as Egypt is a country in which individual annual income is less than \$1,135. Germany does not offer loans or aid to countries in which individual annual income exceeds this average.

The agreement stipulated that Egypt should obtain loan-related imports from the German states, especially those in East Germany, as long as the loans are similar, while exempting the loan from any Egyptian taxes or duties.

### **REGIONAL AFFAIRS**

#### **Creation of Islamic Economic Bloc Discussed**

*92AF0609E Cairo AL-AHRAM AL-DUWALI in Arabic  
2 Mar 92 p 4*

[Article by Usamah Ghayth: "On Peripheries of IDB's Executive Board Meetings: Will Common Islamic

Market Unite What Has Been Divided, Repair What Has Faltered; Egypt Demands Complete Islamic Economic Action Strategy Taking International Developments, Challenges into Account"]

[Text] Tripoli—The Islamic and Arab world stands in an entangled jungle of extremely difficult crossroads. This stop comes with a poor harvest from many previous years of joint action and with extreme, sudden, and rapid developments in the international and regional conditions. These developments have completely and totally altered the international balances of power, and the new universal picture has produced for the Arab and Islamic world a single option: serious efforts and ceaseless endeavors must be made to transform all this world's slogans into an actual reality throbbing with life—a crystallized reality tied to policies and programs that have their set timetables, that move forward according to defined steps, and that don't move backward, as usual, toward greater division, fragmentation, and disagreement.

The only option available to the Islamic and Arab world is tied to submitting to the logic of the age which acknowledges only unification, bloc-forming, and merger. This is the logic to which the European countries submitted, thus forming the European Common Market, which will turn by year's end into European unity, prior to establishing the "single European home." It is also the logic to which the superpower, which has exclusive sway over the world's new conditions, has submitted. Thus, the United States has been trying to establish the North America common market [North American Free Trade Area], which ties it to Canada and Mexico. All these are signs of the tendency toward the integration and merger that precede unity. The obstacles of imaginary borders are smashed on this unity, thus allowing the free flow of commodities, goods, people, capital, and services under a single entity that moves toward unification rapidly and seriously.

With bloc-forming, merger, and unification becoming a necessity dictating itself to the more advanced countries that hold the position of leadership and prominence in the world's economy, trade, and finances, paying attention to the dictates of this necessity by those who are less advanced and more backward—in terms of technology, real wealth, and living standards, as measured by civilized concepts—becomes an inevitable option. All the developing countries have to pay attention to these dictates, especially the Islamic and Arab countries, which will be threatened by and engulfed in endless crises, at least until they develop the ability to negotiate and struggle under the canopy of the new world order so that they can preserve what they possess, not to mention expand it. With a little bit of good utilization, what they possess is capable of endless miracles throughout all parts of the Islamic and Arab world, with no distinction and no exception.

The Islamic and Arab world's concerns, dreams, and aspirations gathered in Tripoli, when 44 finance ministers representing member countries of the Islamic Development Bank [IDB] Board of Governors, convened in the 16th annual session of the Board of Governors—as well as in related meetings of the Islamic countries' national development financing institutions—to discuss the need to bolster the scientific and technological capabilities of the Islamic Conference Organization [ICO] member states. Other bilateral meetings were also held and all discussions focused on the future, as finance officials from governments and from institutions gathered in one place.

Presented papers have clarified the current conditions of the IDB's Muslim member states. All in all, these papers provided economic, commercial, and financial indicators that call for urgent and comprehensive reform, considering that they show the following:

1. The total debt owed by the 44 IDB members rose from \$364 billion in 1989, to \$376 billion in 1990, and to \$409 billion in 1991. The debt servicing percentage [for the same years] rose from 19.1 percent, to 19.3 percent, and then to 20.2 percent of these countries' gross domestic product.
2. The trade balances for member states that are not oil exporters experienced a deficit of \$20 billion in 1989, \$23 billion in 1990, and \$25 billion last year. Meanwhile, the trade deficit of all the developing countries amounted, according to IMF [International Monetary Fund] estimates, in the three comparison years to \$41.9 billion, \$41.5 billion, and \$43.3 billion, respectively. This shows the size of the Islamic countries' share of the developing countries' balance of payments deficit, and how much worse the Islamic countries' problems with foreign transactions will become.
3. The IDB's oil-exporting member states are in a special position, because their trade balances realized a surplus of \$35.6 billion in 1989. This surplus rose to \$57.2 billion in 1990 and then dropped to \$28.6 billion in 1991. Meanwhile, the bloc's total debt was \$148.9 billion, \$154 billion, and \$177 billion successively in the comparison years.

The papers submitted show that, under the umbrella of these negative economic, trade, and fiscal indicators, interstate trade among IDB member states continues to be much below the desired goals. The papers demonstrate the following:

The member states' total exports amounted to \$235.925 billion, of which interstate exports among IDB members amounted to \$19.847 billion, or just 8.4 percent, in 1990. The member states' total imports were \$209.984, of which interstate imports among IDB member states amounted to \$19.973 billion, or just 9.5 percent of the total, keeping in mind that data are not available for total exports and imports and for interstate exports and imports for a number of member states during the comparison years.

There is a group of states whose total interstate trade with the other Islamic countries is less than 2 percent of their total exports. They are led by Sierra Leone, whose interstate trade amounts to 0.2 percent of the total, followed by the Sultanate of Oman with 0.9 percent, Afghanistan with 1.4 percent, Bahrain with 0.1 percent, Gabon with 1.3 percent, Algeria with 1.9 percent, and Libya with 1.3 percent of the total. These are extremely low percentages by all standards and criteria.

#### **Egypt's Vision of Islamic Cooperation**

Within the context of these facts and indicators, Egypt's vision of future Islamic economic and trade cooperation was reflected in the address delivered by Dr. Muhammad al-Razzaz, finance minister and member of the IDB Board of Governors. This Egyptian vision encompasses the following steps and measures:

1. Support for the efforts to strengthen the ties of integration and cooperation among the Islamic peoples, while keeping in mind that the aspects for which there is an urgent need in this current phase of the world economy's development must be inevitably highlighted, considering that Europe is heading for complete economic and monetary unity, and that efforts are moving toward bolstering economic and trade cooperation in America, especially between the United States and Canada on the one hand, and the Latin American countries on the other;
2. Egypt's agreement to increase IDB capital in accordance with the resolutions of the latest Islamic summit, in order to bolster the bank's capabilities and efficiency, as well as its approval of the creation of the Islamic Investment Insurance and Export Credit Organization, as steps along the path;
3. Strengthen the attention given to technical cooperation programs and technical aid; bolster ICO member states' scientific and technological capabilities as proof of awareness of the importance of enhancing the scientific, technical, and technological capabilities of the Islamic nation's citizens and institutions at the international level, so as to create the mainstays of equality vis-a-vis the contemporary international blocs;
4. The inevitable pursuit of technological superiority as an important strategy for securing the mainstays of strength, impregnability, and security for the Islamic nation, and for controlling this nation's affairs in the areas of investment and production means. This dictates that parallel attention be devoted to channelling technical cooperation programs toward mobilizing and concentrating research centers in the member states' institutes and universities to enhance the members' technological level.
5. If the member states' technological progress is tied to the transfer of technology, then a suitable amount of accessible loans should be provided by the IDB to finance and produce prototypes, considering that it is as

vitaly important for the Islamic nation to catch up with the era, as it is to allow the infrastructure to be financed with easy-term loans.

6. Regarding partnerships, if some of the IDB's contributions to investment projects faced problems in the past as a result of deficient feasibility studies, management, operation, or maintenance; or due to lack of specialized labor, flawed financing structures, or other reasons; then the current phase requires, in light of the spirit of cooperation, adopting a policy that helps these projects stand on their own feet to help achieve economic prosperity in the beneficiary member states.

7. If the IDB is the international institution performing the lead role in economic development in the Islamic nation, then it is necessary that its contributions be channeled toward projects that influence economic growth in the predominant spheres, including oil, gas, energy, basic raw materials, the production equipment industry, utilities, and unexplored areas of food security.

8. Inadequate interstate foreign trade among the member countries and great reliance on the outside world require the IDB to adopt an investment strategy that pursues a balanced or harmonious growth between finished-product industries and supporting semi-processing industries, and between heavy industries and basic industries, in a manner that integrates the production structures throughout the Islamic nation.

9. As for import financing programs, even though Egypt supports making a distinction in the profit margin between member states and non-member states, it may be suitable to take into account the nature of the production activity, and to stretch the credit period for heavy industry projects to the maximum, out of awareness of the importance of bolstering these industries in the Islamic nation. Egypt also supports IDB management's decision to reduce the profit margin for programs to finance foreign trade and to extend this reduction to investment programs, including the deferred sale system.

#### **Increased Capital, Aid, and Grants**

After talking about the need for an Islamic common market, about the intensifying economic and social problems in the less-developed Islamic countries, and about the numerous dangers these problems pose, IDB president Dr. Ahmad Muhammad 'Ali stressed the necessity of increasing the IDB's capital to strengthen its ability to operate actively and to provide loans, aid, and grants to member and non-member Islamic countries; to increase its activities; and to expand its sphere. Dr. 'Ali noted that the total financing provided by the IDB since it was founded in 1976 has amounted to \$10.921 billion, including \$2.791 billion for development projects and \$7.801 billion for trade transactions, in addition to \$329 million as special aid for the less-developed Islamic countries and as aid to deal with unexpected crises and catastrophes.

No final agreement on the form of an implementable resolution for increasing capital has been reached. The

issue has been referred to a special committee that will meet on 26 May, due to disagreement among the member states on the proposed increase and on whether it should be 30 percent of the IDB's current capital (200 million Islamic dinars or nearly \$2.65 billion.) The Islamic dinar is an accounting unit equal in value to a unit of the IMF's special drawing rights. Subscription to IDB capital hasn't been completed yet, because the capital offered for subscription amounts to 1.8537 billion Islamic dinars. Other proposals call for increasing capital by 50 percent. These proposals provide for durations of up to 10 years to implement the increase.

The proposals to increase IDB capital come at a time when the ICO is experiencing severe financial problems, due to the lack of financing and to tardiness on the part of the member states in paying their contributions to the general aid budget and to the agencies emanating from it. Dr. Hamid al-Ghabid, the ICO secretary general, has stressed that the worsening financial condition impedes, regrettably, most of the ICO institutions' activities and threatens these activities with total paralysis in the immediate future if proper solutions are not developed. This contradicts the Islamic joint action strategy, which is fundamentally based on the activities of the ICO's various institutions, including the IDB.

#### **Participation by European, Asian Muslims**

With the new international developments and with the shadows they cast on the Islamic reality, delegations representing the new Islamic countries that have gained their independence since the Soviet Union's collapse were seen at the meetings for the first time. European Islamic countries that have regained their Islamic identity with the downfall and disappearance of communism have come into existence. They are embodied in the Islamic Albania and in Bosnia-Herzegovina, which was controlled by Yugoslavia for a long time.

The delegations of these new Islamic republics presented a complete picture of the past hardship and future aspirations of their Islamic peoples. This hardship was reflected in the address delivered by Muhamed Cengic, deputy prime minister of the Republic of Bosnia-Herzegovina, who said that from the time the Ottoman Empire collapsed at the end of the last century until today, the Bosnia-Herzegovina Muslims have been subjected to constant threats, beginning with their expulsion from their homes and lands and their deportation to Turkey, and ending with the use of the most heinous means of murder to liquidate them. He then touched on the present and the future, and on the republic's current conditions, saying that it lives under a blockade and in complete economic isolation, despite its economic and production capabilities. This dictates that the republic be given political backing and economic aid, and provided with financial loans and assistance so that it can purchase food and medicine, operate its factories, and throw its doors wide open to Islamic investment and to economic and commercial cooperation. He declared that

Bosnia-Herzegovina can survive if it is supported by the Islamic countries. Else, "we will be finished and others will devour us."

It is indisputable that the IDB represents an advanced concept of cooperation and solidarity among the Islamic countries. It is also indisputable that its activities are vital for strengthening the bonds of joint Islamic action. But action and activity are still tied to available resources and capabilities, and to the capital-possessing member states' view of where these capabilities and resources should be employed.

With the severe international developments that have stormed the Islamic world and that have added to its conventional map a new and prominent Islamic world in Europe and Asia, a new economic and trade cooperation strategy must be created that must provide especially for supporting the newborn Islamic republics, so that they will not be hit with catastrophe. Major support and aid must be secured for the less-advanced Islamic countries, particularly in Africa. Development services and aid must be provided to the Islamic minorities so that they will not be afflicted by starvation, poverty, and disease. All this should be done according to well-studied programs to revive and develop these communities and minorities, and to enhance their production capability, education, and scientific knowledge to enable them to link the past to the present and future.

The talk about creating the Islamic common market and the Arab common market has gone on too long, and many measures have been under study for too many years. The time has come for serious action in response to the logic of the age, which will have no mercy for the weak and divided.

What is presented for debate now is the issue of an entire world stretching across continents—a world that has lost a lot and that still has a lot to accomplish, or else everybody will regret the lost opportunities—and oh how many and precious they will have been!

### **Kuwaiti Paper Maligns Ministers**

#### **Says Some Carry AIDS**

*92P40151A Cairo MISR AL-FATAH IN Arabic  
9 Mar 92 pp 1,8*

[Text] The Kuwaiti newspaper AL-WATAN has severely criticized the Egyptian Government and has leveled untrue, mendacious accusations at some of the ministers in the government, expressing deep-seated hostility toward Egypt on several levels. AL-WATAN published an article carrying the signature of Ahmad al-Jabir in its 29 February 1992 issue, in which it accused some Egyptian ministers of having contracted AIDS as a result of their relations with Israeli spy Fayiqah Masarati, and claimed that an unnamed Arab country had refused one Egyptian official entry at its airport, fearing that he would spread the disease. The Kuwaiti writer demanded that the infected members of the Egyptian Council of Ministers submit their resignations so that they would

not spread the infection to non-infected ministers and so that their polluted decisions would not be forced upon the public. Such was the text of the article.

The local newspaper published a report, the substance of which was that our brothers in Egyptian intelligence had arrested a female Israeli spy working for Mosad. To that extent, the report was not unusual; however, the unfair item was that our brothers in Egyptian intelligence had discovered that the Israeli spy was infected with AIDS. The most dangerous thing about it, though, was that she had had spurious relations with some Egyptian ministers and high officials. Imagine a minister infected with AIDS actually admitting that his decisions are polluted.

The report indicated that some of the officials and ministers who had physically frequented the female spy had felt a measure of apprehension and concern, being unable to ascertain for themselves whether she had AIDS, for fear of creating a political scandal which would affect their political future, and for fear that people would know that they were among the carriers of AIDS.

The report also said that the wife of one of the ministers refused to kiss her husband and had requested that he get a certificate of health from one of the private hospitals because of the chance that government hospitals might give a certificate to his excellency the minister without question.

According to the account given by one of our Egyptian brothers, things reached the point where one official of an Arab country refused to receive one of the Egyptian officials at the airport, fearing that he would have to kiss him, as is the Arab custom. This was what started the story and turned it into the main gossip item on the Egyptian streets.

In order to foil the Israeli plan that intends to pollute the Arab body and mind with the AIDS microbe, and in order to frustrate the enemies of Arabism and Islam, I exhort the AIDS-infected ministers to submit their resignations from the Council of Ministers so that they will not spread the infection to their non-infected colleagues during the council's meetings when they greet and kiss; also, so that the decisions made by government officials will be untainted by infectious diseases.

### **Charged With Insulting Nation**

*92P40151B Cairo AL-AHRAR in Arabic 9 Mar 92 p 1*

[Excerpts] Kuwait's Ministry of Information announced it is taking legal action against the newspaper AL-WATAN on grounds that it had insulted Egypt. The investigation deals with Jasim al-Matu', editor-in-chief of AL-WATAN, and Ahmad al-Jabir, author of an article entitled, "Without Displeasure: the Ministers and their AIDS." [passage omitted]

Badar Jasim al-Yaqub, Kuwait's Minister of Information, explained to AL-AHRAR that Kuwait has had close

relations with Egypt for many years and no article appearing in any Kuwaiti newspaper could adversely affect those relations.

## INTERNAL AFFAIRS

### Opposition Parties Attempt United Recovery

92AF0588A Cairo AL-SIYASI in Arabic 8 Mar 92 p 5

[Article by Ahmad 'Abd-al-Hikm: "Opposition Parties Attempt To Shed Party Stagnation"]

[Text] The offices and supreme committees of the opposition parties—Wafd, Labor, the Muslim Brotherhood [MB], Liberals, and Misr al-Fatah [Young Egypt] will hold a series of wide-scale contacts and meetings over the next few weeks to discuss means of handling a number of economic issues that have come to the fore. The parties will also discuss restructuring themselves in an attempt to escape the state of political void and partisan paralysis that has gripped them in the past.

Yasin Siraj-al-Din, member of the Supreme Committee of the New Wafd Party and chairman of the party's General Committee for Cairo, said that his party has devised a plan for party action over the next week. The plan, in preparation for upcoming local elections, involves convening numerous grassroots conferences, seminars, and meetings, to be attended by the party's leaders in Cairo and in the governorates. A number of prominent issues are to be discussed, and the party's position on them made clear. These include the landlord-tenant law, which governs dwellings and farms, the investment company law, the literacy law, and the environmental protection law.

He explained that his party is currently negotiating with schools to make space available after hours for literacy classes. The job will be undertaken by party youths who have been trained for this patriotic endeavor, since illiteracy is basic cause of backwardness and passivity in society.

Moreover, the leadership of the party has also resolved to reorganize and restructure branch committees and organizations in preparation for the upcoming local elections.

#### Emerging from Isolation

The Supreme Committee of the Labor Party is convening an emergency session to discuss a plan for future party action as part of concentrated effort by the party leadership to break the fetters that isolate the party from its base and to end the state of stagnation that has gripped party activity recently. The Muslim Brotherhood has dominated most of the seats within the Supreme Executive Committee, gaining real power and the right of decision-making. This has prompted party chairman Ibrahim Shukri to seek means to restore equilibrium within the party by attracting the Nasirist elements that are dispersed within various parties or have not yet affiliated with one.

Indeed, last month he initiated a number of contacts and held several meetings with those leaders [of other parties]. His latest such meeting was with 'Aliy-al-Din Salih, chairman of Misr al-Fatah Party, but the Nasirists rejected Ibrahim Shukri's proposals and conditioned joining the party on the removal of the MB.

In another development, the Supreme Executive Committee is reviewing party preparations for its sixth general assembly, at which the chairman's general policy report will be given and debated. Also, the secretary general will report on party activity and developments over the past two years. The assembly is to hold new elections to select 30 members for seats on the Executive Committee. Party bylaws stipulate the election of committee members every two years, but the assembly has not convened for four years. This has dismayed party bases members, who demanded in several memoranda to the Executive Committee that the chairman schedule the sixth assembly. However, the matter has not gone beyond discussion in the Executive Committee, which is yet to reach a final decision.

#### Attempt by Muslim Brotherhood

Members of the MB's Guidance Office are busy preparing a new feasibility study on forming their own party, in view of a court decision prohibiting political activity by the MB. AL-SIYASI learned that the MB has already completed the party's platform and executive bylaws, and has changed its name for presentation to the Committee on Parties as a non-religious organization. In order to avoid the religious characterization that is considered the main impediment to its formation, sources expect the new party to include a number of Copts and representatives of national movements.

The Liberals Party's Chairman's Council is expected to hold a special meeting on restructuring its internal affairs in view of escalating conflict among the various feuding groups within it.

'Aliy-al-Din Salih, chairman of Misr al-Fatah Party, continues his efforts to break the dissident front, especially in view of its success three weeks ago in holding a conference within the party. The chairman commissioned the deputy chairman and the secretary general to prepare a detailed report on the real reasons behind the flood of resignations, the latest of which came from first vice-chairman Ibrahim Zaydan.

#### NDP Members Lacking Trust in Leadership

92AF0588B Cairo AL-HAQIQAH in Arabic 7 Mar 92 p 5

[Article: "Tricks by al-Shadhli, Lack of Trust Within Party"]

[Text] The end of this month concludes the fourth phase of selecting cadres for central and divisional offices. Two important phases remain—to form governorate committees and to choose cadres for their offices, and [to convene] a general assembly to select the National [Democratic] Party's [NDP] top leadership.

It is obvious that whenever the party takes another step towards structuring, it experiences even more acute problems and crises, as members engage in dogfights for party posts.

A serious phenomenon of the current stage is the lack of "trust" between party members and the leaders allied with them, and especially Kamal al-Shadhli who seems to be able to manipulate the party as he pleases.

An important manifestation of this phenomenon is the keenness of members of the People's Assembly, Consultative Council, and local councils to nominate themselves for membership in the central and divisional committees, despite a statement by Kamal al-Shadhli that they will automatically be ex-officio members by virtue of their leadership roles.

Party sources have attributed this to the lack of trust in al-Shadhli by those members who fear that he, with a history of partisan tricks and conspiracies, may go back on those promises!

AL-HAQIAH's "Political Scene" [feature] has been able, in that context, to prove that those fears were founded. Al-Shadhli asserted in a statement on 20 February that an essential qualification for nomination to the central and divisional committees is to be among the cadres of grassroots bureaus (a member of a local council). Then only three days later, he stated that members of local councils, and of standing committees of local councils, will automatically become members of central and divisional committees—without the bother of elections, in other words!

Party circles believe that these contradictions indicate a calculated plan to engage in partisan tricks and conspiracies, draining trust from the ranks of the party!

### Overview of al-Jihad Extremist Group

92AF0608B Cairo ROSE AL-YUSUF in Arabic  
9 Mar 92 pp 6-8

[Article by Hamdi Rizq: "Criminal Record of al-Jihad Leaders in al-Fayyum; al-Shawqiyun Group Leader Has Serious Criminal Record as 'Motorcycle Thief;' Funeral Prayer Before Executing Six Men Who Opposed Group's Exercises; al-Shawqiyun Group Founder Is 'Leader of Gang of Thieves' Who Has Gathered al-Fayyum Thieves Around Him; Kahk Village Inhabitants Sleep Next to Livestock To Guard Them"]

[Text] There are 25 radical groups in al-Fayyum alone. Most of them are peaceful and only one group provokes unrest.

This group is called al-Shawqiyun [those who yearn (for God)] and all its 800 members have "serious" criminal records in the public security and state security agencies. However, the accusations made against them are not the same as those made against other radicals, such as plotting to overthrow the regime or to assassinate people. Rather, these accusations fall under the category of livestock, crop, and motorcycle thefts.

This group is the most dangerous group in al-Fayyum at present. It is an organization that undertakes to interpret the faith and the call to God. The group is trying to shed its old name—al-Shawqiyun—and to replace it with "the New Jihad Organization," so that people will forget its past record and will not mention its criminal record of fraud and robbery.

But everybody here in al-Fayyum knows the al-Shawqiyun group perfectly well, especially since a record of all of the group's past criminal activities is kept in the Ministry of Interior files.

Perhaps the absolutely most dangerous member of this group is its leader, 'Abd-al-Tawwab Jawdah, also known as Ramadan. He assumed the group's leadership after its founder, Shawqi al-Shaykh, was killed in April 1990.

'Abd-al-Tawwab has a very long criminal record. But he turned into a dangerous creature when he grew his beard and became the right arm of Shawqi al-Shaykh and the main executor of all the thefts carried out by the group in the villages of [Sinaru], Kahk Bahri, and al-Shaykh Fadl in the five years since the group was founded.

'Abd-al-Tawwab Jawdah was arrested after he took part in the riots which led to the killing of Shawqi al-Shaykh. But he escaped from a paddy wagon on 14 January 1991, while it was traveling in al-Minya Governorate.

At this point, security officers leafed through Jawdah's file again and we read with them: He is a man with a dangerous record and he is specialized in stealing motorcycles and bicycles (case no. 883/C). He is wanted in numerous cases including case no. 9464 (misdemeanor, al-Fayyum Police Precinct) which involves stealing livestock from a paddock in the village of Kahk. He is also wanted in case no. 10514 (misdemeanor, al-Fayyum Police Precinct, 1991) for taking part in stealing crops from the village. Moreover, he is a draft dodger.

Regarding Ramadan's [Jawdah's] crimes, an inhabitant of Kahk recounts that Ramadan came with the group members at high noon one day dragging six men. They ordered the six men to lie face down. Ramadan then held a prayer for guidance to reach an opinion on executing them because they had opposed the group's military training exercises in Hawd al-[Burs], which is adjacent to Kahk.

After the prayer, Ramadan ordered the children of Kahk and neighboring villages to stone the men to death. However, the police got to the six men just in time to save their lives.

Since this operation, reports have been saying that Ramadan lives in Jabal Maydum and that the police have been trying to find him for months.

In another respect, there are eight members of whom Ramadan is very proud, and whom he has molded into a unit which he calls "the military wing" of the New Jihad Organization.

Ramadan and the eight men were involved in killing a survey engineer and his assistant in al-Fayyum. By pure

coincidence, the two men had passed through a cultivated plot of land and saw some of the training exercises of the New Jihad Group. The group members seized the two men, tied them, and then proceeded to perform their prayers before butchering the two men to death and concealing their bodies in a drainage ditch.

The most dangerous of the eight men is Mustafa al-Sayyid 'Ali Muhammad al-Shaykh, a relative of Shawqi al-Shaykh. He has a record of forceful theft [armed theft] and he has been involved in several felonies and misdemeanors, including the acquisition of a firearm to facilitate the commission of a crime, as stated in case no. 191 (felony, Ibshaway, 1980) for which he received a suspended six-month prison term. He was also involved in the premeditated burning of an olive grove, as stated in case no. 4228 (felony, Ibshaway, 1987); and in an armed robbery, as stated in case no. 4022, a felony committed in al-Fayyum district capital in 1989. The stolen article was a motorcycle belonging to a government employee and the crime was committed in front of the department for which the employee worked.

#### Explosives Experts

The small unit formed by Ramadan includes experts in explosives and in making Molotov cocktails. Shawqi al-Shaykh laid the foundation for manufacturing such articles, using explosives coming to the group from al-'Adwah village, the main center for manufacturing firecrackers and explosives throughout Egypt and, along with quarries, the source of all kinds of explosives supplied to the violence leaders, without license.

Foremost among these experts is Hasan Zaki Jawdah, who was born in Ibshaway on 24 May 1970. His record contains a number of felonies, including participation in arson and blowing up public and private facilities. The most serious felony is covered by case no. 4870 (Ibshaway) when he tried to burn a church in the district capital by hurling an explosive charge at it. But the charge hit the church guard and burnt only the outside door of the church because it was too weak and because it exploded far from the target.

History repeats itself with 'Id 'Abd-al-Tawwab al-Sayyid, an explosive maker who has a serious record. He is charged in felony no. 4352 (Ibshaway, 1987). He is now wanted for several cases, including the charge of resisting the authorities.

Another group of Ramadan's men can purchase or manufacture any weapon. These men have extensive relations with weapons dealers in the area, especially in Bani Suwayf and Asyut, who smuggle weapons across the Libyan-Egyptian borders, via desert trails.

The most dangerous of these men is Muhammad Rushdi 'Ali Muhammad, who is wanted for the murder of a policeman and for assaulting police forces, as stated in case no. 2837 (felony, Ibshaway) and Hijazi Shihatah 'Abdallah, who is wanted in case no. 4331 (felony,

Ibshaway). This case concerns an attempt on the life of an undercover policeman who escaped Hijazi's bullet by a miracle.

#### Legal Religious Opinions of New Jihad

In this group's opinion, theft is "licit [halal]" and the money and property of an infidel society are a "favor and a blessing from God." All of this society's money, women, and children are legitimate spoils for group members and for their leader, in particular. These are the most important principles that Ramadan Jawdah and the New Jihad Organization have inherited from the al-Shawqiyun.

The inhabitants of Kahk, Sinaru, and al-Shaykh Fadl are well aware of this fact. This is why most of them sleep next to their livestock and beasts of burden in their paddocks. Even when these people irrigate the land, they guard their beasts that turn the water wheels for fear that they will be stolen.

According to Brig. Gen. Shawqi al-'Alimi, head of the criminal investigation section in al-Fayyum Security Directorate, 80 percent of the group members are people with a criminal record, including crimes violating honor, such as robbery, rape, bribery, and theft.

Al-'Alimi added that, when the group was founded five years ago, it included a large number of thieves, highwaymen, and loafers. Moreover, Shawqi al-Shaykh, the group leader, was a leader of a gang of thieves specialized in stealing motorcycles, electrical equipment, and livestock. He knew the district's thieves by name and they knew him well. This is why they rushed to join him, especially since growing a beard was the ideal method to cover up their criminal activity and to steal the money of the powerless in those areas in the name of religion.

The people of Kahk paid Shawqi what amounted to protection money in return for his protecting them from the thieves in his group. Shawqi declared it legitimate to steal the money, even honor, of whoever refuses to pay, if this is necessary to intimidate them. Maj. Gen. Muhammad al-Sa'id 'Abd-al-Khaliq, director of al-Fayyum security, has added that Shawqi's, and later Ramadan's, reliance on robbery provided him with money from the thefts, and attracted to him thieves and highwaymen who found, for the first time ever, a legal, even Islamic, cover for their activities.

The general further added that stolen property was sold in the markets in the name of religion, and people were told that their revenue would be distributed to poor Muslims. In fact, this was done at times to throw dust in their eyes and to cover up major thefts, which the area's prominent figures were afraid to report.

Maj. Ahmad 'Abd-al-Majid, chief of al-'Ajamayn police station on the road between Ibshaway and al-Fayyum, has asserted that most of the reports submitted by inhabitants to the police concern livestock and motorcycle thefts.

He says that these reports always contain the famous phrase: "Shawqi's gang has stolen the she-buffalo or the motorcycle."

When asked [to identify the criminals], victims respond: "The thieves were bearded, sir."

[boxed item]

#### **Last Week's Operation: Lt. Col. 'Ala' Knew He Would Be Killed**

ROSE AL-YUSUF has learned that Lt. Col. Ahmad 'Ala', who was assassinated in al-Fayyum last Tuesday, had contacted the State Security Agency shortly before the incident and told his superiors that the Shawqi Group had a plan to assassinate him and that its members were only waiting to get the weapon with which to carry out the operation.

His superiors responded that he had to wait at his office until a team of his colleagues was sent from Cairo to draw up a plan to protect him. But 'Ala' asked that he go home first and that implementation of the plan begin on the same evening.

Five minutes after the conversation ended, Lt. Col. 'Ala' was shot while on his way home.

The threatening letters received at the State Security premises in al-Fayyum have increased recently, and they include threats to kill a number of officers, guards, and informers. The letters received by Lt. Col. 'Ala' were brief, consisting of two lines: "Repent and return to God. We are behind you until you are guided to the right path or until death."

[end boxed item]

#### **Shaykh Calls For Pilgrimage Town Construction**

92AF0609B Cairo AL-JUMHURIYAH in Arabic  
9 Mar 92 p 7

[Article by Muhammad Habib and Layla al-Sa'dani: "Al-Azhar Shaykh Upon Inaugurating Institutes, Mosques in South Sinai: Worship in Mosques Is not Only Way to Development; Egypt Needs Hands of Its Sons; Arab Homeland Will Only Progress With Youth's Efforts; Town for Pilgrims Constructed in Nuwaybi' to Accommodate 2,000 Pilgrims"]

[Text] South Sinai—Grand Imam Shaykh Jad-al-Haqq 'Ali Jad-al-Haqq, the shaykh of al-Azhar, has declared that sitting in mosques for worship and prayer is not the only way to development, stressing that Egypt needs the hands of its sons and that the Arab and Islamic homeland will progress only with the youth's efforts. He has urged the Islamic peoples to join forces, unite, and exert utmost efforts to rise, advance, and flourish, especially since we are at the gates of the exalted month of Ramadan.

During the inauguration yesterday of a number of al-Azhar institutes, mosques, and new installations in South Sinai, the grand imam added that Sinai will flourish only with the efforts of its native sons, who are

capable of developing and guarding this area, as well as guarding Egypt's safety and security. For the Sinai to become a densely-populated area, efforts must be consolidated.

The grand imam urged every mother in the Sinai to devote attention to raising her children and urge them to engage in continual and ceaseless collective action, and not to become lazy. He urged the Sinai people to work and rebuild, because this is one of the important means of development in the Sinai, which is a dear part of Egypt's soil.

'Abd-al-Mun'im Sa'id, the governor of South Sinai, has announced that steps are currently underway to build a town for pilgrims in Nuwaybi' to accommodate 2,000 pilgrims. When Housing and Development Minister Engineer Hasaballah al-Kafrawi approves the plan and a site is selected, construction will begin immediately. The fee for stay at this town is set to be the same as the fee charged for staying in the Suez town for pilgrims, namely three Egyptian pounds per pilgrim per night.

A number of service projects were inaugurated in the governorate towns, including the following projects in Nuwaybi':

- Al-Azhar elementary religious school for boys and girls, a project which cost 350,000 pounds and can accommodate 400 students in 12 classes;
- The port's central telephone exchange, which cost 150,000 pounds;
- A mosque which serves the town population and which cost 350,000 pounds;
- Low-cost housing units, which cost 500,000 pounds.

In Taba, projects included a water network to serve the Taba border access and the town population, an automated bakery, and a building for the town council. These projects have cost 360,000 pounds.

In the town of Dahab, the projects included a religious elementary school for boys and girls, a project which can accommodate 700 students and which has cost 800,000 pounds. A mosque and a park have been built in Sharm al-Shaykh to serve the town.

A second lane has been added to the Sharm al-Shaykh/Dahab expressway which leads to Ra's Nasrani Airport.

The governor has noted that a number of service projects and housing units will be delivered after the governorate celebrates its national day.

#### **Funding of Opposition Paper Questioned**

92AF0588A Cairo MAYU in Arabic 2 Mar 92 p 5

[Article by Mukhtar 'Abd-al-'Al: "MISR AL-FATAH Newspaper Funded By Blackmail, Job Selling"]

[Text] Who funds MISR AL-FATAH [YOUNG EGYPT] newspaper? Where do its principals get the funds needed to publish a weekly issue of 14 pages?

That question came to the fore when that newspaper itself printed a small item on the front page of its issue dated Monday, 17 February. The item was titled "Delivery of the Paper to Libya Suspended." The same page carried another story titled "Save the Children of Iraq." The significance of printing the two items in the same issue in this manner escapes no one. The story is detailed below by the managing director of MISR AL-FATAH newspaper and by members of the Misr al-Fatah Party's Leadership Council.

They assert that the "advocate" [attorney, not further explained; perhaps refers to party leader Salih] funds his newspaper through illicit sources, the least of which are blackmail, selling positions to those aspiring for them, and charging commissions from plumbers, carpenters, and painters whom he markets to Arab embassies under various pretenses!

They say that their newspaper has become a clandestine bulletin whose ledgers, in the interest of illicit activity, ignore the most fundamental of accepted accounting practices.

Attorney Mahmud 'Aziz, former general director of the paper, says that "The story began when the party chairman appointed me as general director and treasurer, to succeed former treasurer Ilhami al-Miliji, who was charged with a criminal offense and given a suspended sentence of one year's imprisonment.

"I discovered that many documents, papers, and accounting ledgers from both the paper and the party were missing. I reported that to 'Aliy-al-Din Salih in a formal telegram dated 6 September 1991, in which I advised him that I had requested those documents for a whole month to no avail. I had previously submitted to the newspaper's board of directors certain financial observations that should have been acted upon, but no action was taken. I requested that the Leadership Council be convened immediately but, unfortunately, no one responded."

#### In Search of the Dollar

Asked about the violations he observed, he answered: "I discovered that there were revenues of 315,520 Egyptian pounds, of which 43,520 pounds originated solely from Libyan Airlines. There were no documents indicating the sources of those revenues.

Also, prior to the decision to suspend delivery of the paper to Libya (2,000 copies per issue, as high as 6,000 copies at one time) were sent to the [Libyan] Jamahiriyyah at one dollar per copy. No one knows who received the income from those issues, which were not even included in the paper's revenues or balance sheet, even though that was in violation of the law which gives foreign distribution rights to the national company!

"I found out that the ratio of returned copies was very high. I had previously asked that the print run be reduced in order to diminish the paper's losses, which at

times exceeded 4,000 pounds per issue. Yet Editor-in-Chief Mustafa Bakri insisted on a weekly print run of no less than 20,000 copies.

"I could not find any ledgers or organized documents covering the period from 1 January 1991 till now. Nor could I find accounting controls on the bank accounts of either the paper or the party. All transactions are handled outside banking channels, consequently thwarting those banking accounts."

I asked Mahmud 'Aziz: "And the result?" He responded, "I was terminated."

#### The Cloak of Nasirism

Counselor Husam Kamil, chairman of the Leadership Council of the Misr al-Fatah Party, explains how the advocate and Bakri depend on two main elements for funding the paper:

"First, attack the government in order to please the Iraqi regime before, during, and after the liberation of Kuwait, thereby obtaining huge sums of money for their accounts.

"Second, depend on Libya, [for which] they suddenly donned the cloak of Nasirism and socialism. They added [former Egyptian president Jamal] 'Abd-al-Nasir's picture to the left of the masthead, even though the first few issues of the paper appeared without it. Even worse, the advocate used to attack 'Abd-al-Nasir editorially before he made that agreement!"

Counsellor Husam adds that when Libya's leadership became aware of this and stopped the funds, Mustafa Bakri resorted to another rouse. He printed in issue No. 65 of the paper that the Leadership Council of Misr al-Fatah Party had recommended that 'Aliy-al-Din Salih stop delivering the paper to the Jamahiriyyah because al-Jamahiriyyah Publishing and Distribution House had violated the terms of the contract between the two parties to transferring the paper's sales proceeds to the paper's bank account every four months.

Husam Kamil points out that the advocate and Bakri did not waste any time. In the same issue, they resorted to another means of poaching when they printed a story on Iraq titled "Save the Children of Iraq," thereby exposing themselves and revealing that they are going after another source of funding!

Husam Kamil emphasized that the advocate found still another source of funds by devising a price list for the party's leadership posts. Those who wish to fill such a position must pay a sum of money that varies with the rank sought. A seat on the party's Leadership Council goes for 5,000 pounds. A position as secretary general of a specialized committee goes for 3,000 and as secretary general of a committee for 1,000 pounds!

#### Contractor

Kamal 'Abd-al-Hamid, secretary of the Misr al-Fatah Party Organization says that "The paper is now in real narrow straits, at home and abroad. Suffice it to say that

the advocate now makes the rounds of Arab embassies offering his services to transport tradesmen to those countries in return for a commission. He even advertised at the party that he has access to a number of qualified plumbers, carpenters, and painters, and that the party would be able to provide them to whoever wishes in return for a commission of 15 percent. He has therefore become a contractor for the skilled trades in order to obtain funds from anybody and by any means. His only concern is to line his pockets and the pockets of his apprentice, Mustafa Bakri!"

Ahmad 'Izz-al-Din, member of Misr al-Fatah's Leadership Council, discloses another method used by the paper's officials to obtain more funds. Mahmud al-Miliji, the party's secretary general, has begun to bleed another Gulf country, which is a policy that Bakri and the advocate have pursued for some time.

Will they, despite all this, talk of honor and clean hands? I wish that they would re-read the above facts. They are the tip of the iceberg!

### Court Official Criticizes al-Azhar Book Confiscation

92AF0548B Doha AL-SHARQ in Arabic 21 Jan 92 p 11

[Article by Ahmad Mahmud: "Appeals Judge Sa'id al-'Ashmawi Attacks al-Azhar After Confiscation of His Books, Asks Rector of al-Azhar for Public Debate To Reply to Argument by Argument"]

[Text] Cairo—Al-Azhar's decision to confiscate five works by Appeals Judge Sa'id al-'Ashmawi drew differing reactions in religious and cultural circles in Egypt. The works confiscated are: *Usul al-Shari'ah* [Roots of Islamic Law], *Ma'alim al-Islam* [Features of Islam], *al-Islam al-Siyasi* [Political Islam], *al-Khilafah al-Islamiyah* [The Islamic Caliphate], and *al-Riban wal-Fa'idah fil-Islam* [Usury and Interest in Islam]. Appeals Judge Sa'id al-'Ashmawi strongly attacked al-Azhar, stating that it does not have the right to confiscate any books; only the cabinet has that right.

"Al-Azhar," he said, "should draft a memorandum defining its point of view and send it to the relevant authority." Previously, al-Azhar did not request that Shaykh 'Ali 'Abd-al-Raziq's book, *al-Islam wa Usul al-Hikm* [Islam and the Roots of Governance] be confiscated; the shaykh of al-Azhar merely published a book entitled *Haqiqah al-Islam wa Usul al-Hikm* [The Truth About Islam and the Roots of Governance]. al-'Ashmawi continued, "If my books contain anything contrary to shari'ah, the shaykh of al-Azhar ought to have published a book to reply to my books, argument by argument. I ask the shaykh of al-Azhar for a public debate. The confiscation decision morally harms me and entitles me to bring criminal and civil action against al-Azhar; but before bringing any action, I invite the shaykh of al-Azhar to this debate. My books confront religious extremism and the Islamic political groups. Sadly, al-Azhar is not confronting them in a learned, considered way."

Appeals Judge Sa'id al-'Ashmawi states that some of his confiscated books were printed years ago. *The Roots of Islamic Law* he says, was printed in 1979, 1982, and this year on the occasion of the Cairo Book Fair. al-Azhar must explain this. "I believe what happened in Algeria had a connection with this. Perhaps the confiscation decision was aimed at courting the extremist current in Algeria, particularly since the Algerian Government had printed *Political Islam* in several Arabic and French editions. In addition, the confiscation decision was aimed at destroying the enlightened current and free thought in Egypt."

As for his view of the overall reasons for the confiscation, Appeals Judge Sa'id al-'Ashmawi stated that there were many reasons. "There was the influence of certain neighboring countries on Egypt and their hatred for intellectual freedom in general. There was the desire of some al-Azhar scholars to extend their sway over the Egyptian scene—and books are a real political and economic influence. Finally, there was what happened specifically in Algeria, which was an effect of what happened previously in Sudan. A goal of the Islamic political groups is to put Egypt between pincers to the south and to the west. If Egypt falls, the entire Islamic world falls into the grip of political Islam.

"I think that some people at al-Azhar are fixing their eyes on the waves of extremism. They are paying them court and trying to build bridges to them, thinking that these movements are coming to power in Egypt."

On the issue of intellectual freedom and creativity, Appeals Judge Sa'id al-'Ashmawi stated that "Thought is, by its nature, free and should not be subjected to restrictions while it abides by religious and social values—the community's values first, and human issues second. Restrictions or controls should not be placed on intellectual freedom. It should be left to be spontaneous, within the bounds of morality. If a transgression occurs, the hand of the law or the scepter of authority should not be wielded against it; otherwise, this will lead to the existence of stringent censorship. Rejoinder should take place through works of art and literature themselves.

"However, in the age of al-Sadat, certain laws were passed punishing any imagined or real offense to religion. Some people are now using these laws to strike at intellectual freedom and creativity. Educated people must study these laws carefully and draft a memorandum and submit it to officials to obtain the repeal of the laws."

To avoid skirmishes between al-Azhar and creativity, Appeals Judge Sa'id al-'Ashmawi believes that al-Azhar should have no censorship over literary and artistic creativity. "It should resume its old role of renewing religious thought. Sadly, it has abandoned this role and has come to oppose the likes of us who are seeking renewal. al-Azhar should respond to a dissenting idea with another idea; to an opposing book with another book. This will invigorate the current of thought and banish intimidation from the creative scene."

**Book Censorship Issues Debated**

92AF0050C London AL-HAYAH in Arabic 26 Jan 92  
p 1

[Article: "Shaykh of al-Azhar Views Censorship as Guard Against Harmful Thoughts; al-'Ashmawi Calls Confiscators of His Books to TV Debate"]

[Text] Cultural and legal circles in Egypt are witnessing a wide-ranging argument about al-Azhar's right to confiscate five books authored by Justice Muhammad Sa'id al-'Ashmawi, an eminent jurist. The first book, *Fundamentals of Islamic Law [Usul al-Shari'ah]* came out 13 years ago (1979). The other books are: *Political Islam, [al-Islam al-Siyasi]* (1988), *Usury and Interest in Islam, [al-Riban wal-Fa'idah fil-Islam]* (1988), *Characteristics of Islam, [Ma'alim al-Islam]* (1989), and "The Islamic Caliphate, [al-Khalifah al-Islamiyah] (1990).

Whereas the Grand Imam, Shaykh Jad-al-Haqq 'Ali Jad-al-Haqq, the Shaykh [rector] of al-Azhar, emphasized that censorship is not an end, but rather a "means to protect the nation from harmful thoughts." Justice al-'Ashmawi said that he did not believe that his books "contained anything contrary to religion or Shari'ah," because otherwise, al-Azhar would not have kept quiet for such a long time and would not have issued its decision "without reasons or legal opinions." He invited the officials who ordered the confiscation to a TV debate in order to respond to them with documentary proof and authoritative references.

Al-'Ashmawi stressed that the decision had no "legal or valid constitutional base," but was a prejudicial "physical assault," and, therefore, he plans to take his case to court. He made it clear that, under ordinary law, the confiscation of books is entrusted to the council of ministers, which has the right to stop the circulation of erotic publications and other religious literature that tends to "disturb" the peace. Ever since a state of emergency was declared in Egypt in October 1981, this right has been accorded to the general military rule or its appointed representative, who issues a well-founded administrative confiscation order that the author or publisher can challenge before the courts.

He pointed out that at the end of the late President Anwar al-Sadat's regime the "Values Law" was enacted, and amendments were introduced to some of the provisions of the penal code to bring to trial anyone who takes a stand against religion, whereby any writer or author can be taken to court on the charge of assaulting religion, albeit symbolically. In the event of conviction, the court, and no one else, has the right to issue a confiscation order.

He also said that should al-Azhar have a position on a specific book and should it deem confiscation necessary, it can send a memorandum outlining its viewpoint to the competent authority, namely, the council of ministers, the military ruler, or the prosecution, since it has no right to seize printed matter, regardless of its nature.

On the other hand, Bahi-al-Din Hasan, secretary general of the Egyptian Human Rights Organization, said that the organization is now considering issuing a communique calling upon officials not to confiscate published material, adding: "Should the competent authority deem it necessary to confiscate any publication, it must submit a request to the concerned parties, as specified by law."

However, Shaykh Sayyid Mas'ud, secretary general of the Islamic Research Academy, which confiscated al-'Ashmawi's books during the [Cairo] Book Fair, said: "These books were carefully reviewed by specialized committees, and were found to contain violations, information, and viewpoints that defame the Islamic religion. Therefore, al-Azhar, represented by the academy, has the right to confiscate printed matter that distorts Islam, and attacks or criticizes religion and shari'ah, because it is charged with overseeing publications and broadcasts about Islam in Egypt."

He added that the law accords academy inspectors "the right of judicial seizures and the right to confiscate the copies they seize from among the topics included on the confiscation list. Publishing houses are held responsible for any printed matter targeted for confiscation. These books are reviewed by these committees after they are printed, and those in violation are confiscated."

In important statements to the Egyptian press, Shaykh Jad-al-Haqq 'Ali Jad-al-Haqq said that the academy's oversight responsibilities converge primarily on the Holy Koran and the Sunna [prophetic tradition and practices]. With respect to other publications injurious to Islam, if a group or an individual asks that they be scrutinized, the academy will review them and prepare a full report to be presented to the concerned party.

He explained that the "oversight function is not an end, but rather a means to protect the nation and preserve its beliefs and its behavioral and moral fiber. Al-Azhar, with the power vested in it, applies a government law and its valid precepts on all oversight parties." He pointed out that this system is followed in many countries, and is not a fad in Egypt alone.

He also said that "while the Koran and the Sunna are the key sources of Islam, an attack on them is an attack on one of the great pillars of this religion, and it must be repudiated. This does not restrict freedom of opinion or expression, because disciplined freedom steers society to intellectual and societal discipline in order to avert marginal issues and prevent youth from deviating from Islam's principles and the shari'ah."

He also said that "In the eyes of Islamic statutes, there is no difference between a literary author and any other author, and perhaps those who claim that al-Azhar restricts literary thought and creativity have not read Islamic literature to see how its prose and poetry have combined literary and scientific creativity without banality. Straying from the right path when discussing or writing about the essence of faith has nothing to do with creativity."

An employee of the academy's General Administration of Research, Writing, and Translation went to the Book Fair and wrote a report, dated 7 January, in which he said that he visited the Sinai Publishing House at the International Book Fair, where he found the aforementioned books and seized them. He sent a copy of each to his administration and exacted a pledge not to display the other copies until a way was found to pull out the remaining copies and "until the administration issues a decision to confiscate these copies."

Justice al-'Ashmawi, who had five of his books confiscated, currently occupies the post of chief of the Supreme State Security Court in Egypt and the Cairo Criminal Court. He is also a lecturer in comparative law and comparative religions and religious laws at a number of world universities such as Harvard, Yale, Princeton, and California in the United States; the Sorbonne in France; Leiden in Holland; and other universities in Germany and Sweden. Several of his works have been translated into French, Italian, and German.

#### **Former al-Azhar Official on Religious Friction**

92AF0609A Cairo AL-JUMHURIYAH in Arabic  
9 Mar 92 p 7

[Article by Mujahid Khalaf: "Dr. 'Abd-al-Wadud Shalabi Appeals for Help: World Crusaderism Is Blocking Islamic Tide Everywhere; Alms Tax by Wealthy Muslims Should Be \$30 Billion Annually; Islamic Countries Could Have Forged Ahead of Japan"]

[Text] "Despite the gloomy picture and the difficult position of our Islamic world, and despite the poor condition to which it has descended, I still believe that this is the end of sorrows and the break of dawn."

This is how Dr. 'Abd-al-Wadud Shalabi, former general secretary of al-Azhar's Higher Missionary [da'wah] Committee, began his interview with AL-JUMHURIYAH. He then proceeded to talk with a rapid and intense tone brimming with grief and sadness, while defining in his mind features of the Islamic world's current tragic map and pointing out the most painful blows being dealt Muslims everywhere.

He said: "I cannot point out a specific problem. There are numerous urgent Islamic problems that impose themselves on us as Muslims, especially in wake of the historic developments witnessed by the international arena, and I don't mean just what has happened in the Soviet Union, but also in the United States, the world's number-one superpower now. We thought that the United States was seeking justice, as ordained in its founding charter and as symbolized by the statue of Liberty erected at the inlet to its most famous city. But regrettably, the United States has disavowed all this and has turned into a blind power. Its position on Islamic issues has always been characterized by suppression, intransigence, and partiality toward Israel."

#### **Islamic Republics**

Touching on the Islamic republics that have broken away from the former Soviet Union, Dr. 'Abd-al-Wadud Shalabi said: "These republics can find no father, brother, or supporter. It is regrettable that Israel has been foremost among the countries extending a helping hand to these republics, even though they represent an immense support and a great human and political reserve for the Islamic nation."

Dr. 'Abd-al-Wadud stresses the importance of security and believes that it is one of the foremost necessities that must be ensured for the Muslim if he is to survive. "These republics are experiencing an economic collapse. I cannot ask a starving man for anything, because he cannot survive." Dr. 'Abd-al-Wadud said. "The former Soviet Union neglected the industrialization of these republics totally. Viewing them from a European Crusader's perspective, the Soviet Union realized that the republics will turn Islamic someday and will perform their Islamic role. This is why the Soviet Union kept them as a source of raw materials and why it set up its factories in the European section."

#### **Wealthy Muslims**

Dr. 'Abd-al-Wadud added: "Wealthy Muslims, and they are the worst among the world's wealthy, with very few exceptions, own more than \$1.2 trillion in Europe's banks, according to the latest figures published by the FINANCIAL TIMES and THE WALL STREET JOURNAL. If we consider this wealth carefully and collect from it the alms tax [al-zakah], which should amount to \$30 billion annually (just for alms tax) and if we invest this money in the Islamic republics and in various parts of the Islamic world, it would be possible for Muslims to perform the greatest role in serving the faith. The worst image in my mind is an image of the lands of al-Bukhari, al-Farabi, and Ibn-Sinna suffering from a fearful starvation, with the Muslims watching passively while aid precedes the visits Western officials make to these lands. This aid is almost like a poisoned mouthful that these officials throw to the hungry so they can ensnare them.

"I don't think much of the West's policy toward these republics. The West is trying to engulf these republics with the well-known policies it embraces vis-a-vis the Arabs and Muslims—policies which seek to set up barriers and obstacles in the face of any Islamic movement. The West's plan seeks to isolate this area from the Islamic world and from its historical issues, and to impede unity among the sons of the Muslim world. This is a plot that opens the path wide for the destructive forces and the Christian missionary forces, which have actually launched their activity in the republics in the name of humanitarian aid!"

"Western policy and the church are behind the events in Nogorno Karabakh Province and behind the Armenian massacres against Muslims there. The objective is to devoid the area of anything Islamic in favor of the Armenians. What is regrettable and sad is that Muslims

have protected Christians against massacres in many parts of the Islamic world, and the Christians have lived among Muslims as their brothers. But Christians have not reciprocated toward Muslims living among them."

#### **Albania and Mother Theresa**

Another aspect of the Islamic tragedy is in Albania. Dr. Shalabi has said: "Albania is an Islamic state and starving people there are roaming the streets in search of food. Regrettably, those who have gone to aid them are missionary groups who offer them food on condition that whoever takes the food hang a cross around his neck.

"Mother Theresa, who is well-known for her Christian missionary activities in every part of the world, has opened a new branch in Tirana, Albania's capital. In a letter to the pope, she has declared that she is working to see that 100,000 new converts to Christianity receive him when he makes his first visit to the country!"

#### **Parties to Blockade**

Former secretary of the Higher Missionary Committee goes on to point out that "International Crusaderism is moving forward to achieve its objectives and schemes, with nothing to impede it. It is working seriously and resolutely everywhere. There are numerous massacres against Muslims in many parts of the world, and almost nobody is aware of them. What has happened in Nigeria, in Cameroon, in Somalia, in Eritrea, in southern Sudan, and in other places reflects a 100-percent Crusader scheme. These events may seem to be independent, but they are closely linked to the efforts to foil the Islamic tide and to transform the black continent into a Christian continent by the year 2000, which is what the Christian missionary forces are planning.

"Massacres and mass expulsions are ongoing in Burma. The same applies to Kashmir, where Muslims are exposed to annihilation. The latest figures indicate that 16,000 Muslims have been burnt in Kashmir recently!

"Muslims in Europe haven't been spared this persecution either. A new, unexpected movement has now surfaced in Europe. It is a racist movement that has parties in France and Britain, and that works openly to fight Islam and anything Islamic!

#### **Europe's Muslims**

Dr. 'Abd-al-Wadud paused briefly before proceeding to censure Muslims living in Europe severely. He said: "Regrettably, they act with little knowledge and they have no political or strategic vision, whether for themselves or for the reality in which they live. When one lives in a European country, it is enough, in my opinion, that one has the freedom to perform his religious rites and to live an honorable life. This is a climate that can be utilized for the benefit of Islam."

After a pained sigh, Dr. 'Abd-al-Wadud held his glasses between his fingers and proceeded to say: "The most bitter and painful problem to my heart is the stupidity in which Muslims live their life. The Islamic countries possess vast resources that are enough to feed their citizens and to advance their life by great leaps and bounds, considering that these countries contain 50 percent the world's raw materials and the world's most important resources. Yet, they live as a dependent of the world.

"We know that Japan started its renaissance at the same time as we did in this century, that it began by importing everything, and that it has no raw materials. So how has Japan become a superpower now? The Muslims could have accomplished even more. The Netherlands, a country with an area of no more than one Egyptian governorate, exports—according to the latest figures—the equivalent of \$170 billion, despite the danger in which it lives because of the nature of its terrain, which is below sea level!"

#### **Absence of Freedom**

"This great flaw and major problem from which we suffer is in the general absence of true freedom in the Islamic countries. This has caused the Muslim to lose the value of belonging to his homeland and his country, as Dr. Shalabi says. One finds the Muslims, especially experts and prominent intellectuals, constantly thinking of immigrating to another country. Regrettably, they find that they are warmly welcomed by foreign countries and hostile forces that utilize their expertise and capabilities, while we continue to lag behind the human procession!

"This is in addition to the absence of true awareness and true [Muslim] missionaries, and the decline or, to put it more precisely, disappearance of the ulema's role. With these words, we are not urging people to go and become fighters. We just want them to be Muslims."

### Specialized Councils Issue Report on Reforms

92AF0549C London AL-HAYAH in Arabic 5 Feb 92  
p 11

[Text] Cairo—A detailed report on the future economic reform plan prepared by the specialized national councils in Egypt recommends a transitional phase to prepare for the proposed new planning method, which will begin to be used in preparing the plan as of 1995-1996.

Economic planning for the coming stage is engaging officials in the Egyptian Government, especially against the backdrop of Egypt's signing of a letter of intent with the IMF regarding the reform of the Egyptian economy. Pursuant to that letter, market forces will be relied upon in economic decisionmaking, and the private sector will assume a greater role in managing the national economy.

Economic reform in Egypt requires the introduction of fundamental, substantive changes to the economic planning method and techniques currently followed in Egypt. To meet that need, specialized national councils in Egypt have prepared a detailed report on the long-term future economic reform plan. The report recommends adopting the endorsement [ta'shiri] planning technique, which defines the role of the public and private sectors in achieving economic goals, relying more on the private sector, and giving prominence to high-priority activities and the economic policy tools and incentives to be applied to different activities.

The report lists the considerations that must be taken into account when preparing Egypt's economic reform plan. The first consideration is long-term planning, on which national goals for the next 25 years are to be accomplished. The expected population increase in Egypt is among the most important guidelines for long-range planning. It is estimated that the population in 2000 will be about 70 million. Should the population continue to grow at this rate, it will total 140 million in 2025.

The expected rate of natural increase in Egypt requires forming policies and deterrents that can lower the population growth rate to be compatible with the available economic resources and the most efficient absorption of the population increase, in view of fundamental social requirements and constraints.

Population planning requires: the preservation of existing agricultural lands, especially those characterized by high productivity; the efficient exploitation of agricultural, social, tourist, and other economic resources; refraining from building communities that will tax the current resource base.

The estimation of the amount of available natural resources is an important guideline in long-term planning under the proposed plan. An especially important resource is water, which is considered among the rarer resources, based on expected economic developments in the Nile River basin countries.

The report states that the water problem will become one of the most complicated economic problems in the

Middle East in the near future. Therefore, successive plans must lead to good water use.

Long-term planning includes a study of the relative advantages of economic activities in order to focus on activities that offer a competitive advantage, and to avoid areas with low export potential. Long-term planning also requires Egypt to develop self-sufficiency in research and development.

The future plan for economic reform in Egypt also includes a study of the economic environment that is expected during the next five years. An important factor in this respect concerns Egypt's commitments to international organizations, following its economic reform agreement with the IMF in early 1991.

The most important stipulations of the agreement with the IMF include the liberalization of prices, so that they are determined by the forces of supply and demand, and a gradual reduction in the general state budget from about 16 percent of GDP to less than 5 percent in 1995-1996. To achieve the latter goal, the state will have to hold down spending; refrain from funding a large volume of investments; and adhere to its privatization program, which is intended to downsize the public sector.

The plan focuses on the government's role in economic activity based on direct planning. In overseeing, controlling, and guiding the entire national economy, the government will employ different economic policies and promote economic activities having a high social return.

The plan provides for a major state role in the new communities. This role will focus primarily on planning and building infrastructure, and implementing and establishing other production and service facilities with the help of the different sectors. Other activities will be left to the private sector. The economic reform plan outlines policies to absorb the estimated population. The most important is a population policy that establishes incentives and deterrents designed to limit the number of children in each family to two. This will allow time to absorb the population by reducing its growth rate.

The plan calls for a focus on investments in infrastructure in the coming period in the areas of the Red Sea, Sinai, al-Wadi al-Jadid, the northern coast, and similar areas. This will permit these new areas to absorb the expected population increase effectively and relieve overcrowding in the Nile valley.

The economic reform plan includes planning for agriculture, industry, tourism, education, and technological development. The report attaches great importance to: agricultural extension services to increase crop yields; the use of modern irrigation techniques to conserve water; the government's implementation of drainage projects to maintain the quality of farmland; an examination of the best ways to recover investments in the above-mentioned areas from the beneficiaries of the

investments, in order to enable the government to implement other projects without adversely affecting the general state budget.

The report devotes serious attention to enhancing the capabilities of agricultural research centers, preventing agricultural land from lying fallow or eroding, achieving fairness in landlord-tenant relations to guarantee their mutually beneficial interests, and improving farmers' income in other sectors.

Regarding planning for the industrial sector, the report stipulates conducting detailed studies on the relative advantages of the different Egyptian industries. It calls for: efforts to make Egyptian industries flourish in the climate of worldwide economic liberalization; an examination of the conditions of public companies; the determination of the companies to be privatized and the best method and time schedule for privatizing them; and attention to research and development, and the linkage of research and development centers with different industrial units.

The report states that the government should give the tourism sector a major boost, based on coordination between government agencies to maintain historical and recreational tourism sites, protect them from exposure to pollution and deterioration, and determine the best new tourism sites and provide infrastructure and structural planning for them.

The report recommends that the promotion of tourism in Egypt abroad be left to the private sector. It also recommends giving prominence to the state's concern for the private sector through the state's participation in projects in different tourism areas.

Regarding education, the report states that the government should strive to absorb all children in the educational system at the primary-school age and to eliminate illiteracy among adults. The state must channel primary-school graduates to branches of education and training that correspond first to society's needs, and then to the students educational preparation and welfare.

Regarding technological development, the report states that the government must support the various plans by spending on research centers and establishing the centers that are needed to achieve a major revolution in different areas of production.

The report recommends the establishment of a planning agency to replace the planning ministry. This agency would be subordinate to the president or prime minister and staffed by a very limited number of highly qualified, knowledgeable, experienced persons able to conduct conceptual studies and make future projections. The report recommends separating the conscription agency from the census agency administratively, and merging the latter with the planning agency, so that it becomes an integral sub-unit of it. The report also recommends creating a supreme planning council that would make basic decisions about the plan. It would be headed by the

president or prime minister, depending on the subordination decided for the planning agency.

The report recommends restructuring the National Investment Bank in Egypt, which now functions as a planning agency, into a specialized agency for the investment of private funds under the Insurance and Pensions Authority. The report states that the next plan will require an effective oversight body. This body would rely mainly on economic indicators pointing to sales or recession, inflation or stagnation, growing employment or growing unemployment, and an increase or decrease in the balance of payments deficit.

### Panel Discusses Waste in Economy

92AF0550A London AL-HAYAH in Arabic 3 Feb 92 p 9

[Article by 'Abd-al-Hakim al-Sayyid: "16.6 Million Pounds Annual Waste in Egyptian Economy"]

[Text] A "Waste in Egyptian Economy" symposium, held recently in Cairo, revealed that economic waste in all sectors amounts to more than 16.6 million Egyptian pounds annually, considered the highest rate in the world.

Experts who participated in the symposium explained that waste in food preparation and processing amounted to 20 percent, and in fruits and vegetables, 15 percent. This is due to backward canning and packaging methods. Moreover, waste in subsidies to eligible recipients is estimated at about 2 million pounds.

Dr. Husayn al-Faqir, counselor to the Egyptian National Planning Institute, said that wasted manpower reached 17 percent of the workforce, representing 2.5 million pounds in lost production. Idle capacity in various industrial activities and stockpiles of manufactured goods amounted to 1.463 billion pounds. He noted that public sector losses in open-door [infatih] ventures amounted to 548.4 million pounds, and the total waste surplus in the agricultural sector was 3.146 million pounds. Imports in non-essential goods for 1991 were valued at 437 million pounds.

He added that waste in tourist spending amounted to 384.2 million pounds because Egyptian tourist spending abroad exceeded [local] revenues from tourism. Moreover, tax losses amounted to 963 million pounds in 1991, as compared to 549 million in 1984.

### Officials Discuss Tourism Issues

92AF0391C Cairo AKHIR SA'AH in Arabic 6 Jan 92 p 49

[Article by Tariq Fawdah, in Cairo: "On Diplomatic Sidelines: Fu'ad Sultan: 'Tourism Industry Problems Within Egypt;' Dialogue Between 'Abd-al-Hamid Farghali, Fu'ad Sultan Regarding Tourism Stocks, State Bonds"]

[Text] Since tourism is still the hope, since 1992 has arrived and will bring to Egypt, God willing, the highest tourism rate in its history, since hotels continue to be

fully booked, and since Egypt's tourism industrialists continue to trot the globe in search of more tourists, we have had to have many workshops to discuss: "Problems of the Tourism Industry Inside Egypt." Sunday morning, three days ago, the first of these workshops began in the Cairo Sheraton's largest ballroom. Among those seated at the podium were Minister Fu'ad Sultan, Sayyid Musa, head of the Tourism Promotion Agency, 'Abd-al-Hamid Farghali, president of the Tourism Holding Company [THC], Dr. Salah Abd-al-Wahhab, and 'Adli Damirdash, chairman of the board of EGOTH [Egyptian General Organization for Tourism and Hotels], which owns the largest grouping of Egyptian hotels.

Later they were joined by Dr. Samir Husni, Ramzi Zaqlamah, Samir Halawah, and many others.

Many addresses were given, all of which were useful, all were beneficial studies, but most important of all was this dialogue that began at the outset of the workshop, touched off when 'Abd-al-Hamid Farghali entered. The debate between THC President 'Abd-al-Hamid Farghali and Minister Fu'ad Sultan became apparent.

Fu'ad Sultan was obliged to respond to all of 'Abd-al-Hamid Farghali's queries, not just because he is the tourism minister, but because he is a businessman who worked for a time in the banking sector, one who thinks about Egypt's economic future, and one who has total faith in the notion of economic liberalization, or what is now termed the market economy, otherwise known as the new world order.

#### One Billion Pounds Wanted

The colloquy was sparked when Minister Fu'ad Sultan announced, in response to a question, that the government—or the tourism ministry—will immediately put up for sale hotels whose construction is complete or which cannot absorb any additional rooms or construction, such as the Cairo Sheraton.

These hotels will be made available to Egyptians and those working in the hotel sector. One billion pounds will be asked. Can this amount be raised or not?

All present agreed that it was possible, as evidenced by the fact that when al-Sa'd most recently sought additional funds before traveling to France, he was able to raise 200 million pounds in less than a week.

But how can people participate in existing projects, hotels for example, whose return or return on shares will never exceed 12 percent, and even that is not guaranteed, while the state is issuing bonds with a guaranteed rate of return of 20 percent?

Moreover, stock profits are taxable, while bonds are tax exempt, the citizen paying no tax whatsoever.

Here, economist Fu'ad Sultan first explained the difference between stocks and bonds: "A stock is a share in the ownership of a particular establishment. When a stock yields a 10-percent return, for example, this is in addition to participation in the actual ownership of the establishment. The value of an establishment, a hotel for

example, grows as time passes. This means that when inflation occurs, the value of the hotel also increases. This 10 percent is over and above the value of inflation existing in the country, i.e., it is absolute profit.

"However, when state bonds yield 20-percent profits, that constitutes a return on capital, but the capital itself does not grow.

"If the country's inflation rate is 18 percent, for example, and the investor realizes a 20-percent return rate, he is only receiving a 2-percent return. The other 18 percent is actually the result of inflation. This means an actual reduction in the value of his funds kept with the bank or the state." [as published]

Here Fu'ad Sultan explained that the interest paid on bank savings in Egypt had been below the inflation rate, until the latter dropped recently. Now the interest rate actually outstrips inflation. This is one issue. The other issue is taxes. Here is the inherent problem.

At this point, Fu'ad Sultan said that "First of all, as applies to all [other] investors, there has to be an exemption from taxes.

"The state has to look at the building and construction process, and the creation of jobs, before it looks at the taxation process." Fu'ad Sultan stressed that 450,000 young people are added annually to Egypt's labor market. Egypt's capacity to facilitate the building process and participation in the establishment of hotels is the only hope of resolving the unemployment problem.

At this point, Fu'ad Sultan recalled the old adage attributed to 'Ali Bin Abi Talib [the fourth caliph], may God bless him, who told one of his governors 1400 years ago: "It is more profound to build than to collect land taxes, for anyone who seeks land taxes without building destroys the country and debases [God's] servants."

The minister confirmed that he will seek to have the prime minister and the cabinet review tax policy as it relates to tourism projects, particularly as we approach the new age of tourism stocks or hotel ownership.

#### Meridian Issue

One member of the audience raised the Meridian [Hotel] case, and how, in his view, it was sold for less than its real price.

Sultan responded, "The Meridian was sold for \$75 million, and that was the best offer.

"Meridian profits were no more than \$3 million, i.e., a very meager rate of no more than 4 percent.

"The purchasers are supposed to build 700 additional rooms. Where will these rooms be? They are going to be on Egyptian soil. The tourist project means wages, profits, and consumption.

"The foreign investor puts no burden on the state. On the contrary, he puts a lot of money in the state's pocket. He only receives a part of the profits, while wages mean

more work and the employment of Egyptians. Consumption means more money spent on Egyptian soil, does it not?"

#### **Airport Land Project**

In response to another question on the airport land project, the minister had this to say: "Airport land is being made available for projects. I am not giving it to people who will sell it by the meter to build [apartment] buildings. It is for the construction of golf courses and new markets, and to give an appearance of civilization. That translates into an increase in profits for Egypt.

"This is the economic liberalization policy. If we do not work day and night for new projects, where are we going to take the 450,000 young people seeking a new job every year?"

#### **Projects Ready**

In response to a question about the difference between selling to Egyptians and foreigners, Fu'ad Sultan said: "I sell projects that are ready to Egyptians, projects that do not require new investments. We here in EGOTH, for example, can not borrow any more. We are indebted to the banks. I sell to Egyptians those projects which are able to yield an immediate return.

"First of all, projects that need \$100 million or \$200 million have a long way to go if they are to demolish, rebuild, pay off their debts, and after that begin to yield a return, perhaps after five or six years. Who is going to wait?"

#### **New Tourism Map**

[Sultan] The land of Egypt is open to all investors. There is a new tourism geography. There are new lands everywhere.

"We want to go into the governorates to give [them] our tourism vision. A governor may be thinking about selling every meter of land in order to obtain the most money for the state, but here the view of tourism must be expressed, so that projects do not end up in conflict, or with one dominating another."

(I would like to say here, and these are my words, not the minister's, that tourism has become the hope. It brings Egypt the best returns. Why should we not have a real tourism representative in every governorate, coming from the Ministry of Tourism or having a high level of training, awareness, competency, and the freedom to make decisions? Does every governorate not have a deputy minister for housing, for health, and for education? When will we recognize that Egypt is truly a tourist country, and that whether we like it or not, tourism is the hope, the goal, and the future?)

#### **Impediments to Tourism**

There are a great many obstacles standing in tourism's way. The minister knows that tourism projects must be brought into existence immediately, provided that the project is not going to block something else. On the

contrary, it may bring interest to the area. The governorate knows the areas to which tourism activity is most important.

The governorate, of course, makes plans for the overall shape that one site or another is going to take. Meanwhile, in the time it takes for letters to be shuffled back and forth and committees convened, the opportunity passes.

The obstacles to investment were the same way when it began. Investment needs liberty and freedom, does it not?

#### **Control Agency**

Many things need delving into. I believe that those to whom these words are best directed are Hamdi al-Shami, the first deputy minister, because of his energy and concern for the hotel control process.

Egypt is growing in tourism. God has opened the way. There are hotels which I know by name, which, after accepting reservations, say: "Sorry, all rooms are taken." I know a certain hotel out towards the pyramids that put hundreds of its customers in the African Games buildings for the same rate that they had reserved rooms in the hotel. This actually happened.

The same hotel, because it has been turned over to a new owner, says: "Sorry, I don't have any [rooms]."

Through the back door, or under the table, it says: "Maybe, but for such-and-such." There is no commitment.

I say this frankly: "A single tourist who is happy in the land of Egypt can bring ten other tourists. But a single tourist who is tormented in the land of Egypt can drive away 1,000 others."

This is a fact we have to know and memorize well. Yes, the tourism season is splendid. Egypt is in vogue for all the world's tourists; but, God forbid, it could all be lost in the twinkling of an eye. The summit is attainable, but staying on top is hard.

The minister knows this. Hamdi al-Shami knows this. Sayyid Musa knows this. Ahmad Zaki, Anis Salamah, Alhami al-Zayyat, and all members of the chambers of tourism know this. Hence, control is needed before the problems begin.

#### **Problem of One Hotel**

A hotel owner makes an agreement with an international company coming to Egypt for the first time. The hotel is splendid, its site is splendid, and we, i.e., Egypt, need it. Its only problem is getting a garage. World experts come.

They say: "Never mind. The garage can be below street level." They plan, they think, they design, and they draw the first underground garage. It could be a model for Egypt to resolve many of the problems, which personally concern the president, as we all know.

But the tragedy is that the owner of the hotel is unable to find anyone to listen to him. How, by God, are we to try to run, work, or maintain any part of the summit we have reached?

### **Tourist Statistics Discussed by Officials**

92AF0550B London AL-HAYAH in Arabic 28 Jan 92  
p 11

[Article: "Egypt Loses Half Million Tourists Due to Gulf War, Global Economic Recession"]

[Text] Tourism experts in Egypt describe the last two years in the life of Egyptian tourism as "leap" years that have had a negative impact on Egypt's tourism revenues and have pushed tourism to the bottom of the Egyptian GNP table, which has been suffering from weak incomes deeply shaken by the recent Gulf war.

A report, recently prepared by the Egyptian General Authority for Tourism Invigoration noted that the period from last January to last November witnessed a marked decline in the number of tourists visiting Egypt, about 500,000, that has hurt projected Egyptian tourism revenues to the tune of \$3 billion.

While the official number of tourists for the same period in 1990 amounted to 2.4 million, it was only 1.9 million for the same period last year, with a change in the regions sending tourists to Egypt. The Egyptian Ministry of Tourism is currently trying to restore the proper conditions during the three years of 1992-1994, called the three-year plan, to give a blood transfusion to Egyptian tourism.

This plan, according to Mr. Samir Darwish, director of the Foreign Invigoration Sector of the authority, includes in its first scope the following:

- The shortfall—estimated at about 500,000 tourists and 5 million tourist nights—was caused by the Gulf war which, although it is over, placed the entire Arab region on the brink of a volcano that may erupt at any moment, and, therefore, it is difficult for tourists to go to a place where lava may start gushing at any time.
- The decline in the overall number of tourists from Arab countries, from 1 million in the aforementioned period in 1990 until the same period last year, has raised major concerns among Egyptian tourist circles which have long felt immune to an Arab tourist crisis in Egypt.

It is within this framework that Mr. Samir Darwish also pointed to the slump in the number of tourists visiting Egypt, particularly from Saudi Arabia and Kuwait, compared to a higher number of tourists from Sudan and Libya, who are not considered tourists in the full sense of the word, in terms of money spent and length of stay. While Saudi Arabia registered 197,000 tourists and Kuwait registered 114,000 tourists in 1991, Libya registered 219,000 and Sudan registered 103,000, taking into account the overall drop in the number of Arab tourists visiting Egypt. This means that Arab tourism to Egypt, primarily from Libya and Sudan, is, for the most part, valueless.

With regard to the European-American region, or what is known as the Economic Cooperation District (ECD), it also has undergone a marked change, whereby unified Germany now heads the list of countries in this group exporting tourism to Egypt. With 133,000 tourists visiting Egypt, it has moved to the top of the list that includes Great Britain, France, and Italy. These, together, represent the European countries exporting tourism to Egypt.

The new phenomenon in this regard is the growing number of tourists from Spain, even though it is a tourist-importing country and Egypt's rival in the Mediterranean basin. The number of Spanish tourists visiting Egypt in 1991 was 54,000, compared to 39,000 in 1990, an increase of 14.6 percent.

What is amazing is that the country that has registered the highest rate of increase, 51.3 percent, on the entire Egyptian tourist chart, is Israel. In 1990, 73,000 Israeli tourists came to Egypt, compared to 110,500 in 1990. This is attributable to special factors related to foreign travel agents who include Egypt and Israel on the same tours, starting in Israel and ending in Egypt.

### **Ruling Considerations**

Mr. Darwish said that the three-year plan to stimulate tourism in Egypt is governed by several considerations that influence choosing the appropriate period of time needed to mend the Egyptian tourist structure, because the next three years are the most critical for many of these changes. Moreover, the features of change will start to crystallize as of the mid-nineties in many areas of the world, in such a way as to allow the emergence of the new world order toward the end of this century and the beginning of the next. This will impact on world tourism, at the center of which is Egypt.

Mr. Samir Darwish believes that tangible additions are expected to be made to the Egyptian tourist structure, owing to systematic efforts in the last five years to encourage investments; to achieve tourist growth, which represents a tangible addition to the Egyptian tourist product, and to adopt elaborate and scientific marketing policies. Such additions must be dealt with one at a time, amid the many changes that require special treatment.

He went on to say that, based on these changes and ruling considerations, the Egyptian Ministry of Tourism defined its goals in the three-year plan (1992-1994) as follows:

1. Remove the remaining effects of the Gulf crisis on tourist activity in Egypt by restoring the tourist influx to its pre-crisis level along the following three axes: [as published]

  - Restore the number of incoming visitors, during an agreed-upon period of time, to the highest level attained during the years under comparison. The responsibility for this function is shared by the authority and the business sector.

- The secondary aim is to hasten Egypt's recuperation of its share in this market.
- A longer average stay, which from January to November 1989 amounted to about 8.4 nights; and for the same period in 1990 and 1991, about 7.8 and 7.3 nights, respectively. The fulfillment of this task is entrusted to the travel agencies that must make the plans, and the hotel facilities that they offer commensurate with the level of the services they provide. This includes the Nile steamboat tours.

2. While the objective of eradicating the aftereffects of the Gulf crisis is the primary goal of 1992 as part of the three-year plan, the second 1992 objective is, as Mr. Darwish said, to ensure the greatest success for the ASTA [American Society of Travel Agents] conference, scheduled to be held in Cairo in September 1992. Such a success is represented in:

- Continued coordination with ASTA agencies to urge the largest possible number of members to participate in the conference, and making efforts in European and Arab countries—directly or via Tourism Invigoration offices around the world—to coordinate with district governors to make the necessary contacts with ASTA members to encourage them to participate.
- View the conference as an opportunity to make a strong presentation of Egyptian tourism before the largest American tourist audience. This presentation must be intensive and coupled with concomitant media promotion of the conference, in the American media in particular. This responsibility must be shared by the authority, the media, travel agencies, hotel facilities, public facilities, antiquities and tourist merchandise, tourist guidance, and transportation services of all kinds.

In the course of talking about Egypt's increasingly important role in the international tourist organizations—beginning with the AFTA conference, which was held in Cairo in 1989, in 1990, and then in 1992—it seems logical that the three-year plan's short-term objective include the adoption of the necessary steps to invite the general assembly of the World Tourist Organization to convene in Cairo in 1995. Its next meeting will be held in Indonesia in 1993.

In keeping with the aim of emphasizing Egypt's portrayal as a country capable of hosting conferences, efforts ought to be made to invite travel agency federations and chambers around the world to hold their annual meetings in Egypt, noting that the Spanish Travel Agency Federation plans to hold its annual meeting in Cairo this year, and the Austrian Travel Agency Federation plans to hold its annual 1992 meeting in Alexandria.

Among the chief objectives of the Ministry of Tourism's three-year plan is the special goal of raising the tourist efficiency of six governorates: al-Fayyum, Bani Suwayf, al-Minya, Asyut, Sawhaj, and New Valley [al-Wadi al-Jadid]. The attainment of this goal is basically contingent upon the business sector's conviction that greater development and diversity in the Egyptian tourist

product are essential, and that pressure on traditional areas between Luxor and Aswan should be eased. The Egyptian tourist sector has a stockpile of successful experiences to push a number of governorates into the circle of tourist activity. They are the governorates of North and South Sinai, the Red Sea, and, to a certain extent, [Marsa] Matruh. Attention at the present time is focused on the Siwah Oasis.

Mr. Darwish emphasized that job training shall continue to be the most important goal of any tourist activity at any time. Steps have already been taken to create a training institution with international connections to similar institutions abroad. It may be necessary to hasten the adoption of such steps, so the training institution would be able to begin operations at an appropriate date in 1992, or 1993 at the latest.

The three-year plan's objectives include, as the Egyptian official pointed out, a quantitative goal that could be used as a gauge to measure progress made in the Egyptian tourist business by linking the target activity to the available lodging capacity, which is determined by the existence of 52,000 rooms in operation and 14,000 rooms under construction, which will go into service as they become available over the next two years. Preliminary computations of the target activity are built on the agreed percentage of work completed, ranging between 85 percent, 75 percent, and 65 percent throughout the year. This gives us three alternatives, the lowest of which can be considered the minimum objective that we are seeking to achieve. A simple division of the total number of nights over the average target stay fluctuates between nine, eight, and seven nights, using the minimum level rule.

#### **Supertanker Traffic Traverses Suez Canal**

*92AF0609D Cairo AL-AHRAM AL-DUWALI in Arabic  
3 Mar 92 p 5*

[Article by Muhammad Basha: "Canal Authority Chairman Announces: 'Successful Crossing by First Supertanker Yields \$1 Million in Additional Revenues'"]

[Text] Engineer 'Izzat 'Adil, the Suez Canal Authority chairman, has stated that the authority has successfully piloted the first oil supertanker crossing and that this will have broad reverberations in the international shipping circles. Moreover, the crossing has realized \$1 million in additional revenues for the canal.

'Adil added that the operation started when "Crete," a giant supertanker with a capacity of 237,000 tons, arrived at the Suez Canal's entrance on the Gulf of Suez on 24 February 1992. Shell International requested that the tanker's load be unloaded onto two medium-size tankers, the "Star Hero," which has a capacity of 135,000 tons and the "al-Ma'rufah," which has a

capacity of 140,000 tons. These two tankers had crossed the canal from Port Said to Suez unloaded. The canal agencies were able to successfully unload the supertanker's shipment to the other two tankers, using a petroleum transfer hose tested under atmospheric pressure to ensure the highest degree of safety and to prevent any spillage or pollution, as demanded by regulations of the International Merchant Shipping Chamber.

In this operation, nearly half the cargo of the supertanker "Crete" was transferred to the "Star Hero," the medium-size tanker, which re-crossed the canal with a full load, leaving Suez for Port Sa'id on 27 February and then heading from there to [Trimita], an Italian port. The remainder of the supertanker's shipment was unloaded to the "al-Ma'rufah," which re-crossed the canal with its full load two days ago, leaving Suez for Port Said, from where it will head for the French port of Lavera. The supertanker "Crete" returned to the Arab Gulf empty. Thus, the canal agencies have succeeded in transporting 240,000 tons of oil in an unconventional manner and have realized an additional revenue of \$1 million, representing the fee collected from the two medium-size tankers for their two trips across the canal, once unloaded and once loaded. The canal could only earn this fee in this manner, considering that the supertanker would have had to travel around the Cape of Good Hope because it couldn't cross the canal with its full load.

The operation took three days and was supervised by the authority chairman, who was assisted by Senior Pilot 'Adil 'Abd-al-Salam; Senior Pilot Mustafa Jabir; and rescue, navigational safety, pollution control, and fire-fighting crews to deal with any emergency.

#### **Information Technology Contracts Signed**

*92AF0540B London AL-SHARQ AL-AWSAT in Arabic  
21 Feb 92 p 10*

[Article by Mustafa 'Abd-al-'Al]

[Text] This year Egypt is witnessing the implementation of a set of investments in the field of information technology in Egypt and the Arab region. The value of the investments is expected to be \$10 billion.

Saudi Arabia ranks first in implementing these investments, with 35 percent; followed by Egypt with 25 percent, then the rest of the Gulf states and Tunisia.

In a related item, last week three information technology agreements were signed in Cairo. The first agreement was concluded between Automation Co. of Egypt and Poul Co. of France, ranked second in Europe, giving the Egyptian company the right to use Poul's French trademark on all programs produced with its knowledge, and may be marketed in Egypt and the Arab region. The French firm obtains the same concession with regard to Automation's products, which are distributed with its knowledge in Europe. The second agreement, also signed by Automation, was concluded with the American company B.I.C., granting the Egyptian firm the right to distribute the American firm's products in Egypt and the

Middle East, in return for the American firm's distribution of Automation's products in eastern Europe and America. Dr. Mahmud al-Dassuqi, president of Automation, said that this year would witness the opening of the first branch of a computer company in Egypt in 30 years, which would belong to the French company, Poul, which had earmarked \$20 million for this purpose. This was with the knowledge of Automation, which would constitute the third agreement.

Dr. Dassuqi added that total Arab investments in information technology are considered to conform to the growth of international investments in the field. He pointed out that worldwide investment in the field of information technology would amount to about \$400 billion through the end of 1997. America, Japan, and France led the way with similar shares, followed by the rest of the countries of Europe, then the Arab world.

He said that Egypt was investing .25 percent of its national income in the field of information technology, while average world share in the field is more than 3 percent. He explained that the company will open new branches in some Arab and African countries, such as Libya, Syria, and Qatar; in addition to its branches in Saudi Arabia, Yemen, Tunisia, the United States, and some European countries.

#### **Experts Discuss Increases in Energy Consumption**

*92AF0549A London AL-SHARQ AL-AWSAT in Arabic  
11 Feb 92 p 11*

[Text] Cairo—Egypt faces the threat of being transformed into an oil-importing country in several years if its energy consumption continues to grow at the present rate. Statistics show that domestic consumption of energy materials is 64 percent higher in Egypt than in countries with similar incomes and growth rates. The government is thus advocating greater efforts to control consumption. Dr. Faruq Qinnawi, the president of Bala'im Oil Company, stated that Egypt's petroleum reserve is estimated at about 6 billion barrels of oil and gas, and that domestic consumption is increasing by 9 percent annually. This increase is cutting into the results expected from new discoveries and from the use of new technologies to control energy use. In addition, other energy sources are not expected to increase the amount of energy available for consumption in the near future. He called for regulating energy-consuming projects and for good energy-consumption planning when new factories are built to prevent consumption from outstripping production.

Dr. 'Adil Sulayman, the head of the al-Tabyin Institute for Cooperative Studies, stated that about 23 million tons of oil, 15 million tons of gas, 1.4 million tons of coal, and about 7,126 megawatts of electricity from the Aswan reservoir and falls are expected to be consumed through 2005. Given the 9-percent annual increase in energy consumption, demand will outstrip supply. Therefore, the efficiency of industrial organizations must be improved, and efforts must be made to make an appropriate decision regarding nuclear power plants.

The modernization of factories and the introduction of new technology are also needed.

He said that energy worth 30 million Egyptian pounds was saved in numerous projects as part of an energy-saving project supervised by the al-Tabyin Institute, in cooperation with UNIDO [United Nations Industrial Development Organization]. This savings was achieved through the domestic processing of fuels, the use of thermal alternatives in Egypt, and the control of combustion in the copper factories, the al-Nasr Glass Industries Company, and the Steel Company. Efforts involving introducing new, imported technologies and equipment to different factories are also being made in six other energy conservation projects. The cost of this equipment and technology will be recovered after they yield a suitable return. Dr. 'Adil Sulayman stated that energy consumption can best be controlled by focusing on energy consumption in state facilities and by changing policies to promote conservation. He added that control methods include the regulation of energy affairs, thermal recovery, the improvement of the power and thermal insulation coefficient, and high-efficiency lighting. Dr. Sayyid 'Awad, a professor in Cairo University's School of Engineering, stressed the need to utilize the energy emitted in smokestack exhaust, and to control the air entering furnaces. He cited a study conducted by a factory in Suez showing that energy worth 55 million pounds is lost in the atmosphere. This loss can be remedied with a device costing no more than 1,000 pounds. It is also necessary to make an appropriate decision on nuclear energy and to avoid being alarmed by the accidents that occur. Countries less developed than ours have made great progress in this regard, and nuclear energy accounts for 60 percent of all energy worldwide.

### Protectionism Supports Ceramics Industries

92AF0540D London AL-SHARQ AL-AWSAT in Arabic  
29 Feb p 10

[Text] Cairo—Ceramics producers in Egypt are demanding the imposition of high customs duties on imported foreign products to protect local production, which is monopolized by nine large investment companies. They produce 25 million cubic meters [ $m^3$ ] annually, worth 1 billion Egyptian pounds.

Producers say that, even though local factories have strengthened their sales in Egypt and the Arab countries, the development of this sector depends on protection from mounting competition from foreign production, especially in light of the rising cost of local production. The governments of exporting countries, such as Spain and Italy, engage in export support for ceramics at rates as high as 25 percent.

About 20,000 workers work in Egypt's ceramics manufacturing companies, whose total capital is about 200 million pounds. They are: Egyptian-Lebanese Porcelain Tiles Company, with a capital of 60 million pounds, producing 25,000 tons of sanitary fixtures, about 4 million  $m^3$  of wall ceramics, and 2.5 million  $m^3$  of floor

tiles, with annual sales of about 180 million pounds. It exports 20 percent of its production to the Arab countries, Africa, and some European countries.

The Arab Ceramic Company, "Aracemco," produces about 3 million  $m^3$  per year. "Cleopatra Ceramica" produces about 2 million  $m^3$ , and the Egyptian-American Company for the Production of Sanitary Fixtures, "Ideal Standard," produces about 1 million  $m^3$ . The Arab Company for Ceramic Products, "Kipco," produces 1 million  $m^3$ , the Egypt International Ceramics Company produces about 2 million  $m^3$ , al-Jawharah Ceramics produces 1 million  $m^3$ , Pharaohs' Ceramics produces 1.5 million  $m^3$ , and the National [al-Ahali] Company produces nearly 900,000  $m^3$  annually.

Rifat al-Ansari, Chairman of the Board of Directors of the Arab Ceramic Company, "Aracemco," confirms that Egyptian ceramic production has reached a very advanced stage, enabling it to compete in terms of quality, but some countries take part in supporting their export-bound production by about 25 percent of the price, especially Italy and Spain, which reduces the equality of opportunity between the Egyptian producer and the importer.

In addition, the factories in those countries enjoy high-volume production, which permits them to lower the final price of their products, and to change production models annually, leading to large stocks that they try to market and export, even at cost.

Rifat al-Ansari adds that if the Egyptian Government wanted to encourage exports, it would have to join the exporters and producers, and support Egyptian exports to enable them to withstand foreign competition. He pointed out that this support could take several forms, chiefly the granting of customs exemptions for imported production requirements and spare parts, which sometimes amount to 30 percent of production costs. It could take exceptional measures for shipping costs to the countries in which Egyptian exporters find strong competition, thus easing the final export costs and creating an incentive for producers to turn to overseas markets.

Al-Ansari also called for an increase in customs on ceramics imported from abroad, so that customs prices would be prohibitive, allowing introduction of only luxury products not manufactured in Egypt.

### Study Projects Future Water Needs

92AF0548C London AL-HAWADITH in Arabic  
22 Jan 92 p 11

[Article: "Egyptian Agriculture Needs Additional 12.7 Billion Cubic Meters of Water by the Year 2000"]

[Text] Cairo—Egypt annually consumes 60 billion cubic meters [ $m^3$ ] of Nile water, agricultural waste water, and groundwater. With population increase and agricultural and housing development, it will need 72.7 billion  $m^3$  of water in the year 2000.

According to the most recent report prepared by the Ministry of Public Works and Water Resources, confronting this situation will require better use of Egypt's share of Nile water, rated at 55.5 billion m<sup>3</sup> per year, reuse of agricultural waste water, and implementation of projects to reduce the loss of Nile water, an estimated 13 billion m<sup>3</sup> of which drain into the Mediterranean annually.

Engineer Muhammad Qutb Nasr, first undersecretary of the Ministry of Public Works, said: "Agriculture alone consumes 33.7 billion m<sup>3</sup> of Nile water per year. This calls for changing the crop profile to reduce crops that consume water lavishly, such as rice and sugar cane, and expand crops with less water consumption and greater yield."

Statistics indicate that rice, grown on an area of 700,000 feddans, consumes 18 percent of the Nile water allocated to agriculture. A single feddan planted in sugar cane consumes more than 12,000 m<sup>3</sup> of water per year.

This situation has led experts in the Center for Agricultural Research to develop new varieties of wheat, rice, and corn that consume less water. They have used genetic engineering to obtain varieties of wheat and barley more resistant to salinity, which means that their growth can be extended to the salt-affected lands that parallel 30 percent of the total cultivated land area.

Dr. Mahmud Abu-Zayd, head of the Center for Water Research in Egypt, says, "Egypt must arrange for an additional 12.7 billion m<sup>3</sup> of water before the year 2000 if it is to continue the projects of agricultural and housing expansion needed to catch up with the population increase."

#### Groundwater

On the other hand, it is necessary to draw from groundwater in the Nile valley and delta, as well as use ground reserves under New Valley [al-Wadi al-Jadid] in order to be able to exploit .25 million feddans of arable land in the west [Jabal] al-Uwaynat area.

Experts are asking for an increase in the amount of agricultural waste water that is reused in the delta and al-Fayyum for agricultural purposes. Nile water that flows into the Mediterranean should be stored in lakes [Buhayrat] al-Manzilah and [Buhayrat] Burullus. Possible conversion of these two lakes into freshwater bodies in the near future is now the subject of study.

In a related area, studies call for the need to improve irrigation systems at the rate of 100,000 feddans a year in order to control irrigation loss, which is estimated at 25 percent of the water allocated to agriculture.

Dr. Muhammad Abu-Mandur, head of the economics department in the Agricultural College, says: "Work on the Jonglei Canal [in Sudan] must be completed so as to make use of the water lost in the marshes. The civil war in the south of Sudan brought the project to a halt in 1984, despite the fact that it will save 4 billion m<sup>3</sup> of water, to be divided equally between Egypt and Sudan."

Statistics show that Egypt's agricultural area has not registered an increase paralleling the population increase during the last 93 years. The agricultural area in 1897 was about 5.1 million feddans; the population at that date was no more than 9.5 million. Now, at the beginning of 1992, the agricultural area is no more than 7.4 million feddans, while the population has jumped to 56.6 million. This situation proves the need to arrange for the water resources needed for drinking, agriculture, and industry. These needs will be an estimated 72.7 billion m<sup>3</sup> of water in the year 2000, when the population of Egypt will exceed 70 million.

#### Consumption Outpaces Wheat Production

92AF0540C London AL-SHARQ AL-AWSAT in Arabic  
3 Feb 92 p 10

[Article by Sahar Fawzi]

[Text] Cairo—The rapid increases in Egypt's wheat consumption in the last few years has endangered hopes of realizing self-sufficiency, despite government efforts to decrease imports and increase local production by broadening wheat cultivation to cover nearly 2 million feddans in 1991.

At a time when production has risen nearly a million tons in the last three years, consumption has increased sharply, to 10.8 million tons last year, after the volume of individual consumption has jumped to 200 kg annually, one of the world's highest averages.

Dr. 'Abd-al-Ma'bud 'Abd-al-Shafi, of the Research Institute for Field Crops, thinks that the rise in consumption is the problem hindering the achievement of self-sufficiency in wheat and the drop in the level of imports; average individual consumption of wheat has risen from 186 kilograms in 1981 to 200 kilograms per year now, which is impeding efforts to increase the level of self-sufficiency annually, and limit imports.

He said that the government has sought to increase production with horizontal and vertical expansion to supply consumption needs and to limit imports. The Ministry of Agriculture has provided improved seed to plant 2 million feddans of cultivated land this season, and is exerting efforts to raise average yield per feddan to boost total wheat production.

He confirmed that the steadily increasing rise in wheat production had played a part in lowering imports from abroad, from 7,252,000 tons in 1986-1987 to 5,820,000 tons in 1990-1991.

Engineer Muhammad Fawzi 'Abd-al-Qadir, Director of the Central Administration for Seed in the Egyptian Ministry of Agriculture, adds that the rains that fell in torrents this winter benefitted wheat cultivation, and put an end to the "mann" insect [aphids], which generally appears in this period.

He confirmed that the strategic warehoused reserve of wheat had increased to cover needs through next June, and that an agreement had been made to import 6

million tons of wheat, with large incentives offered to meet the needs of the local market.

He explained that 1991 statistics indicated a rise in average consumption of 10.8 million tons.

Dr. 'Abd-al-Salam Jum'ah, the Agriculture Ministry advisor, adds that efforts were made to encourage the cultivation of wheat by lowering seed prices to 120 Egyptian pounds, instead of 157 pounds, and by increasing the import price of wheat to 75 pounds as an incentive to farmers. The area of cultivated land in Aswan increased by 3,000 feddans.

Jum'ah adds that production last season amounted to only 4.8 million tons because of unfavorable climatic conditions, while the Ministry of Agriculture had planned to achieve production of 5.5 million tons after a substantial increase in per-feddan yield.

He confirmed that Egypt was certainly capable of achieving production of 5.5 million tons after an increase in cultivated area of nearly 150,000 feddans, though he warned of the effects of increases in consumption rates.

He said that the volume of imports in 1989-1990 reached 7.574 million [tons], while production was no more than 4.26 million tons, and consumption 11.794 million tons, a sign of the gravity of the situation, should consumption continue this way.

He called for the necessity of limiting consumption, because its continued escalation at current levels would put an end to development efforts one by one, lead to increased imports, and upset the balance of payments.

### **Increase in Potato Exports Projected**

92AF0540A London AL-HAYAH in Arabic 1 Feb 92 p 5

[Article by 'Abd-al-Hakim al-Sayyid: "Preparing for Competition After European Unification, Egypt Seeks To Increase Potato Exports"]

[Text] Egypt is seeking to increase the export capacity of its potato crop, called "the senior crop" because it occupies third place among Egypt's crop exports, after cotton and citrus fruits. Egyptian potato exports in 1990 were nearly 206,000 tons, a 47-percent increase over 1989, at a total value of more than \$75 million.

The Egyptian Ministry of Agriculture is currently preparing a plan to increase local potato production, 1,738 tons, to cover local consumption, which is rising due to a higher individual share, from about 17 kg in 1980 to 19 kg in 1991, and because of the increase in indirect demand in the cornstarch and potato chip industries, with a negative effect on this crop's exports; about 5 percent from the plan's goal.

The proposed project intends to boost potato fields from 191,000 to 215,000 feddans as a first phase in decreasing production costs for this crop, with local seed production to take the place of high-priced imports, and to increase local seed production to 35,000 tons. It is expected to

increase to 50,000 tons, to provide seed in appropriate quantities, prices, and varieties.

Dr. Muhammad al-Baltagi, Egypt's Deputy Minister of Agriculture, indicates that the total area planted with the crop in the 1991 Nile season and summer season was nearly 191,000 feddans, an increase of 4 percent over the preceding year. Total local production reached 1,738 tons, a 5-percent increase over 1990, with nearly 76,625 feddans planted with the summer variety, representing 37.6 percent of total cultivated land, an increase of 8.7 percent over 1990. Production was 760,000 tons, an increase of 20,000 tons over 1990. With the Nile season, cultivated area is nearly 114,068 feddans, a drop of 4.2 percent from 1990, with production of 966,000 tons.

Potato cultivation is concentrated in the governorate of al-Buhayrah, followed by al-Minufiyah, then al-Gharbiyah, al-Jizah, al-Daqahliyah, al-Qalyubiyah, al-Minya, and Alexandria. Total cultivated area in these governorates is nearly 95 percent of land planted with potatoes in Egypt.

There are as many as 20 varieties cultivated in Egypt, but there are six widely-cultivated varieties: Asponta, Dabmont, Cara, Kimling Edward, and Alpha, followed, in terms of area, by Baraka and Kilodia.

The governorates of al-Buhayrah, al-Minufiyah, and al-Gharbiyah are noted for cultivating the red varieties exported to Britain: Cara and Kimling, in addition to the varieties of white potatoes.

Reports by the General Society of Potato Producers note that Egyptian seed imports necessary for summer cultivation were 26,000 tons in 1991; the national project to produce seed potatoes locally has reached, as of this planting season, nearly 27,500 tons during the same year, and it is expected that summer seed imports for 1992 will amount to 20,000 [tons] to cover the area intended for its cultivation.

The price per ton of summer seed for the various locally-produced varieties is nearly 800 Egyptian pounds for the Asponta, and 590 pounds for the rest of the varieties. Regarding the Nile planting season, the total cost per feddan is estimated at approximately 1,700 pounds, in light of the rise in seed prices.

Total Egyptian exports of the various varieties were nearly 206,000 tons, a 47-percent increase over 1989, with about 47 percent going to the United Kingdom, 36 percent to the rest of the European countries, and 17 percent to the Arab countries.

Agricultural experts and producers are demanding incentives for producers and exporters by adjusting the "outset price," which is the export price, to confront the anticipated competition against Egyptian exports from the unified Europe by the end of 1992. Dr. Muhammad Abu-Mandur, Director of the Center for Agricultural Economic Studies, has recommended opening new markets in the Arab and African countries for this important Egyptian crop.

### Coal Project Begins Operations

92AF0549D London AL-SHARQ AL-AWSAT in Arabic  
22 Feb 92 p 10

[Text] Cairo—A new coal-mining project in Egypt costing 5 million pounds sterling will begin producing coal in late 1992 for use in power plants.

An official of the Mining Resource Company said that the project will provide Egypt with \$42 million per year, which is the value of its production, in addition to \$14 million, which is what Egypt pays annually to import 182,000 tons of diesel oil to operate power plants.

The project's geological reserve totals about 57 million tons of coal. Initially, 197,000 tons of coal will be produced [annually]. Production will increase gradually to 600,000 tons in 1996.

Work on the project began in 1966, then was suspended in 1967 after Israel occupied the Sinai. Before then, the main underground passages and roads, as well as surface installations and facilities, including workshops, a power station, and dwellings, had been built. However, most of these facilities were destroyed during the occupation. This project is considered a major contribution to the development of north-central Sinai. It is the largest coal production project in the Middle East. A complete residential city is now being built to accommodate the nearly 650,000 workers who will be absorbed by this project.

### Sinai Military Exercise Reviewed

92AF0608A Cairo AKHIR SA'AH in Arabic  
4 Mar 92 p 6

[Article by Faruq al-Shadhili: "Exercise Sinai-92 and What It Signifies"]

[Text] Why has the major exercise of the Second Field Army been called Sinai-92? What is new in the tactics used and in the main weapons, in the new support weapons, and in the other weapons that have been developed, so that maximum benefit can be derived from them and so that the gap between the old and the new can be narrowed? Defense Minister Gen. Muhammad Husayn Tantawi has said: "We must counter the amazing development in armament by acquiring modern weapons."

He also said: "We develop the old weapons we possess in order to derive maximum benefit from them. The latest exercise has confirmed that good training means absorbing the weapon. There is no such a thing as eastern technology and western technology because the technological level is the same. What is important is how we use a weapon in an efficient and effective manner. There is no country in the world that has as great a modern war experience as Egypt, which has gained numerous experiences as a result of the October 1973 war and the Kuwait liberation war."

The Sinai-92 exercise has been one of the operational training exercises planned to enhance the combat capability of the Egyptian Armed Forces so that they will be prepared and able to carry out any missions demanded of them. The exercise has been two-sided: The first side represents the defense force and the second represents the offensive force.

Live ammunition was used in all kinds of weapons to train the forces in actual battle conditions, to train commanders on managing a combined-arms battle normal battle conditions, and to train junior commanders in quick decisionmaking according to the progress of the battle, and to react in record time.

Defense Minister Gen. Muhammad Husayn Tantawi is a field commander who has waged battles and gained long experience in them. Even when he was chief of the Operations Staff and took part in the planning and execution of the Kuwait battle, he asked the fighters to carry out a rapid [deployment] mission which he had defined for them in order to find out their ability to shift from defense to offense and vice versa in record time, and in accordance with any missions given them during the course of the battle. The level of performance and accomplishment confirmed the high combat capability and capacity of all members of the force which took part in the exercise.

#### Three Stages of the Exercise

Exercise Sinai-92 included three stages, one of which was attended by Chief of Staff Lt. Gen. Salah Halabi who personally observed the degree to which the support

weapons cooperated with the main force conducting the exercise. He also familiarized himself with the combat capability of these elements and with how promptly they respond to any emergency and rapid-deployment missions in the theatre of operations. Moreover, he familiarized himself with the degree of their cooperation with other weapons in an integrated execution of plans.

The chief of staff spent an entire day with these forces to find out how combat operations proceed under various weather conditions, especially since a large part of the exercise was carried out under unexpected bad weather conditions. The men continued to perform their set and planned role without any change. This is the quality of the Egyptian combat soldier, who is eager to perform his full duty in defending the homeland and confronting all eventualities under any circumstances.

#### Commander With Troops

In the stage witnessed by the defense minister and a large number of commanders, Gen. Tantawi was eager to be among the troops inside their positions in order to follow up on the instructions issued to them and how they were implemented. He was also eager to discuss with junior commanders the decisions they made to confront the situations that imposed themselves in the theater of operations. He even assigned them emergency missions to discover what decisions they would make.

The purpose of the on-the-spot observation by the defense minister and the chief of staff was to determine to what degree lessons learned from the Kuwait liberation war were applied, especially regarding missions carried out by small units in field battles to move forces, either within the context of deception operations or to occupy positions and to stage from vacant areas in the theatre of operations, to manage day and night combat operations under any conditions, and to deal with fortifications in the battlefield—both defensive fortifications and fortifications intended to impede the advance of forces. This is in addition to determining what was learned from the October War.

#### Red and Blue Sides

The exercise was staged by an armored brigade of Second Field Army formations, supported by elements of the field artillery, electronic warfare, engineers, air defense, air forces, and paratroops. Care was taken to select for the exercise a theatre with conditions similar to those of a battlefield, namely a valley located amidst a number of strategic hills overlooking it.

The exercise scenario included combat operations between two sides: a blue side representing the hostile force, and a red side. The exercise began with an air raid by F-16 aircraft belonging to the blue side against the command centers and some troops in formations belonging to the red side.

The assault included the use of surface-to-surface missiles against the red side's position and landing of paratroopers to carry out sabotage operations.

At mid-day, the red forces commander decided to send his armored and mechanized detachments forward to quickly destroy the blue side's forces. The mechanized unit of an armored brigade moved very quickly, exploiting the nature of the terrain and support from the air forces to enter into frontal combat with the hostile armored brigade and to isolate it from the battlefield in order to deprive its forward forces of combat support.

The emergency mission with which Gen. Tantawi entrusted the armored brigade had a great impact on this brigade's success in outflanking the other side's forces. This outflanking had the greatest effect on enabling this brigade's forces, with support from artillery fire, to successfully destroy the hostile armored brigade's forces, as well as the main hostile force, before late afternoon.

The armored brigade then took its combat operations deep into the hostile forces to destroy their artillery before 2200. The combat continued into the night, and the blue side decided to quickly send other units from the deep rear to attack vital targets, to facilitate its forces' retreat after its offensive failed. But the red side's commander was alert to this move. Thus, he instructed the armored brigade to seize a mountain pass deep in the battlefield in order to prevent the hostile side from seizing it. By 1000 in the morning, the brigade succeeded in seizing the pass after shelling it.

#### **Egyptian Technological Thinking**

Egyptian technological thinking was one of the distinguishing features of exercise Sinai-92. This thinking was reflected in its development of eastern weapons to derive maximum benefit from their armor and heavy fire. It has added to these weapons sophisticated equipment that enhances their maneuverability and accuracy in precise targetting. The eastern T-55 tank—developed with Egyptian ideas by replacing its gun with an Egyptian-made 105-mm gun to enhance its combat capability, and fitted with targetting and night-vision equipment to enable it to hit its target accurately and be able to engage in night combat operations—figured in the exercise.

The RPV [remotely piloted vehicle], a sophisticated drone, was also used to provide field commanders with data at extraordinary speed, thus enabling them to use forces properly and to make the appropriate decision.

This was an exercise that carried no directed messages. Maj. Gen. Majdi Hatatah, commander of the Second Army, emphasized that it had been planned some time ago, and that it is not tied to any current or future developments. The Second Army prepares all its troops and units to be prepared for any mission, considering that the Egyptian Armed Forces are the shield of security and safety.

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