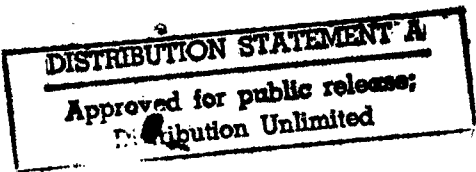


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Near East & South Asia



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REGIONAL AFFAIRS

Article Says Al-Mahdi Only Cause of Egypt-Sudan Tension

45040278a *London AL-TADAMUN in Arabic*
20 Mar 89 p 18

[Article by Ihsan Bakr]

[Text] Disagreements between Cairo and Khartoum have exploded, and the cause is none other than al-Sadiq al-Mahdi, as if it is not enough that Sudan's conditions have sharply deteriorated in recent months from a strangling economic crisis which is bringing the specter of famine and bankruptcy to the country; deteriorating security conditions; sharp disagreements between parties, organizations and unions; military militias associated with the parties which parallel and compete with the work of the armed forces; active religious groups moving in every direction; the interventions of specific capitals well-known to Sudanese domestic public opinion, whose only concern is to control Sudan's resources; and the daily human losses in the insane war in southern Sudan.

As if all of these strangling problems were not enough for Sudan, fabricated problems between the governments and peoples of Sudan and Egypt are once again erupting.

All those observing developments in Khartoum have known that a silent crisis between Egypt and Sudan has been going on for many months.

Actually, the crisis is not so much a crisis between Sudan and Egypt, or between the Sudanese and Egyptian governments, as it is a crisis of personal trust between Ummah Party leader al-Sadiq al-Mahdi and the Egyptian regime, whatever this regime may be. All Egyptians know this completely. Egypt has attempted many times to firstly appease al-Sadiq personally and secondly, to put an end to some of the ideas that he presents in statements before his special councils, trying to turn them away from Egypt, and what he calls Egypt's ambitions in Sudan.

Ever since al-Sadiq al-Mahdi came to power and assumed the premiership, he has not concealed the truth of his feelings toward Egypt. It seems that the Ummah party's "complex" [quotation marks as published] toward Egypt has continued to control Sadiq al-Mahdi's thinking and is reflected in his behavior. Since the era of the monarchy—in which the king of Egypt was called the king of Egypt and Sudan—and following Sudan's independence, the Ummah Party and the men of al-Mahdi family—whom many Egyptians greatly respect—have continued to view relations with Cairo with caution. Moreover, the British occupation of Egypt and Sudan also nourished and cultivated a tendency toward separation between the Ummah Party and Egypt.

No one in Egypt snubs al-Sadiq al-Mahdi. He is one of the most shrewd and capable of Sudanese politicians. No one in Egypt spurns al-Sadiq's nationalism or ignores the

fact that he came to power as the result of a free, popular election. He is a popular leader with ability and influence. All Egyptians are aware of this. Egyptians also know, however, that al-Sadiq al-Mahdi is not the only leader of Sudan and that Cairo's relations with Khartoum, in terms of history, fate and geography, transcend particular parties or factions. For these relations are based on the two peoples' shared destiny, their linked interests, their long common border and the fact that they are connected by the Nile River. Therefore, relations cannot be subject to the whims of a particular leader, regardless of his ability or standing.

If al-Sadiq al-Mahdi has influence and respect inside and outside Sudan, what does this influence and respect do for him? Influence cannot be a substitute for everlasting relations between the two peoples in the north and south of the Nile Valley.

No regime in Egypt can permit itself or another to spoil its relations with its brother in the south of the valley. When Egypt deals with the leaders of Sudan, it does so from a position of responsibility and partnership, not on the basis of a party position or a narrow factional viewpoint.

Egypt acknowledges al-Sadiq al-Mahdi's shrewdness and intelligence, and is not ignorant of his ambitions. However, it seems that this time—in this phase in which all of Sudan is facing fateful moments—his ambitions surpass his personal abilities and the abilities of his party.

We do not reproach al-Sadiq al-Mahdi for obtaining power in popular free elections. We are proud of this. In his meetings, the man puts forth the slogan: "Relations with Egypt must be reassessed." Egypt did not object because it knows that Egyptian-Sudanese relations are stronger and more firm than the schemes and ambitions of any Sudanese or Egyptian leader, whoever he may be. But it seems that al-Sadiq al-Mahdi went from reassessing relations with Cairo to restricting them. This was the start of the crisis.

Actually, President Mubarak gave well-defined instructions to his senior officials to deal with an open heart with al-Sadiq al-Mahdi and to respond to all of his requests, as long as they serve the interests of Sudan. If the "Sudanese affair" was an internal issue, the "Egyptian affair" is an internal Egyptian issue, and Egyptian-Sudanese relations must be enveloped by care and support. Sudan cannot dispense with Egypt, nor can Egypt dispense with Sudan. Relations between the two countries and two peoples are too substantive to be shaken by a crisis or to be carried away by the plans of a specific party at a specific time.

These were the directives given by President Mubarak to Egyptian officials with respect to dealing with the "demands" of al-Sadiq.

Al-Sadiq al-Mahdi tried to concoct a crisis between the two countries over the presence of deposed president Ja'far Numayri in Egypt as a political refugee. Al-Sadiq al-Mahdi has made numerous accusations that Egypt "is preparing" Numayri to swoop down on the regime in Sudan. Al-Sadiq does not understand, or he forgets, that no Egyptian regime can accept the handing over of one political refugee.

Thus, Cairo and Egypt will continue to be a refuge and protector of those who knock on its door, provided that they refrain from political activity.

Cairo even agreed to change the integration agreement—signed by Numayri and opposed by al-Sadiq al-Mahdi—into a brotherhood agreement. Al-Sadiq personally formulated the clauses of the agreement, which was announced, but remains merely ink on paper because the leader of the Ummah Party desires neither brotherhood nor an agreement with Cairo.

Since the beginning of events in the south, Egypt has had a defined view that it conveyed to all parties of the regime in Sudan, namely, that a peace agreement must be signed which assures the unity of Sudan's land and people and distances the fire of the civil war from the brother country.

Again, al-Sadiq al-Mahdi desired to use the issue of the south as a pretext to rend his relations with Cairo. Egypt played a role with Ethiopian President Mengistu and with the southern rebels in calming the atmosphere between Ethiopia and Sudan through President Mubarak and Minister of State for Foreign Affairs Dr Butrus Ghali, who played a very distinguished role. Al-Sadiq al-Mahdi has known that Egypt has excellent relations with the Ethiopian regime and special relations with the inhabitants of the south, just as it has with the inhabitants of the north. Egypt used all of its abilities to make peace between the warring parties. Muhammad 'Uthman al-Mirghani, the Sudanese state council chairman, was able to ratify a peace agreement with the Sudanese [People's] Liberation Movement under the leadership of Garang. However, because the Democratic Unionist Party [DUP] were the ones who reached the peace agreement, al-Sadiq al-Mahdi refused to approve it, and the crisis exploded. Al-Sadiq, moreover, hastened to accuse Egypt of not helping Sudan.

Uncustomarily, President Mubarak was unable to calmly bear the unjust accusations made by al-Sadiq al-Mahdi. Immediately upon his return to Cairo from Kuwait, Mubarak clearly stated at the Cairo Airport that Egypt had supported Sudan regarding its food problem, that the Sudanese people and its armed forces are well aware of this, and that Egypt has striven to make peace between Sudan and Ethiopia, but when the DUP reached a peace agreement with southern Sudan, the Ummah party wrecked it. President Mubarak stated clearly to al-Mahdi, and as good as warned him, "that Egypt will not remain neutral regarding the problem of the south, and

we in Egypt are not disposed to al-Sadiq al-Mahdi hanging his rack of problems on Egypt."

The silent crisis exploded, and al-Sadiq al-Mahdi resumed his vindictive statements—which time has overturned and discredited—when he claimed "that Egypt has always proven its lack of understanding of Sudan and its people."

Thus, in one expression, whose essential meaning is absolutely clear, al-Sadiq al-Mahdi accused Egypt of always proving its lack of understanding of Sudan and its people. He then replayed the tune that he is the president of a government freely elected by the people without pressure, and that he represents the will of the nation.

Events degenerated, and the DUP issued a strongly worded statement demanding that al-Sadiq al-Mahdi submit an official written apology for insulting Egypt and the DUP.

Thus, Sudan reached the peak of the crisis, reaching a state tantamount to living on top of a group of exploding mines. This was indicated by the leadership of the Sudanese Armed Forces when it literally stated that: "Sudanese national security is threatened by danger; fighting between the parties, lack of a national direction, the economic collapse, the growth of armed militias, the deterioration of security, the outbreaks of war in the south, the breakup of Sudanese society, the outbreaks of armed struggle taking place in Darfur, the collapse of the basic structures of the Armed Forces, continual attempts to penetrate the Armed Forces by political parties from inside the country and from abroad, and the division of the internal front." Yes, brother, Sudan has entered the dark tunnel, and the causes are narrow party practices on the part of several of its senior leaders, a torn internal situation which could never endure a political rupture between Cairo and Khartoum, and militias living in the interior that promote narrow party objectives and receive external support, which will never serve the interest of God and Sudan.

Yes, we praise God that al-Sadiq al-Mahdi is the prime minister who was freely elected by the people and who represents the will of his nation. Yes, we also praise God that President Mubarak, the president of the Egyptian Arab Republic, was freely elected by his people and represents the will of his nation. We here in the northern Nile Valley are not attacking al-Sadiq al-Mahdi, for we realize the true state of his internal problems. However, all that we hope is that his relations with an Arab party will not be at the expense of Sudan's eternal relation with Egypt. All that we hope is that his personal relation with this Arab party will not be at the expense of Sudan's self-interest. The facts of history, geography, proximity and common destiny establish that Sudan's relation with Egypt and Egypt's relation with Sudan are stronger than the plans of any Sudanese or even Egyptian leader, be he a popularly-elected leader, a dictator, or—God forgive us—a party leader.

Al-Sadiq al-Mahdi must try to understand this well. We still do not hold his shrewdness and intelligence against him. The way is still open to correct the mistake. However, persisting in error regarding Egypt, and Sudan for that matter, will expose the entire matter to loss. The people of Sudan will not accept one of its sons, regardless of his stature, if he threatens the relations which govern its fate and future in order to achieve narrow, dubious ambitions.

Finally, the remarks made by the Palestinian leader Yasir Arafat at a meeting, which he held with Egyptian intellectual and party leaders on his recent visit to Egypt, are still reverberating: "We fear that Sudan's fate will become like the fate of Lebanon. We fear that the south of Sudan will be severed from the one homeland. We fear that Sudan will be transformed into "Sudans." We fear that the armed militias in Sudan will become similar to the militias in Lebanon. If, God forbid, that happens, a heavy blow will have been levelled at the heart of the Arab nation. Sudan is experiencing times of trouble. If all national Arab powers do not stand shoulder to shoulder to extricate Sudan from its ordeal, an important Arab and African state will all but vanish from between our hands."

Finally, we wish al-Sadiq al-Mahdi insight and understanding and hope that his decision will be only for the sake of Sudan, its honor, its unity and the defense of its territory, and that it will be above narrow, factional interests. We still have high hopes that al-Sadiq al-Mahdi will rise to the level of the importance of what is happening.

PALESTINIAN AFFAIRS

U.S.-Palestinian Dialogue Discussed

44040369 Nicosia FILASTIN AL-THAWRAH
in Arabic 19 Mar 89 pp 4-5

[Article by Ahmad 'Abd-al-Rahman: "Intifadah Will Continue and Will Triumph"]

[Text] The United States launched its political movement in the Middle East by summoning Israeli Foreign Minister Moshe Arens to Washington to explore the ideas and positions of Shamir's government. Shamir is scheduled to pay an official visit to Washington at the beginning of this coming April.

It was no surprise that disagreement developed between Foreign Minister Arens and Secretary of State Baker as of the moment Arens arrived in Washington. This disagreement is due primarily to the widening gap on the real ground between the Israeli and U.S. visions of the crisis and of its solutions. The Israeli Government has tried to blackmail and pressure the U.S. administration by alleging that the fedayeen operations from South Lebanon are terrorist operations and not self-defense operations, as the Palestinian leadership has stressed in

its response to U.S. State Department Spokesman Richard [as published] Redman who has elaborated in his response to us and who has spoken of the credibility of the PLO and of its leaderships. It has not been difficult for the PLO leadership to declare that no cease-fire agreement has been concluded on the southern front, that what is happening there is a continuation of the effort of the joint Palestinian-Lebanese forces to drive back the Israeli invasion forces which invaded Lebanon in June 1982 and that as of that date, the situation on the southern front has been, in the Palestinian viewpoint, embodied in continuing the war of attrition to drive back the forces of occupation and aggression.

What is significant is that the U.S. State Department has announced through Richard [as published] Redman, its spokesman, that it has decided to hold the second official dialogue session with the PLO this month. The U.S. announcement was issued the moment Arens arrived in the U.S. capital. The main significance of this U.S. announcement on the resumption of dialogue with the PLO is: Moshe Arens has to [as published] raise the issue of severing the U.S. dialogue with the PLO on the agenda of discussions with U.S. Secretary of State James Baker. From the American viewpoint, this dialogue is one of the main factors shaping the U.S. policy in the intifadah [uprising] time and of international consensus behind the PLO.

The Israeli loss is embodied at present in the continuation of the U.S.-Palestinian dialogue. The Israeli Government, headed by Shamir, has to carry to Washington a new plan based on this fact. This is precisely what Moshe Arens has failed to persuade the Bush administration is, from the Israeli viewpoint, futile. James Baker has stated before a congressional subcommittee: An Israeli dialogue with the PLO might be inevitable if Israel truly wants peace.

We are interested in a widening of the disagreement between the Israeli and U.S. positions because Israel's refusal to negotiate with the PLO will then become mere words. Instead of the U.S.-Israeli vision which is founded on abolishing the Palestinian national identity, the U.S. dialogue with the PLO means clearly the presence of an identity, of a territory, of an independent state and of sovereignty as well.

From the Palestinian and Arab standpoint, the U.S. Administration seems, to date, to be very reluctant to set matters aright for Shamir's government. The U.S. statements seem to be very distant from the established international position which seeks a lasting and just solution in the Middle East. The United States is still waging on excluding the Soviet Union, China and West Europe from a solution to the Middle East issue by virtue of the fact that it, the United States, considers this region part of its jurisdiction—a part within the framework of its international strategy.

Because of this consideration, the United States distances itself from, without strongly opposing, the idea of holding an international peace conference. It speaks of steps that must be made through direct negotiation and without an influential international presence so that this conference may not turn into a force pressuring Israel and the U.S. policy.

On the crux of the settlement issue, whose core is the Palestinian issue, the United States still speaks in a vague language, and one needs a dictionary to analyze the riddles and meanings of this language. James Baker's testimony before a congressional committee reveals this U.S. duality. Baker speaks of negotiations with representatives of the occupied territories while declaring that peace may require Israeli talks with the PLO and while the U.S. administration also announces resumption of the dialogue with the PLO.

What is surprising is that some official Israeli proposals, such as the proposals for suspending the intifadah for 6 months or ending it permanently and the proposal for electing representatives of the bank, strip and Jerusalem inhabitants (all under the supervision of the Israeli occupation) find in the U.S. Department of State those who reiterate them as U.S. positions, and perhaps they are actually so. Let us note that many U.S. officials in the successive U.S. administrations view the Middle East and its issue, especially the Palestinian issue, through the Israeli reading, analysis and interest. We must also note that the Reagan administration's announcement of the start of dialogue with the PLO came as a result of the international isolation in which the Reagan administration found itself, considering that 154 countries voted for moving the General Assembly session to Geneva to hear brother Abu 'Ammar's address to the United Nations.

The intrinsic obstacles and hindrances within the U.S. decision-making body are not few, easy or insignificant. They will continue to impede the U.S. decisions and the U.S.-Palestinian dialogue, will not acknowledge to the end the logic or final outcome of this dialogue and will continue to attempt to sabotage this dialogue in order to prevent it from achieving results compatible with the international legitimacy.

Therefore, even though the PLO adheres to the U.S.-Palestinian dialogue, this adherence does not mean that it agrees to the ambiguous and vacillating proposals announced by the U.S. officials.

Within this context, the talk about suspending or pacifying the intifadah in return for the Israeli occupation forces' easing of their iron-fist policy does not reflect a responsible and profound vision of the Palestinian-Israeli conflict. The Palestinian national intifadah is struggling to end the Israeli occupation. So how can one talk of suspending or pacifying the intifadah before the Israeli enemy government acknowledges the defeat of the

occupation plan and the inevitable retreat of the occupation forces from the Palestinian territory?

The intifadah is struggling, striving and offering martyrs to wrench the Palestinian people's right to self-determination. Until "Israel's" government acknowledges this sacred right of the Palestinian people, absolutely no thought can be given to suspending or pacifying the intifadah. Rather, the Palestinian thinking will be entirely focused on escalating and continuing the intifadah until it forces the occupying Israeli enemy to acknowledge the right to self-determination and to the establishment of an independent Palestinian state, with Jerusalem as its capital.

The intifadah is struggling, fighting and offering martyrs, wounded and detainees in order to wrench an Israeli and U.S. recognition of the PLO as the Palestinian people's sole legitimate representative. Without this Israeli and U.S. recognition of the PLO and without holding the international peace conference, how can some U.S. officials think that the intifadah can be pacified by releasing some detainees or by opening schools and universities?

Just to refresh the memory, we would like to remind the new U.S. administration that there is a well-known U.S. precedent embodied in the negotiations while the fighting went on in Vietnam. The Vietnamese Liberation Front refused to stop or ease the fighting before the U.S. administration recognized the Vietnamese people's political objectives, foremost of which was departure of the U.S. forces from Vietnam. It is certain that our Palestinian position is in no way different from the Vietnamese position. This is well-known to the U.S. officials. Time and again, we have conveyed this position to our American visitors who have spoken of temporary solutions as a way toward permanent solutions, keeping in mind that Shamir's government does not view the proposed temporary solutions as an intermediate link leading to the permanent solution. Rather, this government isolates this link and refuses to acknowledge that this intermediate phase must be linked to the final phase.

We believe that it is a waste of time for the Americans to think of temporary solutions whose price is pacification or suspension of the intifadah because it is impossible to think of or even to merely discuss this issue while the occupation forces occupy our Palestinian land and while the Israeli enemy government persists in its policy of oppression, killing and collective punishment, while it refuses to acknowledge its defeat and the defeat of its occupation by the intifadah's might, while it rejects a UN-supervised international conference and while it refuses to acknowledge the Palestinian people's right to self-determination and to the establishment of their independent Palestinian state, with the noble Jerusalem as its capital, on the Arab soil of Palestine.

Despite the intentional U.S. exaggeration of Israel's role in the peace process—an exaggeration which further

complicates the settlement process—we do not share the U.S. Administration's view and we believe that Washington, not Tel Aviv, is the party which has the final say on all issues pertaining to Israel's existence and to Israel's role in war or in achieving peace.

The U.S.-Palestinian dialogue which began in December 1988 has exposed to everybody the Israeli position which is subservient to the U.S. position, not vice versa, despite the strength of the Zionist influence in Washington. Therefore, we say: The decisionmaking is in Washington, not in Tel Aviv. The PLO is not required to respond to the apprehensions and fears of these occupiers who have usurped the land and history and who are attacking our future.

Thanks to the intifadah, new given facts are imposing themselves on the U.S. administration and on all the major powers. These given facts have shifted the U.S. policy from characterizing the PLO as terrorist to opening dialogue with it. These new given facts will lead to U.S. acknowledgment of the independent Palestinian state. This, precisely, is what we seek through the U.S.-Palestinian dialogue.

As for Tel Aviv's government, it is, in our opinion and in reality, nothing but a military general staff that receives its orders from Washington, no more and no less.

Need For Palestinian-U.S. Dialogue, Opposition Described

44040362b Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 1 Apr 89 p 11

[Text] There is opposition to the Palestinian-American dialogue in the Palestinian arena. This opposition is represented by only a minority, most of which resides in Syria and supports Syrian positions regarding a solution. These small cells oppose the dialogue for a number of reasons, the most important of which are as follows:

First: Their resolute belief that the dialogue with the American administration will mean yielding on positions and fixed principles, and that the concession will be great.

Second: Their belief that dialogue by itself will not change the American position of support for the Israeli position in any effective and significant way.

Third: Dialogue in itself causes internal disagreements, is merely a waste of time and effort, and will not result in any Palestinian gain or advantage.

Fourth: It is the desire of this "opposition" that Syria join the peace process and that the Syrian regime and the PLO reach an agreement prior to this dialogue. Of course, this "opposition" wants to continue gaining Syrian friendship and support, especially since it resides in Syrian territory.

Despite this opposition, the dialogue is still continuing, based on the support of a majority in the Palestine National Council. Nonetheless, one asks the question: Will the opposition shift from a verbal to a practical method, or more plainly put, will the opposition attempt to stop this dialogue and how?

Of course, this opposition wishes to stop this dialogue. For this purpose, it is carrying out a series of measures, including:

- Carrying out operations in southern Lebanon with full Syrian backing. These operations pose a danger to this dialogue. Several operations were carried out there, even by non-oppositionists. However, the American administration does not consider them terrorism, as the American secretary of state affirmed.
- The issuance of numerous proclamations internally and externally, in which it attacks the dialogue. It attempts to do this through the Syrian media agencies and the media resources at its disposal.
- Individual activities and actions, which are designed to provoke Israeli leaders and which enter into the scope of "terrorism" according to the American description, such as the assassination of prominent leaders domestically and abroad, or retaliatory attacks, such as attacks against public places in Europe.

However, these are also clear to the American administration and the world, because more than two years ago, the PLO itself announced its rejection of terrorism and the cessation of military operations against Israel outside its borders. Operations occurred, but the Americans paid no attention to them and full responsibility for them was not attributed to the organization. There are numerous examples, including the attack against the synagogue in Istanbul about two years ago.

Political observers emphasized that this opposition will not be able to stop the dialogue in the current period because the American administration realizes that the opposition is not a majority, but a minority that is mostly outside the framework of the organization at present because of its adoption of Syrian positions.

Political observers maintain that such an opposition as this would be a democratic phenomenon in any society and among any people. They add that it will actually serve the dialogue by giving rise to one or all of the following possibilities:

First: It will force the American administration to move quickly to achieve peace in the region, lest the region become controlled by extremism, especially since those carrying out operations in southern Lebanon are Palestinian hardliners.

Second: This type of practical opposition will make a clear statement to the American administration and to American public opinion in general, namely, that the

Palestinian majority wants peace, that there is an opposition, and that any connivance or underhanded dealings regarding the dialogue or letting up on it will be to the advantage of Palestinian extremists. Hence, it is necessary to act in a serious and effective manner to keep the moderate, peaceful majority strong and to achieve something for it. If nothing is achieved, America will be blamed, and will thereby lose its remaining credibility in the Middle East region.

Third: Israeli public opinion will be forced to move and state its piece in support of the peace process, especially since the voices calling for peace in the region have begun to increase in number daily, although this increase is still wanting.

Fourth: The European countries and all interested parties in the world are finding that it is necessary to support the current dialogue between the American administration and the PLO. These parties will attempt to exert every possible effort to develop, strengthen and deepen this dialogue in order to achieve tangible results which serve the peoples in the region, and to curb the spread of extremism, which poses a danger to all peoples of the region and the world, without exception.

It clearly emerges from the foregoing that the continuation of the dialogue is urgently needed at present, and that the opposition—regardless of its conduct, actions or statements—is nevertheless boosting the peace process in an indirect manner. This will have positive results contrary to what this opposition is aiming for or striving to achieve.

“Opposition” does not only mean destruction, because there is also such a thing as constructive opposition. In our society, both types exist. However, regardless of the type of this opposition, it remains a healthy phenomenon and must ultimately pour forth to serve the cause.

Nabulus Notable Interviewed on U.S., Israel, PLO
44040408a Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 22 Apr 89 pp 21-23

[Interview with Sa'id Kan'an by Wafa' al-Bahr; place and date unspecified]

[Text] Sa'id Kan'an, an influential Nabulus businessman, was born in Nabulus in 1940, and obtained a Bachelor's degree in economics from the American University in Beirut in 1963.

He was a member of the Palestine National Council [PNC], and secretary of the Central Committee of Prisoners in Jerusalem until this committee was disbanded.

[AL-BAYADIR AL-SIYASI] conducted the following interview with him:

[AL-BAYADIR AL-SIYASI] The PLO's central council has recently agreed to make chairman Yasir 'Arafat the

president of the Palestinian state. How important is this decision at this stage precisely, and what are its repercussions in the Arab and international spheres?

[Kan'an] It is incomprehensible to proclaim the establishment of a Palestinian state without a president, and who other than Yasir Arafat should be the president of this state?

This leader has shown sincerity, self-sacrifice, wisdom, foresight, extraordinary policy flexibility, and amazing realism in timing and exploiting this flexibility to accommodate any new information or change which might occur in the political arena. Entrusting chairman Arafat with the presidency of the Palestinian state is, in summary, a natural occurrence. The impetus for the entire process was provided by efforts to straighten out matters, facilitate diplomatic activity on the part of the new state's ambassadors and authorized representatives, resolve protocol uncertainties, propel the course of the Palestinian people forward, and give concrete form to the decisions of the PNC on real, international ground. In this regard, our wish is to see our Palestinian passport accepted by the states which have recognized our independence.

[AL-BAYADIR AL-SIYASI] Despite King Husayn's decision to sever his ties with the West Bank, the tune being whistled by the rulers of Israel, headed by Rabin, Shamir and Peres, is that a solution in the region can only be reached through Jordan, and through direct negotiations with Palestinian personalities in the interior. They also maintain that these negotiations must concern the occupied territories, but not all of the territories occupied in 1967. How do you explain that?

[Kan'an] The severing of ties with the West Bank has served the Palestinian cause, and has driven the organized unity of the Palestinian people to a peak. It has also eliminated the delusions of the Labor Party, which was advocating the Jordanian option. King Husayn's decision clarified that there is no option but the Palestinian option.

Of course, Israeli rulers, after being shocked by King Husayn's measure, do not wish to recognize this fact. They are attempting to divide the Palestinians into two peoples in the interior and abroad in order to weaken the people, swallow its rights, and jump on it. The problem, which they have no desire to understand, is that we are one people in the interior and abroad. We have one leadership in which we trust. It is this leadership which represents us, attends to our affairs, and is striving for our future and the achievement of our goals. We have a land which is occupied, and every inch of it is dear to us. No one could act otherwise. Whoever wants true peace must negotiate with the PLO, because it indeed represents us. Everything else is confused dreams. As for the difference between lands and the occupied lands, I maintain that the French text of Security Council Resolution 242 emphasizes all of the occupied lands. We are

not prepared to accept less than what Egypt obtained, which is all the occupied lands.

[AL-BAYADIR AL-SIYASI] It is coming to light that Shamir, in his visit to the United States, attempted to play all the old solutions, albeit under a new guise, and in new terms. Would it be very easy for Shamir to face reality? Will he ever come to believe that the idea of autonomy has died forever?

[Kan'an] Shamir does not offer anything to the Palestinian people out of compassion or beneficence. He is a member of the Israeli school that believes that our country, even the East Bank, is Israeli land, and that we are "guests" in it. It is odd that he bases his thinking and principles on texts from the Torah. We hold the Torah sacred. If we refer to the divine promise—according to the text of the Torah—on which Shamir bases his claims, we find that this text and promise includes the Arabs as well. Thus, in chapter 12 of the Book of Genesis, the text states "I give this land to your progeny," and Ishma'el, may peace be upon him, is also of Abraham's progeny. That is to say that the promise includes the descendants of Yitzhaq, the father of the Jews, and those of Ishma'el, the father of the Arabs. All of the claims made by Shamir and his school are therefore demolished.

In any case, Shamir is not alone in the arena. There are also the Palestinian people, Israeli forces of peace, the Arab nation and international society. They too have cards with which to apply pressure, which we hope they will use skillfully to attain peace. Therefore, Shamir is dreaming when he calls for self-administration, because no one can stop or turn back the hands of time. I ask, will the sacrifices and sufferings of the Palestinian people end with self-administration? Will the administration of international society [as published] accept the distortion and diminution of the great achievements of our people in order to accept this emaciated program?!

[AL-BAYADIR AL-SIYASI] Nonetheless, Shamir is insistent on holding elections in the areas, under the auspices of the occupation, and on applying the idea of autonomy. The U.S. administration agrees with him on this, as indicated by Rabin's call for discussion of his program pertaining to the holding of elections. Are direct negotiations and acceptance of what is being proposed by the Israeli side ultimately the last door on which we must knock, in isolation from the PLO, our sole, legitimate representative?

[Kan'an] Israel negotiates only with the PLO, and through an effective international conference on an equal footing with all parties to the conflict in the region. This matter is settled. It was decided by the PNC. Any talk to the contrary is lost time. Israel must respond to the Palestinian peace initiative announced by chairman Yasir Arafat in Geneva.

[AL-BAYADIR AL-SIYASI] What about the idea of holding elections in the areas under occupation?

[Kan'an] Elections and what Shamir is promoting will be to no avail. The Palestinian position in this respect is quite clear. No Palestinian is prepared to accept the idea of holding elections until after Israel withdraws from all areas which it occupied in 1967, under international supervision and the under the auspices of the PLO, our sole, legitimate representative. Anything else is beating a dead horse. We hope that Shamir will yield his obstinacy, and come to believe in a realistic solution which guarantees the rights of all parties in the region.

[AL-BAYADIR AL-SIYASI] In a recent article in YEDI'OT AHARONOT, Minister-Without-Portfolio 'Ezer Weizmann predicted "that tremendous pressures await Israel; Shamir must define a peace program, because time will not wait. He must move toward negotiations with the PLO." In your opinion, to what extent can a man such as Weizmann influence the course of Israeli policy so that it accepts that there is no alternative to the PLO?

[Kan'an] Weizmann is a historical man. He knows what he is saying. He is perhaps the bravest Israeli politician. He has practiced what he preaches for a long time. He is constantly calling for negotiations with the PLO and is not afraid of anyone. He demonstrates respect for chairman 'Arafat and the belief that "Abu 'Ammar" [Yasir 'Arafat] is a true man of peace. Weizmann has been able to greatly influence a large number of Israeli decision-makers and members of the Knesset, however he has not been able to influence Shamir, and I do not believe that he can do so.

The importance of Weizmann's statements lies in the fact that they are issued from inside the ruling institution in Israel, and rain begins with a drop. I hope that Weizmann will continue along his path, and of course achieve positive results in his efforts, because he is a man who is marching with history. He is devoted to the welfare of his people, to the need for an honorable peace, to an end to the tragedies and bloodshed, and the expectation of a historical settlement between the two peoples.

[AL-BAYADIR AL-SIYASI] How do you view the course of events in the arena? Will Israel be able to block the American-Palestinian dialogue and the Palestinian-European dialogue? What about the neutralization of the Soviet Union in the region?

[Kan'an] Israel is attempting to impede the American-Palestinian dialogue, and there are enormous forces inside America itself, which are trying to sabotage this dialogue. We have seen how these forces attempted to place insuperable obstacles before the (PLO) to weaken it and stop the dialogue. However, the PLO—with earnestness, awareness, patience and reliance on God and our people—has been able to escape from these tricks and ruses. It definitely knows what is in its interest, and it acts with the utmost awareness and responsibility. Regarding the European-Palestinian dialogue, it is a

decided matter. Israel cannot stop it, especially since the European attitude, which was previously diffident, has developed to the point of chairman 'Arafat being invited to visit the capitals of a number of European countries, especially France. We will not forget the role of the Scandinavian countries, especially Sweden, in support of this dialogue, in addition to our Greek, Italian, Spanish and other friends. Nonetheless, we are aware of the limitations of European pressure in the face of the American giant. At the same time, we hope that, with the start of the 1990s, the weight of Europe will be more significant, and its support of us clearer.

Regarding the neutralization of the Soviet Union, this is a great self-deception, for the Soviet Union has always proven itself a sincere, supportive friend of our people. Our people will not forget the friendship of this great friend, and its enormous power, which Israel will not be able to neutralize under any circumstance. In the final analysis, the problem is one of world strategies, international interests, regional considerations, and the exploration of the past and the future. [passage omitted]

[AL-BAYADIR AL-SIYASI] In one of its recent statements, the PLO praised the positive direction being taken by the United States, and the fruitful results of the American-Palestinian dialogue. Do you believe that America has in fact become serious about holding an international conference. What is your appraisal?!

[Kan'an] The American-Palestinian dialogue is not a game. The PLO agreed to American conditions in order to begin the dialogue. We all remember the preconditions of that agreement, which resulted in the start of the dialogue. The important thing in this process is primarily that America recognized the PLO as the sole, legitimate representative of our people. Therefore, it is holding a dialogue with this representative of the Palestinian people.

As is well known, this dialogue began reticently at the level of the American ambassador. It then developed into a discussion of essential issues. Inevitably, it will develop to where the level of representation is higher than that of ambassador. All of this is in our interest and in the interest of our cause. We have now penetrated the American arena, which Israel had monopolized. That in itself is an enormous accomplishment. The American position will hopefully develop into support for an international conference, and compliance with the international demand to hold such a conference. Of course, this is dependent on numerous factors, the foremost of which is continued Palestinian pressure on America through the intifadah [uprising], its responsible positions, Arab and international support in general, and the PLO's awareness of America's well-known carrot-and-stick approach to policy.

[AL-BAYADIR AL-SIYASI] Do you believe that if America were to agree to hold an international conference, it would be held under a brittle umbrella for the purpose of imposing capitulatory solutions aimed at halting the intifadah?

[Kan'an] I believe that the importance of an international conference lies in three main factors:

First: Israel's recognition of the PLO as the sole, legitimate representative of the Palestinian people, and subsequently, its recognition of Palestinian national rights.

Second: The fact that the international conference would be held under the umbrella of UN Resolution 242, would mean approval of Israel's withdrawal from the occupied lands on the basis of land in exchange for peace.

Third: International guarantees for the irreproachability of the conference and its decisions, and the fact that the Arab states will stand together rather than alone, are in our interest. The PLO is of course doubtlessly aware of the objectives of Israel, which desires not peace, but capitulation, inasmuch as it possesses many pressure cards in its hand. [However, in an international conference, international law would not permit that. If only the rulers of Israel would awake from their slumber and delusions, renounce their policy of expansion, settlement, reliance on armed force, violence and denial of others' rights, and march with history for the sake of achieving a just, comprehensive and enduring peace.

[AL-BAYADIR AL-SIYASI] Ten years have passed since the Camp David agreement was signed. What are the repercussions of this agreement vis-a-vis the course of the Arab-Israeli conflict.

[Kan'an] Camp David is a ghost from the past, and an onerous nightmare which has weighed on the Palestinian people for a long time. The intifadah inflicted a blow to the second part of the Camp David accords, which aimed to force us to accept emaciated autonomy, to move away from the PLO, and to split the Palestinian people into two peoples in the interior and abroad.

I have written much about Camp David. I believe that the program has been so saturated with study and research as to become boring. Here, we must emphasize Egypt's official position, which rejects the second part of the Camp David agreement. Egyptian President Mubarak himself stated that the agreement has died after a lengthy funeral. Perhaps this reflects the start of the Arab awakening for which we have waited, and which is still crawling in its cradle unfortunately.

[AL-BAYADIR AL-SIYASI] Do I perceive from your remarks that you are pessimistic and skeptical about the Arab position on the Palestinian problem?

[Kan'an] No, I am optimistic in that preparations are underway to reach a solution to the Palestinian problem, as indicated clearly and substantively by the policy of international unity. Likewise, intra-Palestinian strife has begun to abate, and Arab positions—even if they have not reached the required minimum—have at least stopped hunting the PLO, and have retreated from their narrow regional conflicts. A deep grumbling has begun to

be felt by their people as a result of the "revolutionary fertilization" caused by the intifadah, the absence of a minimum of democracy, and the citizen's need for political and economic security. Therefore, in our opinion, the Arab states have now begun to coalesce in broad economic and political units after feeling the intifadah shake the foundations of their current situations. They are now on the road to creating a more secure, just Arab world, removed from the regional strife which has gnawed at the body of the Arab nation for so long, near to the logic of comprehensive national sovereignty, and far from the regional sovereignty created by the Sykes-Pico agreement of 1916.

It is perhaps no exaggeration to say that the blessed intifadah, the struggles of our people wherever they are, especially in the refugee camps of Lebanon, and the wisdom and wealth of experience of the PLO leadership, have imposed a new situation on the entire Arab, regional and international situation. The positive effects of this new situation, which will appear in the foreseeable future, will compel Israel to comply with international law, which is calling for the convocation of an effective international conference with the participation of all parties to the conflict, including the PLO, which would be on an equal footing with the other parties in a way which guarantees the legitimate, national rights of the Palestinian people in an independent Palestinian state under the leadership of the PLO. [passage omitted]

[AL-BAYADIR AL-SIYASI] It is well known that Syrian-Palestinian relations are still lukewarm. What are the ways and means to restore these relations to their previous state, and what is the importance of these relations vis-a-vis the Palestinian problem?

[Kan'an] Syrian-Palestinian relations are a bleeding wound in the Palestinian side, which must be treated. The Palestinian leadership has attempted repeatedly to stem this bleeding, and to give health to this relation. However, it has always come up against a thick wall. May God bear witness to the fact that our leadership has endured much, and has gone to great lengths to heal this wound. We do not want to pour salt onto this wound. All that we hope is that this relation be restored in the interest of the entire Arab nation, and that the Syrian leadership respond to that, especially since we have recently heard about constructive, fruitful efforts being undertaken with the support and supervision of sister Algeria in this respect. We hope that peace and harmony between us and Syria will be restored, with the understanding that there be respect for the independence of Palestinian decision-making and brotherly, generous dialogue between the Syrian and Palestinian leaders.

[AL-BAYADIR AL-SIYASI] There is movement toward a solution, and the Palestinian people is currently dreaming of peace. Do you believe that we will wait long, on a path filled with programs and initiatives, the application of which is being blocked by many artificial obstacles?

[Kan'an] We are a patient people. We have waited a long time, and we have passed through the darkest of circumstances. However, we have not despaired. We have now reached, praise be to God, a very advanced phase on the road to attaining our objectives. We are presently armed with a great deal of experience. Therefore, I believe that we are now moving on the road to realistic solutions to our problems, although the way is not easy, and filled with thorns. However, God willing, we have come most of the distance. Only a small distance remains, but it is the most difficult part, and is vulnerable to relapse. Nevertheless, I believe that the objective circumstances are now prepared for reaching our goals. We are all full of hope that our fellow Arabs, for whom our reproach has been as great as our expectations of them, will support the progress of this great people, which has stamina and the outstanding ability to endure many a struggle with adversity. As Abu 'Ammar says "the dawn comes inevitably!"

PLO Secretary Interviewed on Formation of Government

44040461 London AL-HAWADITH in Arabic
31 Mar 89 pp 34-35

[Interview with Jamal al-Surani; place and date unspecified]

[Text] Jamal al-Surani, the secretary of the Supreme Executive Committee of the PLO, and the chairman of the legal committee tasked with preparing a formula for the new Palestinian government, stated to AL-HAWADITH that the committee is on the verge of establishing the legal framework for the formation of the provisional government of the state of Palestine. He added that this study will be completed shortly before the end of next week, and that assistance in compiling the study was provided by international legal experts from Arab countries, western Europe, the United States and the Soviet Union, all of whom volunteered their services despite their illustrious reputations in the world of international law.

Al-Surani added: "We have undertaken an interesting legal experiment to establish a new ruling system for the provisional government of a people which has been dismembered for more than 40 years, dispersed under every star, and ruled by numerous regimes, whether enemy regimes, such as Israel, or sister Arab regimes.

"The complete unity of the Palestinian people has been affirmed and made evident in the great intifada [Palestinian uprising], and in international support for the resolutions of the Palestine National Council [PNC]. Despite its dispersion, it is a united people with defined goals and a single leadership, which is something not possessed by many of the world's peoples who live on their own land."

[AL-HAWADITH] What are the features of the coming government?

[Al-Surani] The most important features of this government are contained in the declaration of independence. It will be a democratic, parliamentary government that firmly fixes the principles of complete equality and non-discrimination on the basis of race, color, religion or class. Moreover, it will guarantee fairness, equal opportunity, and freedoms of all types—political, social, and economic freedoms and every type of freedom attained by humanity—in addition to complete adherence to the International Human Rights Proclamation.

Within the framework of political freedoms and plurality are: the freedom to establish parties, associations, and unions, freedom of the press, the right to assemble and demonstrate, etc. It will be a true model of democracy and not a boastful, Nazi democracy as developed by Israel, which has the nerve to proclaim itself an oasis of democracy. The important thing is that the Palestinian people has greatly suffered and been away from its homeland, and has been denied freedoms, the law, and rights. If it reclaims its territory and state, it must practice all of these freedoms. We actually practice them in the framework of the PLO. This can be seen and felt in our national councils and in our institutions. However, we will practice these freedoms in a natural setting, on Palestinian land, after the establishment of a state on Palestinian soil. We will focus intensively on freedom, inasmuch as the Palestinian people has been denied freedom for more than 50 years. We want a free homeland for a free Palestinian people, not a free homeland for an enslaved people.

[AL-HAWADITH] When will the provisional government be announced?

[Al-Surani] The executive committee will make this decision. However, I would like to emphasize that, while our problem is a Palestinian problem, it is also an Arab problem. The establishment of the Zionist entity on Palestinian land was not aimed against the Palestinian people, but the Arab homeland. For Israel, after it occupied Palestine and expelled its people, expelled the Egyptian people and occupied a part of its land. It also expelled the Syrian people and occupied a part of its land, and it expelled the Lebanese people and occupied a part of its land, and it struck Iraq and Tunisia. Thus, the target is the entire Arab homeland and not just the Palestinian people. Hence, the Palestinian concern has become an Arab concern. When we take any step, it is necessary to consult with our Arab brothers, as happened when we issued the three documents in the PNC [Palestine National Council] last 15 November. We consulted with brother kings, presidents and emirs of the Arab states, because the matter does not touch us alone, but touches the Arab nation in general. The Palestinian problem is also a major world concern, whether in the United Nations, the Non-Aligned organization, the Organization for African Unity, the Islamic Conference Organization, the European Common Market, or the socialist states. It is impossible to find any regional or international organization in the world which is not

preoccupied with the Palestinian problem, because the interests of the world are linked to Palestine, inasmuch as the Arab homeland occupies many strategic places in the world. It is the gateway to Asia and Africa, most of the world's land, sea and air routes pass through it and it is the first trench in the defense of Europe. Palestine is located in the heart of the Arab world. Therefore, it is only natural that we consult with our brother Arabs and friendly states, as we did when the Palestinian state was proclaimed, because this step is qualitative and historical. We held consultations; a world consensus existed, and we received the successive recognition of 104 states regarding diplomatic representation.

[AL-HAWADITH] When will these consultations come to an end?

[Al-Surani] I believe that they will continue for a number of months, but will end before the end of the year.

[AL-HAWADITH] What is the situation regarding the state's form of leadership and constitution?

[Al-Surani] All of these matters will enter into the study which we are conducting. A state and government cannot be proclaimed without proclaiming a constitution. The constitution will, of course, be provisional until the establishment of a Palestinian state and a popular referendum on a permanent constitution.

[AL-HAWADITH] What will be the form of the coming leadership system?

[Al-Surani] The most prevalent thinking is that it will be a presidential system, because this system is most suited to our political conditions. There will be three authorities: an executive authority, a legislative authority and a judicial authority. We will take the best of what is offered by the experiences of other peoples, apply it, and place it in our constitution.

[AL-HAWADITH] What is the position of the PLO in the new regime?

[Al-Surani] Discussion of these matters has not been completed; however, there will be a link which connects the PLO and the provisional government.

[AL-HAWADITH] What are your expectations regarding the most likely ways to establish the Palestinian state on actual territory?

[Al-Surani] The way agreed by the world is an international peace conference. The United States alone has its special conception of this conference. As a matter of principle, the idea of an international conference has become acceptable. The only one rejecting it is Israel. Hence, the U.S and European role comes into play with regard to pressuring Israel to accept an international conference in which all pertinent parties, the foremost of which is the PLO, will meet. We aspire to Israel's

evacuation of the Palestinian territories occupied in 1967 and the establishment of a Palestinian state in the West Bank and Gaza with its capital in Jerusalem, so that a period of quiet and stability can prevail in the area—provided that the Israelis renounce their narrow Nazi mentality, which still revolves around Herzl and his ideas about a greater Israel extending from the Euphrates to the Nile. I hereby announce—through AL-HAWADITH, and with full certainty—that Israel has a golden opportunity for peace, because future wars will not be similar to past wars, especially given the Egyptian presence, the victory of Iraq, and the banding together of the Arabs. The idea of unity has vanquished the idea of separation. The entire Arab nation is currently oriented toward unity. If the idea of unity has vanquished the idea of separation, nationalism has vanquished regionalism. We are in a stage of revival and Israel is in a stage of decline. The entire world has come to realize the meaning of this Arab nation which Israel thought—without regard for time—that it could keep at a distance. And look at the Israeli army; it has become an unsuccessful policeman, unable to stop the peaceful uprising whose only weapon is stones.

I reiterate that the current opportunity for peace ensures under its auspices that Israel will live in security and calm, based on the will of the states of the region, not despite it. Israel has so far existed by force and weapons. This will not last. It now has an opportunity to exist, based on Arab will, as a part of this region and not as a base from which to strike it!

[AL-HAWADITH] What are the foundations on which the Palestinian peace initiative rests?

[Al-Surani] It is based on the Arab peace program approved by the Arab summit in Fez, which is based on the Saudi program put forth by the custodian of the two Holy Places, Mecca and Medina, King Fahd Ibn-'Abd-al-'Aziz when he was crown prince.

We call on international society, especially the major states, to strive to place occupied Palestinian lands under the provisional supervision of the United Nations, to assign international forces to assure the protection of Palestinian citizens and their property in the interior, and to supervise the full, unconditional withdrawal of Israel from these lands.

[AL-HAWADITH] Will the new Palestinian state apply to the United Nations to occupy the seat of Palestine?

[Al-Surani] This matter is obstructed by an eternal problem, called the veto. When a state joins the United Nations, it enters through the Security Council, not the General Assembly. If we apply to the Security Council, the American veto is there waiting for us.

[AL-HAWADITH] Will the Palestinian-American dialogue deal with this type of problem?

[Al-Surani] Yes, it will deal basically with the convocation of an international peace conference. Previous Palestinian-American meetings were only question and answer meetings in which we did not enter into a true dialogue. However, the next round will be a true dialogue dealing with basic problems, especially the holding of an international peace conference. If we agree on this conference, which we hope will be held during the current year, there will be an historic opportunity for the entire region and world peace all together. If this opportunity is lost, I do not believe that it will be repeated.

[AL-HAWADITH] Would the PLO accept direct negotiations in the framework of an international conference?

[Al-Surani] If an international peace conference is held, we will have achieved recognition of the PLO, recognition of the right to self-determination, and recognition of the establishment of the Palestinian state. When we go, we will, of course, carry on a discussion with the enemy occupying our land.

[AL-HAWADITH] What about Egyptian-Palestinian relations?

[Al-Surani] These relations are better than ever in terms of coordination at all levels. President Muhammad Husni Mubarak has made an effort that is clearly observable from near and afar. He is fighting day and night to support the right of the Palestinian people to self-determination and the establishment of a state under the leadership of the PLO. Even when the Geneva conference was held, he took a very strong stance toward the American administration, saying to it, what more do you want from the Palestinians?

His brave, decisive position was one of the basic factors which expedited the change in the American position over a 24-hour period, after which the U.S. decided to begin a dialogue with the PLO. Praise be to God, relations are excellent, as are relations with the Kingdom of Saudi Arabia, with its numerous positions regarding all types of political, moral and material support and backing. The historical positions of support of the Palestinian intifadah taken by the custodian of the two Holy Places, King Fahd Ibn-'Abd-al-'Aziz meet all requirements. In general, Palestinian-Arab relations are excellent in all forms, shades and meanings. There is only one Arab state [with which we do not have relations], and we are making every effort to restore normal and brotherly relations with it. We will not tire or become weary until Palestinian-Syrian relations are excellent, and cooperation between us is restored and more effective.

[AL-HAWADITH] Are there Palestinian-Syrian contacts in this regard?

[Al-Surani] Unfortunately, there are no such contacts.

[AL-HAWADITH] Will the Palestinian uprising continue peacefully as it is now?

[Al-Surani] The intifadah will continue as long as the occupation exists. It is impossible for anyone to think that the intifadah will stop. It will not stop until Israel withdraws from our Palestinian land.

[AL-HAWADITH] Do you view as sufficient the resolutions on Palestine that were made by the Islamic Conference Organization?

[Al-Surani] The Islamic Conference Organization was originally founded for the sake of the Palestinian problem. It first convened when the crime of the burning of the al-Aqsa Mosque was perpetrated, and met in the light of that. We receive every manner of support and backing from the Islamic states and the Islamic Conference Organization, even if I constantly say that we are a greedy, insatiable people who will demand more and more until the Palestinian flag is raised above Jerusalem and we all meet in the al-Aqsa Mosque, praying to God in gratitude and with praise as we bow in worship.

Abu Iyad Criticized for Abandoning Fundamentalists, Palestine

44040360 Kuwait *AL-MUJTAMA'* in Arabic
28 Mar 89 pp 22-23

[Article by 'Abd-al-'Aziz al-'Umari: "Abu Iyad—Courage in Confronting the Extremists"]

[Text] "Lest I mislead you, in the past we used to believe that this land was ours alone; we did not believe in the idea of coexistence between two states."

"Everything that has happened to the Palestinian people and the Israeli people—the blood that has flowed, the victims, the maimed—all this has made us move to be responsive to every Palestinian and Israeli child."

This is what Mr Salah Khalaf (Abu Iyad), the number-two man in Fatah, said in his videotaped speech to the International Conference for Peace held in occupied Jerusalem.

Anyone who reads the full text of Abu Iyad's speech and the series of statements he has made in the last few months sees very clearly the extent of this shift in Abu Iyad's positions on issues relating to peaceful solutions and political settlements with the Jews.

Ordinarily, Abu Iyad used to appear unrelenting when it came to any concessions, calls for peaceful settlements, or recognition of the Jews and negotiating with them. Now, however, we find that his latest statements and positions have tried to eliminate all marks of harshness and to present him as a man of peace, realism, and flexibility. As a result, he has come to be in a race and competition with all who are making this bid.

Whose Is This Land?

Abu Iyad deals with the question of the land of Palestine and its ownership as follows: "We used to believe that this land was ours alone." He explains, according to his convictions and positions, the error of this belief and the amount of injustice and wrongdoing the Palestinian people committed against the Jews, who (as can be understood from his words) also have the right to this land, according to the truth that Abu Iyad has recently discovered.

Raising the subject of "the Israeli people" and talking about their sacrifices and pains is heartbreaking to the Palestinian people, who still believe that the Jews have been the cause of our tragedy all these years and that the "Israeli people" are occupiers and interlopers who came from scattered parts of the earth, gathered in Palestine, expelled its people, and used (and still are using) murder, torture, and persecution against them. This people, that goes to sleep and wakes to Jewish repression, thinks the leaders are forgetting all this and not considering it—as if nothing had ever happened.

Confronting the Extremists!

In his speech, Abu Iyad said, "But we must remind you that just as there are some extremists among you, there are many such among us. But true courage is in confronting these extremists and not retreating before them."

In another statement by him to the newspaper *AL-ITTIHAD*, he said, "The existence of a Palestinian state will realize stability in the region and prevent fundamentalist extremists and nationalists from dominating the scene." The extremists and fundamentalists whom Abu Iyad considers a danger are those who believe that Palestine is the property of the Palestinians. They have not yet discovered what he has discovered about the Jews' right to Palestine. They are those who call for liberating Palestine inch by inch and raise the slogan, "From the sea to the river!" They are those who have stood firm. They have not changed or altered. They have not yielded to pressures, enticement, or intimidation. The extremists and fundamentalists about whom he warns are those who have remained forever true to the blood of martyrs and the sacrifices of fighters.

Lest we anticipate events, and so as not to speak about intentions, we say that we still do not understand what Abu Iyad means by saying, "But true courage is in confronting these extremists." We really hope the intention was not a clash with them or a hint of readiness to strike at them and confront them.

This may be one of the points that raises the fears of some Islamists when this hypothetical question emerges: If the Palestinian side accepts a peaceful settlement with the Jews, what will [Abu Iyad's] position be toward the Islamists and all those members of the Palestinian people who reject giving up land? Will they be left alone to

achieve what he was not able to do? Or will one of the requirements of the solution or settlement be that they be pursued, harassed, and prevented from continuing the holy war, on the pretext of not giving the Jews justification to abrogate the settlement that has been reached and on the pretext of fidelity and adherence to the commitments and guarantees that were given to them? In any case, we hope that Abu Iyad will not answer this question by saying, "Courage is in confronting these extremists and not retreating before them."

Direct Negotiations

A point that draws one's attention is that Abu Iyad in his peaceful invitations reassuring the Jews has gone farther than prominent figures of this tendency in the Palestinian field have gone. His speech contained an invitation to direct talks between the PLO and Israel. He said, "We believe in direct meetings. We are ready for such meetings. We say this publicly and at any level. Let the Israelis come and meet with us secretly, publicly, or in any other way." "We therefore do not see the international conference as a goal, but only as a means to insure the security of the two states through an international agreement. The important thing for us is to carry on these meetings, contacts, and talks before the conference, so that the conference becomes a forum for making our agreement fruitful."

Palestinians' Feelings

In many sections of the speech, Abu Iyad speaks in the name of the Palestinian people. He gives the impression that this long-suffering people, which still sinks under the weight of occupation or suffers from dispersion to scattered countries, approves all these positions and statements. He says, "These decisions were made not just by the leadership; they were approved by a legislative council that represents the entire Palestinian people." "I tell you that the Algiers resolutions and 'Arafat's statements in the Geneva press conference reflect the real feelings of every Palestinian."

We will not get into a discussion about the legislative council and the controversy about its representing or not representing the Palestinian people. This is a point on which our opinion is clear.

But do the Palestinian people really agree to concede land and live together with the Jews? We completely disagree with Abu Iyad on this point, as on all his new theses. Let him be open-minded about our words, in which we flatter no one. Contrary to what Abu Iyad thinks, we believe the great majority of our people reject conceding a single inch of the land of Palestine, whatever that costs them in sacrifices and pains. We believe that the majority of our people have not yet been tamed. They have not accepted the hateful Jewish presence, despite all attempts to prettify it. The true feelings of Palestinians are expressed every day by the attacks of mujahidin on the frontier against occupation soldiers

and settlers (reserve soldiers in the enemy's army). The feelings of Palestinians are expressed by the gazes of children whose fathers have been killed, brothers arrested, and houses destroyed by the Jews. The feelings of Palestinians are inflamed daily by the blood of martyrs and wounded and the groans of steadfast prisoners.

Has news of the uprising of the minarets reached you? They rushed to call for jihad, responding to a cry for help from a woman whom the Jews assaulted with blows in front of al-Aqsa Mosque. She had been trying to prevent the soldiers from striking her child, who had thrown stones at them. They started hitting her, throwing her to the ground, and tearing her clothes. She cried for help to one of the imams of al-Aqsa Mosque, who hurried to give the call for jihad. All the minarets of Jerusalem responded, calling on Muslims to help one of their women before the Jews sullied her honor. After this, shall we say that Palestinians' feelings are on the side of peace or coexistence with those people? Palestinians and all Muslims are still alive; their hearts have not died, and their feelings have not become dull.

Economic Viability of Palestinian State Discussed 44040333A Jerusalem AL-BAYADIR AL-SIYASI in Arabic 11 Mar 89 p 29

[Article by 'Awad al-Astal: "On the Economic Viability of the Palestinian State"]

[Text] One of the most important fundamental problems to be raised when the concept of establishing an independent Palestinian state on part of the historical territory of Palestine was articulated was that state's economic position. To put it briefly: can this state rise and become economically viable? Can it confront economic and social crises? Can it withstand these crises politically? Can this state become anything more than a mere economic subordinate? What are the objective and subjective conditions that would enable that state to rise and become viable under all circumstances?

It seems as though dealing with this problem at this particular time would not be necessary, after the goal of establishing an independent state has become a Palestinian strategy which is understood by many parties to the Arab-Israeli conflict. Ever since that subject was fully investigated more than 10 years ago by a number of Arab, foreign, and even Israeli intellectuals, (each of whom had something to say on the matter), the script, which was developed as a result of investigating that subject, has offered a comprehensive and optimistic political and economic view of the ability of the Palestinian state to achieve economic viability. In that regard several prominent names, like those of Walid al-Khalidi, George 'Asusah, Joseph Bandak and Ilyas Tuma, have emerged.

What prompts us to bring up this matter once again, however, at least to allude to it and remind people of it, is what is being said every now and then about the

absence of essential elements—economic ones in particular—that would allow the establishment of an independent, Palestinian state. The most recent statement to be made in that regard astonished many people. It was made recently in a television interview by someone who holds a high academic degree, a doctorate. It seems that person had prepared for the interview in advance because the program producer managed to get him to make a “scientific” declaration that the basic elements for the establishment of a Palestinian state were not available.

Small States and Capabilities for Life and Growth

It seems that the opinion of our academic friend was affected by the small size of the Palestinian state which is being sought. This Palestinian state will be established on part of the historical territory of Palestine. That is why, by all standards, the Palestinian state will be a small state, and in our contemporary world, which is full of small states, many questions are raised about economic and political conditions of life for these countries. The following question is almost a summary of most of these questions: when is a small state viable and capable of growth, and when is it not?

No specific and agreed upon answers to this question have been found. All that was said about that subject has to do with the ability of a small state to make progress, to achieve a specific goal and to overcome the crises that it may confront. A small state's ability to maintain the standards it achieved by using acceptable means has also been discussed.

In other words, a small state's ability to survive and to live can be considered in terms of a few indicators, the most important of which are [the following]:

- A small state must have a specific goal that is identifiable and definable.
- It must develop the political means with which that goal can be achieved. The standards which have been achieved must be maintained while that goal is being sought and realized.
- A small state must develop the economic and social system so that it can deal with changing conditions, such as an increase in the population, a change in available resources, and changes in customs and traditions.
- It must have the ability to choose and coordinate between all internal forces (those in society) and all external forces (those in the region and in the international environment) to make the possibility for political and economic viability a lasting fact.

The Condition of the Palestinian State

The previous indicators are considered with regard to small countries that are members of the international community. Many of these countries were able to achieve the objectives that had been set in light of

available resources. If it appears that many of them did face or have been facing economic and social crises and the numerous reactions to those crises, that was not because this state or the other is a small state. Small countries face crises because of the facts about the international economic system and the facts about the conflict between the superpowers and the regional powers. Even many relatively large and ancient countries have been forced by these facts in different degrees to confront such crises. In part, this is the result of these countries' inability to choose and to coordinate.

To summarize, the discussion here is about existing countries and not about a case, like the Palestinian case, in which the goal of establishing an independent state is still a mere theoretical plan that is part of a specific strategy. In this case, it seems that the goal of establishing an independent state becomes “a value” in and of itself for several reasons. It becomes a value in a Hegelian or even a Machiavellian sense. And here [we ask], what about the economic capabilities that would make such a state economically viable?

In a case like the Palestinian case, it seems that using the excuse of economic capabilities and elements that are necessary to establish a state and enable it to grow (that is, the state's viability) does not stand up in front of the goal, which is the central value in independence. Furthermore, most of those who became preoccupied with a search for a future script for a Palestinian state, turned over to us a few facts that ought to be contemplated here.

- No one brought up the economic question when many countries became independent. Now, these countries are experiencing economic and social conditions that could be much worse than those which the proposed Palestinian state is experiencing now. That is why bringing up this question in the Palestinian case is not without bias.
- The future Palestinian state will not be isolated from the Arabs or from the world. Accordingly, it will have a large network of relations with other countries who will interact with it. Relations between the future Palestinian state and Arab countries in particular will be such that they could develop into some level of unity.
- Since the Palestinian state will be the product of a comprehensive settlement process, it will most likely benefit from the area's development programs and plans. These will follow after the many years of instability and the arms race which the area lived through.
- And even if we were to take the date of establishing the state as a point of departure, total returns to the Palestinian people after the state is established, regardless which way development goes, will exceed current total returns to the Palestinian people. That is, based on current assumptions, the state will move beyond the starting point from a purely economic standpoint.—Despite the unavailability of natural raw materials in the proposed Palestinian state (as is

the case in the rest of Palestine), that shortage could be filled by the human factor. Many Palestinians are highly educated, highly competent and well experienced. Many successful experiments in development have relied mainly on the human factor.

Prominent West Banker Assesses Peace Process
44040379b Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 10 Apr 89 pp 26-29

[Interview with Jiryis al-Khuri, ex-chairman of West Bank Lawyers Union, by Wafa' al-Bahr; date, place not given; "Exclusive Interview With Jiryis al-Khuri, ex-Chairman of West Bank Lawyers Union; Development in U.S. Position Is Rational and Realistic, But We Warn Against Trickery; Israel Faces Truth and History's Logic and It Must Submit to Requirements of International Peace"]

[Excerpts] Lawyer Jiryis al-Khuri graduated from al-Rashidiyah College in 1942 and acquired his B.A. in law from Jerusalem's Law College, a subsidiary of London University.

He was a founder of the Lawyers Union in the territories in 1949. He held the position of chairman of Jerusalem and the West Bank Lawyers Union from 1967 to 1983. He also took part in establishing Jerusalem's professional unions complex in 1969. In 1977, he contributed to founding the Higher Education Council. He has held the position of chairman of the Board of Trustees of Jerusalem's Arab Intellectual Assembly since it was founded in 1978.

In this edition, we have interviewed Jiryis al-Khuri, a Palestinian notable who has lived with the Palestinian issue and followed it step by step. Therefore, when he says that the Palestinian people have had enough persecution and that they seek to establish their state peacefully, not with war, and that the others should not hesitate to meet them halfway, considering that this is a golden opportunity that will not recur frequently and may not recur, thus causing all to regret "when it is too late to regret,"—when al-Khuri says this, then the other side should understand the importance of this opinion by virtue of its benefit to all.

[AL-BAYADIR AL-SIYASI] On the basis of the international relaxation policy, what is your opinion of the general tendency to establish peace in the region?

[Al-Khuri] There is no doubt that the climate of international relaxation that has dominated international relations recently has helped to lessen the intensity of the tension existing between many countries and to extinguish the centers of tension in various parts of the world. In this climate, agreement was reached to withdraw the Soviet forces from Afghanistan, the Namibia issue, which had remained insurmountable since 1915, has been settled and numerous disarmament agreements

have been concluded. Therefore, this positive international climate has to be employed to settle the Arab-Israeli conflict and, consequently, to exert serious and sincere efforts to build the edifice of peace in our region.

[AL-BAYADIR AL-SIYASI] Despite all the peace movements, initiatives, and efforts from all parties, Israel continues to reject all these efforts. What, in your opinion, is the use of all that is happening in the Middle East arena?

[Al-Khuri] I would not exceed the truth if I said that Israel is the only party that rejects the peace initiatives that have been successively offered in the arena. The conventional U.S. position of hostility to the Arabs and Palestinians and of support to Israel has begun to recently turn in a direction that is gradually moving away from Israel and noticeably approaching the Palestinian position which is characterized by justice and rationalism. Herein lies the importance of these initiatives and efforts to which Israel must inevitably submit in the end.

[AL-BAYADIR AL-SIYASI] The topic of the hour focuses now on the U.S.-Palestinian dialogue. But inasmuch as we, as Palestinians and Arabs, are concerned with the continuity of this dialogue, we are also concerned with the degree of the U.S. administration's ability to create the required pressure on Israel to make it accept a just solution. What do you say at this level?

[Al-Khuri] When the U.S. administration opened the dialogue with the PLO, I warned the Palestinians on this magazine's pages against surrendering to rosy dreams and said something to the effect that I smell the odor of trickery in the U.S. position, which neither I nor many others took seriously. But in light of the bilateral dialogue session of 22 March 1989 and of the evident turn in the U.S. positions toward Israel, as in the U.S. request asking Israel to offer new ideas on the projected peace plans and the U.S. allusion that the time for beginning negotiations between Israel and the PLO is not too distant, it has become logical to conclude that the United States is on its way to creating the required pressure on Israel to make it accept a just solution. Let us wait for the conclusion of Mubarak's, Shamir's and King Husayn's visits to the United States this April. We may by then have firm information indicating the soundness of this report.

[AL-BAYADIR AL-SIYASI] Don't you think that the United States is trying to gain time through its dialogue with the PLO?

[Al-Khuri] Perhaps what I have said in my response to the previous question touches on the answer to this question. I have never said that the new U.S. position constitutes a fundamental turn in the U.S. relations with Israel. The most I have meant is that this position has turned outwardly toward rationalism and realism. Therefore, I do not absolutely exclude that the U.S.

objective behind the dialogue with the PLO is to gain time until Israel picks up its breath or until the Palestinian tide retreats. Perhaps it is on this basis that the United States and Israel spread the word that there should be no haste, that the solution should come in phases and so forth.

[AL-BAYADIR AL-SIYASI] After publication of the human rights report, the U.S. position did not take steps beyond the publication to contribute to ending the violations against the Palestinian human rights in the territories or to move the peace process. Why, in your opinion?

[Al-Khuri] It is well known that the human rights report is a routine report published by the U.S. Department of State annually for purposes connected with determining how to allocate the annual aid to friendly countries. It is my assessment that this year's human rights report has not at all swerved from this framework. The report has been repeatedly subjected to criticism and disparagement because of its flagrant deficiency in a number of issues concerning the Palestinian's human rights in the occupied territories. It can be concluded from this that this year's report has not gone beyond the bounds of underlining positions, nothing more.

I do not, of course, mean to say that this U.S. position is acceptable. On the contrary, the position is totally inadequate and the United States should have employed the report effectively to end Israel's violations of the Palestinian human rights and to move the peace process forward.

[AL-BAYADIR AL-SIYASI] Is it to be understood from all the plans and projects being concocted that all the cards and keys to the solution are in Israel's hands?

[Al-Khuri] I am not one of those who say that all the cards and keys to the solution are in Israel's hands. In its generalization, this utterance violates the truth and history's logic. It is true that it is impossible to carry Israel forcefully to the negotiation table and to force it to sign a peace treaty. But this is not the equation. International relations in our present world are extremely significant and no country, regardless of how great and mighty, cannot live within its borders in total isolation from the other members of the world community, especially from its neighbors and environment. With this logic, one can formulate the equation, one of whose requisites is that Israel ultimately submit to what is right and obey the requirements of the peace which the world community seeks to achieve.

[AL-BAYADIR AL-SIYASI] All assert that Shamir's visit to the White House is a historic and important visit. In your opinion, does Shamir's visit constitute a new turning point on the path to solving the Palestinian issue, keeping in mind that what Shamir has said to date has not gone beyond the framework of the Camp David and self-rule framework?

[Al-Khuri] In this year, it behooves us to recall the successive signals sent by U.S. President Bush and his Secretary of State Baker that Shamir has to come up with new ideas on this visit. So it is likely that this time, Shamir will not go to the United States empty-handed, even though I believe that he will offer old ideas which he will wrap in adorned packaging and which will seem to be new goods to the undiscerning eye. It is my opinion that the U.S. administration will not permit him to manipulate words and will compel him to express concepts that touch the structures of the projected solution. At the same time, I do not find it unlikely that Israel will resort to delay and procrastination to gain time with the hope of dividing the Palestinian ranks and of influencing the intifadah [uprising] negatively. [passage omitted]

[AL-BAYADIR AL-SIYASI] As a Palestinian, is it your opinion that direct negotiations with Israel are inevitable, without the need for holding the international conference?

[Al-Khuri] Direct negotiations with Israel can under no circumstance be an alternative to the international conference. The international conference is the proper climate under whose canopy and supervision any negotiations must be held. It is also the only side eligible to guarantee the parties' commitments legitimately and effectively. As for Israel's statement that it rejects the international conference because it may pressure it to agree to what it does not condone, it is very much a joke. If Israel, the strong state, fears pressures from the international conference, then the weak Palestinians have greater reason to reject it. This is the logic. Yet, what is happening nowadays on the real ground is the inverse. [passage omitted]

[AL-BAYADIR AL-SIYASI] What do you say to the extraordinary attack Shamir and the Israeli rightist forces have launched against the Peace Now Movement and what are your expectations of the movement's political role in solving the region's crisis?

[Al-Khuri] You are aware that the Peace Now Movement began as a marginal movement in the Israeli society. With time, it gained strength and it has now become a considerable force which has to be taken into account. What this movement may be faulted for is that it has not matured and risen to the level of a political party with a clear ideology. As for its political role in solving the region's crisis, I do not find it unlikely that its growing political activity will qualify to be one of the forces influencing the coming solution. The vicious attack launched against the movement by the Israeli rightist forces, led by Yitzhak Shamir, is enough proof of the role the Peace Now Movement has begun to play in the arena. [passage omitted]

[AL-BAYADIR AL-SIYASI] The civil administration is currently holding a series of meetings with Palestinian notables to improve the economic conditions, according

to its allegations. What is your assessment of such meetings and do you truly see that they serve the general national interest?

[AL-BAYADIR AL-SIYASI] No two people disagree that the acts of popular resistance to the occupation throughout the past 21 years, acts which were crowned with the sweeping intifadah that has been going on in the occupied territories for 16 months, were simply launched to end the occupation and to achieve the Palestinian people's firm political and national rights to repatriation, self-determination and establishment of the independent state and to expedite a just and comprehensive solution that guarantees these rights. This resistance has never been based on economic or social demands or other such demands. On this basis, the meetings you have referred to have missed the target and cannot achieve the goal or serve the national interest.

[AL-BAYADIR AL-SIYASI] There are fears and the fears emanate from the political and ideological contradiction existing between the PLO and Hamas Movement. What is your assessment of the real nature of this contradiction and how, in your opinion, can a widening of the gap between the two sides be prevented?

[Al-Khuri] There may be ideological and political contradictions between the PLO and Hamas Movement. I cannot confirm or deny them and I do not claim that I am fully aware of the contradictions or that I know all their details. Therefore, I don't share your opinion that there are fears on this issue, or at least I hope there are none. However, Hamas is a patriotic Palestinian faction and I do not imagine that it will someday consider swerving from the two sides line and national consensus. Therefore, if the two sides arm themselves with deliberation, foresight and the national interest, and I hope they do, there is no fear of their disagreement or of their disagreement gap widening, assuming that this agreement does truly exist. [passage omitted]

[AL-BAYADIR AL-SIYASI] To sum up the entire interview, are you optimistic or pessimistic? As a Palestinian seeking to establish his independent state peacefully, not by war, what do you tell the world?

[Al-Khuri] By nature, I am optimistic, not pessimistic. I also believe that regardless of how gloomy the situation gets, the issue must be settled justly, sooner or later. The given facts of the just Palestinian issue and the recent developments in the international and Arab, and even Israeli arenas lead us all to truly hope that the desired solution has become imminent and that it is within a hair's breadth. The ancient Arabs said: San'a' must be reached, no matter how long the journey. As a Palestinian seeking to realize his identity and seeking to establish his state peacefully, not with war, I tell the entire world that the Palestinian people have had enough disavowal, persecution and homelessness throughout more than half a century.

The patient people who have been weakened by the wounds and who have suffered numerous ordeals are still making concessions and extending a peaceful hand to Israel and the world, demanding that they be done justice and that an end be put to their hardship within the framework of the international legitimacy. Do not hesitate for a moment in extending your hand to meet them halfway and do not waste this golden opportunity which may not recur frequently. Else, all will regret when it is too late to regret.

Prominent Gazan Promotes Islam, Denigrates Negotiations
44040379a Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 10 Apr 89 pp 22-24

[Interview With Dr Mahmud Khalid al-Zahhar, Director of Medical Department of Gaza's Islamic University; Date, Place not Given; "Exclusive Hot Interview With Dr Mahmud Khalid al-Zahhar; Negotiations Will Only Achieve Peace of Weak; Negotiation Form Does not Concern Me, What Concerns Me Is Essence and Outcome of Meeting; Islam Is Solution; Palestinian-Israeli Meetings Are Futile; Their Results, Even to Cause, Are Negative; Outcome of International Conference Will Under no Circumstances Be in Our Interest"]

[Text] Dr Mahmud Khalid al-Zahhar:

Born in al-Zaytun, Gaza, in 1945.

Doctor specialized in general surgery.

Head of Medical Department of Gaza's Islamic University. Works as a university lecturer.

Held position of chairman of Gaza's Medical Association from 1981-84.

Currently member of Executive Council of Gaza's Medical Association.

[AL-BAYADIR AL-SIYASI] Most countries support and demand holding the international conference as a basis for a solution. The 18th Islamic Conference which was held lately in Riyadh, the Kingdom of Saudi Arabia, emphasized the need for holding this conference in the presence of all the parties concerned, including the PLO, the Palestinian people's sole legitimate representative, with the participation of the five permanent UN Security Council members. What is your opinion of this?

[Al-Zahhar] I believe that the international conference which is controlled by basic elements is one of the causes of the loss of homeland we are suffering, of the continued pursuit against our lives and property and of the attempt to confiscate our history and to cloud our future. These elements, represented in the eastern bloc and the western bloc, the so-called [permanent] Security Council members, the Arab countries that revolve in the orbit of these blocs, the so-called Islamic states—states whose regimes

fight Islam in their countries—all these elements will not, in my opinion, achieve for us the minimum limit of our rights. Therefore, seeking their arbitration when they are fully aligned with Israel, when Israel is strong enough to be intransigent and arrogant, when we are completely weak and when the Arab and Islamic states are totally neutral when it comes to supporting us means that this conference will under no circumstances be in our interest.

[AL-BAYADIR AL-SIYASI] A Palestinian academician has affirmed in a television interview broadcast by the Israeli television that the components for establishing a Palestinian state do not exist or are not available. What is your opinion on this?

[Al-Zahhar] I agree with him that the Palestinian state does not have the components of a state in the general sense of the word. This is an Islamic theory. Palestine is a part of the greater Islamic state as it was throughout history from the time the Muslims conquered it. But at the same time, I don't see that any country, whether eastern or western, fully possesses the components of a complete state, as evidenced by the fact that Russia, with all its resources, cannot provide its own wheat. The United States, with all its resources, suffers from a budgetary deficit of billions of dollars. Which of the Arab or Islamic countries does not [sic] achieve self-sufficiency in the economic and political fields? This is why these countries have resorted to regional alliances, such as the Gulf Cooperation Council, the Arab Cooperation Council and the Arab Maghreb Union. The European countries had earlier resorted to forming the EEC and are now planning to establish political unity for the EEC countries. Therefore, an Islamic state combining all the Arab and Islamic countries will be the real state in the sense of the complete state with its full will and full sovereignty and not a state in the pattern of Lebanon or Madagascar which possess none of the components of a state other than subservience.

[AL-BAYADIR AL-SIYASI] It is evident from your words that you view the state of Palestine as part of the greater Islamic state. What are this state's components?

[Al-Zahhar] In its scientific sense, a state is a territory on which a people live and which has its laws. The task of the laws is to meet the people's political, military and economic demands. The more truly a state reflects the people's political demands, the better it implements the laws derived from the people's faith and the more capable is the state or the government of at least achieving economic self-sufficiency, we find that this state meets the fundamental conditions of the meaning of a state.

[AL-BAYADIR AL-SIYASI] On the occasion of your mention of government in the above answer, you said in an survey conducted by AL-BAYADIR AL-SIYASI, edition No 319, on the idea of forming a Palestinian government: "I hope that a government with an Islamic program and system will be formed. We will thus reduce

a lot of suffering and years in achieving the just and comprehensive solution." How can this wish be achieved under the shadow of the given facts and resolutions of the PNC which was held lately in Algiers?

[Al-Zahhar] What governs me is God's law. I believe that this is the path of all Muslims wherever they are and in whatever age they live. As Muhammad Iqbal, a Muslim poet, said: Experience has proven that only Islam will eliminate decadence in any area of the Muslims' life. With the nationalistic path and with emulating the west and the east, we have suffered defeat after defeat. This nation's condition can be rectified only by that which rectified its condition early in its life, namely Islam.

[AL-BAYADIR AL-SIYASI] On 22 February 1989, Abu Iyad addressed to the Israelis a word through a video which was shown on the study day organized by the Jerusalem's International Center for Peace in the Middle East. That word said in part that it is necessary to hold direct negotiation meetings between the PLO and Israel. To clarify what Abu Iyad had said, Brother Abu 'Ammar said in a press conference he held in Cairo on 23 February 1989 that the PLO is prepared for direct or indirect negotiations with Israel within the framework of the international conference and under UN auspices. What is your comment on this?

[Al-Zahhar] The form of the negotiations does not concern me. What concerns me is the essence and outcome of this meeting. What will negotiations accomplish when we are at the lowest level of weakness and they are at the highest level of strength? What will the negotiations accomplish? Will they really achieve a just, lasting and comprehensive peace? It is my opinion that they will only achieve the peace of the weak.

[AL-BAYADIR AL-SIYASI] There have lately been numerous Palestinian-Israeli conferences and meetings at home and abroad. What use are these meetings and how do you assess them, especially since the Israeli official circles don't view them seriously?

[Al-Zahhar] The meetings need to be evaluated by their outcome. So far, we see nothing in these conferences except their negative consequences to the cause. I will cite as an example in this regard the conference which was held recently in the United States under the auspices of NEW OUTLOOK magazine and AL-FAJR newspaper. That conference came up with a strange equation. First, it asked the Palestinian side to halt the intifadah [uprising] and to prevent fedayeen infiltration from outside the borders. In return, they asked Israel to open the schools and to ease its tax [collection] measures. This is ridiculous.

[AL-BAYADIR AL-SIYASI] Then why did Shamir attack the Peace Now Movement severely and accuse it of sabotaging Israel? How do you explain this?

[Al-Zahhar] The explanation emanates from the nature of the Peace Now Movement. This movement does not follow Shamir's party. But it doesn't follow the Palestinian line either. Therefore, it is no surprise that Shamir attacks it. The Peace Now Movement is the main movement working for Israel's interest because it understands, as the others do, the nature of the conflict. This is why it wants to exploit the opportunity before the conflict assumes its nature as an Islamic-Jewish conflict, not an Arab-Israeli conflict.

[AL-BAYADIR AL-SIYASI] U.S. President Bush said during his presence in Tokyo that the United States sees only a limited role for the Soviet Union in the region. In other words, the United States is trying to diminish the significance of the Soviet role in the region's peace endeavors. What do you see in this?

[Al-Zahhar] What governs the U.S. policy toward our issue and all other issues are the same balances that govern the Soviet Union [position] toward our issue and the other issues. The U.S. and Soviet tendencies do not at all differ on this principle. The United States represents the might of Western imperialism and the Soviet Union represents the same imperialist criteria. The evident example is Vietnam for the Americans and Afghanistan for the Russians. This is why I see no use in seeking arbitration from either of them, because they evidently represent the evil of the earth, as God, may He be exalted and praised, has told us.

[AL-BAYADIR AL-SIYASI] The U.S. official positions toward the Palestinian people are well known. Yet, the U.S.-Palestinian dialogue has begun. What do you expect of this dialogue? Will it lead to a positive result or is it like tilling the sea?

[Al-Zahhar] The dialogue serves the United States first before serving the Palestinian cause for several reasons:

1. It eases the embarrassment of the Arab regimes that revolve in the U.S. orbit and that stand before the Palestinian people and their peoples as extremely-embarrassed spectators watching what is happening to us and selling America's political wares in their countries.

2. It beautifies the ugly image the United States assumes every time it uses its veto and the ugly image it assumed after the world moved from New York to Geneva to hear 'Arafat's address.

3. The United States is aware of the weakness of the Arab and Palestinian side. Consequently, the United States sees that this is the golden opportunity [that must be exploited] before Islam becomes an obvious party to the balances of the issue.

[AL-BAYADIR AL-SIYASI] What do you say to President Bush and Secretary of State Baker?

[Al-Zahhar] I do not address my words to them. They are aware of the nature of the conflict. The words must be addressed to my Palestinian brothers to urge them to turn to Bush's and Baker's God because He is more capable of making accomplishments for us and for them and of foiling the the ruse of Bush and Baker and of those who revolve in Bush's orbit.

[AL-BAYADIR AL-SIYASI] In light of British Minister of State William Woldgrave's meeting with Yasir 'Arafat in Tunis last February and of his meeting with Palestinian notables from the occupied Arab territories also, what is your assessment of the British position toward the PLO?

[Al-Zahhar] The important thing is not the meetings. We are a people who do not forget how our tribulation started, how it ended, and what are the factors which influenced it and in which Britain had the main role. This does not mean that we have a psychological complex against Britain if it wishes to atone for that which it has committed against us and which has not stopped. Britain's recent stance on the Salman Rushdie issue is the most eloquent proof that what motivates it is its hostility to Islam and the Muslims.

[AL-BAYADIR AL-SIYASI] Yitzhaq Shamir wants, according to what he says, peace and works for it. What do you expect of Shamir and his ideas? Will he continue to cling to them or will these ideas change in the future?

[Al-Zahhar] Only God, may He be praised and exalted, knows the future. But I know that there is no difference between Shamir and any other Israeli citizen.

[AL-BAYADIR AL-SIYASI] It is said that Israel is trying to exaggerate the role played by Hamas Movement in the occupied Arab territories, especially in Gaza Strip. What is your comment on this?

[Al-Zahhar] First, I do not speak in Hamas' name. I am only expressing my feelings as a Muslim. I urge those who talk of this [exaggeration] to ask the people this question.

Second, I urge them to compare the number of mosque congregations today with their numbers 2 years ago.

Third, I urge them to observe the Islamic movement in the entire world and to look at what happened in Algiers, in Tunis and earlier in Hamah, Syria, and what is happening in Egypt. I urge them to ask about the number of Muslims in Britain and to study the Afghanistan phenomenon and the Islamic tendency inside Israel.

[AL-BAYADIR AL-SIYASI] How do you explain Hamas' non-accession to the UNC [Unified National Command]?

[Al-Zahhar] Hamas Movement is an underground movement about which somebody like me does not know

[anything]. However, I don't believe I agree with the brothers who think that the reasons are the difference in the ideological course.

[AL-BAYADIR AL-SIYASI] Creation of the Gulf Cooperation Council was announced in the early 1980's. On 16 February 1989, the birth of the four-member Arab Cooperation Council was announced in Baghdad. On 17 February 1989, creation of the Arab Maghreb Union was announced. What do you see in these regional groupings?

[Al-Zahhar] Islam supports unity and union, provided that the course is the course of Islam. The creation of these groupings, if God's law is allowed to govern them, is blessed by Islam and the Muslims. But what has happened to our Arab world will happen to any system that departs from Islam's path. The Arab League is a major manifestation of Arab unity but it is a manifestation whose essence is not Islamic. As for the regimes, they are all subservient or secular. It has been the Arab League's destination to fail to confront the Arab world's problems. Thus, the Arabs have resorted to these small blocs. I believe that they have the opportunity to embrace God's system and to receive mercy and success from God. But if they persist in the Arab League's path, then how could the small blocs achieve anything when the big bloc has accomplished nothing?

[AL-BAYADIR AL-SIYASI] How do you view the Palestinian organizations' situation at present?

[Al-Zahhar] I believe that this is an example of the program which relies on an individual's or a group's thinking and not on a complete divine system—an example that needs to be studied scientifically and frankly and analyzed logically. This is why we see in this program from time to time repeated divergences in the thinking of the same individual or the same organizations, and the examples are many. I believe that the Islamic system is like a compass on a ship. Its direction is always true, be it day or night, calm seas or tumultuous seas. Therefore, I believe that the organizations' adoption of the Islamic system will move them out of the sphere of disagreements to the sphere of the ship with its one compass which never loses the way.

[AL-BAYADIR AL-SIYASI] Dr Mahmud, our final question is: Are you optimistic on relaxation of the crisis and on an imminent solution?

[Al-Zahhar] Islam teaches people to adopt the means, to offer their money, blood and sweat and to leave it to God, may He be praised and exalted, to steer the results as He wishes with His unerring wisdom which always supports His followers. What I mean is that we must free our loyalty, effort and sacrifices [and devote them] to God, may He be praised and exalted, and then await the release to come from Him. In light of this, I believe that the solution is closer now than it was in past years because the feeling in the Islamic world, including the Arabs, is that Islam is the solution.

Commentator Calls for Unity, Free Speech in West Bank

44040362a Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 1 Apr 89 p 5

[Commentary by Jack Khazmu]

[Text] In every society which adopts democracy as a slogan, practice and principle, the opinion of each person must be respected, and each person must be granted freedom of expression and speech. Each person must also be free to think and undertake various pursuits.

We consider ourselves an inseparable part of democratic, Palestinian society and we try as much as possible to play the game of democracy and to present our opinion.

However, in recent times, we have begun to sense, through what is broadcast, said or published, that there are groups or factions which are attempting to impose their opinion on others in different ways and are preventing them from undertaking any action under slogans and sayings and based on specific, Palestinian fixed principles.

This phenomenon, which has shown its face in a surprising manner in specific cities in the West Bank or Gaza Strip, has begun to steal the limelight and has begun to be of interest to adversaries and the world. Many have begun to exploit this phenomenon to harm our society and our achievements. Some of them are even exploiting it to fragment the situation, factionalize society, and to strike a blow against the great political achievements accomplished over the course of more than a year.

We do not believe in the imposition of political and intellectual hegemony on any person in any area, and we completely reject political intimidation or political assassination, because this method is of no service. Moreover, it harms us all, because it contradicts our Palestinian principles and moral practices.

At the same time, we reject "unrestrained behavior," "exceeding the proper bounds" and prolonged unacceptable behavior, which must, however, be treated with democratic, peaceful and quiet means, and not by violence and intimidation which might cause stubbornness on the part of the susceptible person, who will therefore neither change his positions nor stop his activities and contacts.

We resolutely believe in respecting the opinion of the majority and we reject the imposition of minority positions on the majority without justification. Also, it is necessary to study the circumstances and accompanying matters surrounding any behavior or statement, because sometimes a person is forced to appear in a certain position; this does not mean, however, that he is conceding his principles or opinions regarding that position. Any action must be judged by the Palestinian fixed

principles established by the majority in our society or in our Palestinian council. It must not be judged by personal inclinations, individual dislikes, or by a limited, narrow view.

We call on all our people to maintain the spirit of democracy enjoyed by our Palestinian people. We call for the need to preserve all of the achievements which have been accomplished and will be accomplished in the future, and the need for earnest action to strengthen unity between the individuals of our single society, which is confronting difficulties and occupation. Everyone upholds, supports and strengthens this unity, which is achieving more and more in the way of political attainments.

We call for efforts to uproot every social or political practice and phenomenon which harms us. We must treat the matter with wisdom, vision and calm. We must set our sights on one slogan, which is "preservation of unity," and its proud, fortified, strong continuation.

The current phase requires the harmonization of joint efforts, mutual aid and cohesion. We must all, without exception, leap over past and current disagreements. We must look to the future and how we can make it flourish for all of us.

Freedom of expressing the views of the majority of our people means: The need to strive to end all disagreements and eliminate their causes. Everyone must think ten times before taking any step so as not to give to whomever wants to fish in troubled waters room to swim and to attack our accomplishments and achievements.

We do not favor one group over another. We are in favor of everyone. We are on the side of unity and its preservation. Let us renounce our disagreements and be one hand, elevated above differences of opinion and independent intellectual judgement.

ALGERIA

Regulatory Body for Transport Sector Created
45190066c Algiers EL MOUDJAHID in French
5 Apr 89 p 17

[Article by Safia Djebaili: "VERITAL—The Strong Link"]

[Text] Algeria is one of the countries that fully implements the principle of cooperation and participates in all the programs drafted, in the technological sector in particular. However, it is not surprising, above all at the present time, that a country would sometimes encounter difficulties in fulfilling all of the tasks that fall to it within the context of a project. Meanwhile, it is imperative that aid be provided through an appropriate program of technical cooperation.

This desire for mutual cooperation has been reflected in Algeria in the establishment of a number of mixed companies in several sectors of activity. This is a formula which, thanks to the competence of specialized institutions, makes it possible to achieve goals within the desired period and consistent with the established norms.

In the transportation sector, Algeria has just established the VERITAL Mixed Company for Technical Control of Transportation, which will without a doubt make it possible to achieve a real transfer of technology because of the fact that Algeria is associated with a partner specializing in this sector. This is the VERITAS office, a ship and aircraft classification body that operates in more than a hundred countries and has extensive experience in the transportation sector in general, and shipping in particular.

The success of technical cooperation and the firmness of the bonds that will henceforth link the new mixed company and the international company known as VERITAS were confirmed in the course of the meeting held to establish the company, at which the minister of transportation presided and the national and foreign partners were present.

The Algerians are represented in the new company by a number of enterprises. Let us mention the National Aeronautical Operation and Security Enterprise (ENESA), the Algiers Port Enterprise (EPA), the Algerian Transportation Insurance Fund (CAAT), and the National Technical Control and Approval Enterprise (ENACT).

That having been said, the capital of the mixed economic company is provided to the extent of 78 percent by the Algerian party, and to the extent of 22 percent by the VERITAS office.

In the course of the constituent assembly, the minister of transportation emphasized the special importance the national authorities assigned to the safety of the users of the various methods of transportation (air, sea, and rail) and the quality of the service provided. "Along this line of thinking, it should be emphasized, VERITAL has just strengthened and supplemented the structures in the transportation sector, and it therefore represents a crucial element in the operational chain. Its creation, in terms of both the human and technological resources it has and its goal, provides an appropriate means for the transportation sector to take charge of this most important function on a national scale—the prevention and a priori elimination of all risks. Put in another way, its task is to guarantee the certain and efficient functioning of the services entrusted with transporting individuals and goods. However, technical supervision takes on its full importance when it comes to consideration of the operational requirements of these means of transport, and guaranteeing the consumer a level of quality and service that meets both national and international standards."

The authorities are aware of what is at stake in the transfer of technology, and also of the fact that, by its very nature, such cooperation will make it possible to achieve various objectives. It is a question, on the one hand, of mastery of the requirements in terms of providing service within the transport sector on the basis of national resources. On the other hand, the mixed company is designed to reduce foreign exchange costs. Thus it will put an end to the technical control in the industrial sector often provided by foreign bodies that utilize experts.

To do this, it is necessary to have a system of control to assess and correct the gaps and anomalies in the operation of the components and systems.

Moreover, the VERITAL Mixed Company has several missions, which at the outset entail the rigorous application of safety norms in order to guarantee quality service. Further on this subject, it is important to note that the activities of VERITAL affect the entire transportation sector. The first thing to be done is to examine the drafting of the plans, calculations, installation specifications, equipment and materials, transport vehicles, and specialized projects in the transport sector. It will also have the duty of overseeing the construction, production, repair, and installation conversion operations. Within the same context, VERITAL will work to ensure control of quality and the complex of characteristics required, as well as safe use, by such methods as visual inspection, sampling, laboratory examination, testing, and trials.

In connection with classification and certification, its tasks will pertain to ships, with a view to issuing classification certificates attesting to conformity with national and international norms. Moreover, the company will be responsible not only for the control of aircraft in accordance with the applicable national and international rules, but also verification and inspection of the installations, engines, and other equipment used in maritime, air, rail, and highway transportation, as provided in the regulations. Finally, the task of carrying out all of the expert operations on the engines, equipment, and installations falls to it as well.

The mixed company must be provided with the full scope and support it merits, so that all of the operations undertaken within the framework of North-South technical cooperation will be successful. To this end, the availability of experts must be made a reality, in order to make it possible to develop this cooperation, to extend it in time, to deepen it, and above all to improve it. This can only be done through the training of qualified personnel and the joint efforts of national experts, utilizing the available access to the data bank provided by the VERITAS office.

In the realm of experience and the accumulation of know-how in the technological sector, we have long insisted on the quality of the experts assigned to the new

company. Since it is in an embryonic phase, the company must see to it that it selects individuals equal to the roles that they must play. It is also just as essential to maintain a very high personnel level, if what is wanted is for this company to reach the established goals.

Finally, it is important to specify that as it is getting started, the mixed VERITAL company will benefit, from technical aid provided by the VERITAS office. This assistance will ensure international recognition of the documents and certificates the VERITAL company issues.

As to the future, there is no reason to doubt that VERITAL will prove equal to the tasks assigned to it, and that it will continue the efforts it undertakes in order to promote the transfer of technology, contributing thereby to strengthening the process of North-South cooperation.

BAHRAIN

Gulf Marketing Association Opens Headquarters
44000502b Manama GULF DAILY NEWS
in English 25 Apr 89 p 5

[Text] An ambitious plan to make Bahrain a major industrial centre is to be launched over the next two years.

The Ministry of Development and Industry has devised an industrial investment strategy to achieve the goal, according to a report in the Arabic newspaper AKHBAR AL KHALEEJ.

The report said the plan involved comprehensive programmes to attract foreign investors.

It also envisaged bigger role for the private sector in industrial projects and for the creation of opportunities for joint ventures between Bahraini businessmen and foreign entrepreneurs.

Efforts of the Industrial Development Centre (IDC) would be stepped up by holding overseas seminars and exhibitions.

The report quoted Shaikh Hamud bin Khalifa Al Khalifa, chief of the industrial promotion section at the IDC, as saying investment opportunities would be made more attractive by incentives like tax exemption, reduced tariffs and unrestricted export of finished products within the GCC [Gulf Corporation Council] market.

Plans To Make Industrial Center Discussed

44000502 Manama GULF DAILY NEWS
in English 23 Apr 89 p 4

[Article by Nirvana Alireza]

[Text] Bahrain will have to pay twice as much for wheat imports from Saudi Arabia from next month. But there will be no price rises in the shops for bread and flour.

From May, Bahrain will no longer be able to buy Saudi wheat at the old price of \$80 (BD30) per ton.

The terms of a new agreement have set the level at between \$160-\$180 (BD60-BD68) per ton, said Yusuf Fakhru, chairman of Bahrain Flour Mills Company (BFMC).

The price rise will mean a loss of between BD800,000 and BD1 million for the company, said Mr Fakhru.

BFMC is wholly subsidised by the Government, which fixes the price of flour, preventing an upward fluctuation as costs increase, he said.

This means consumers will not be affected.

Bahrain purchases 80 percent of its wheat from the kingdom, totalling about 40,000 tons annually.

Wheat imported from Saudi Arabia is of the hard grain variety. Bahrain depends on other suppliers for medium and soft grain wheat.

"The quality of Saudi wheat is one of the best available on the market, containing a high protein content," said Mr Fakhru.

"Unfortunately, since the Saudis cater for domestic demand, only the hard grain variety, which is more land and time consuming, is produced.

"We have given them the idea to produce the other varieties and they have promised they will. The question is when".

Bahrain buys medium and soft grain wheat from Australia, which amounts to about 20 percent of total wheat imports.

Mr Fakhru said the disadvantages involved in importing wheat from Australia is that it must be bought in bulk, proving more costly because of storage and freight.

There is also a greater risk of damage to the product due to the long voyage.

In future, Bahrain may purchase Australian wheat through Dubayy instead of direct from Australia, said Mr Fakhru.

Gradual

Australia has entered into an agreement with Dubayy to hire silos located in the emirate, allowing it to store wheat in bulk and distribute it throughout the Gulf.

According to studies, Bahrain should save between \$5 (BD1.885) and \$10 (BD3.77) per ton by buying Australian wheat this way, said Mr Fakhru.

"From Dubayy, there is the capacity to ship 2,000 tons per hour to Bahrain, which means wheat can be purchased gradually preventing the need for large sums of money to be blocked and paid in single installments," he said.

Price for Saudi Wheat Doubles

44000502a Manama GULF DAILY NEWS
in English 23 Apr 89 p 5

[Article by Soman Baby]

[Text] The Gulf Marketing Association (GMA) has set up its headquarters in Bahrain's Diplomatic Area.

The GMA's executive committee has decided to hold the third Gulf marketing conference in Bahrain in mid-December, which will be followed by its general assembly.

'Abd-al-Min'im al-Shirawi GMA chairman and general manager of Balexco, said he was pleased that the association had been able to set up its headquarters in Manama after a year-long struggle to get official approval and an office.

"The temporary building in the Diplomatic Area is now being furnished and we have appointed a Bahraini, Hakim al-Shafi', as the manager," said Mr al-Shirawi.

He said the association would help boost Bahrain's economy by developing a team of professionally trained marketing people.

"We have planned a series of seminars, including one on the utilisation of modern technology in developing marketing information systems," he said.

Support

"Plans are underway to construct a permanent building for the Bahrain headquarters eventually when a training centre for marketing and sales will be established, similar to the Chartered Institute of Marketing in UK."

Mr al-Shirawi said HH the Amir Shaykh 'Isa Ibn-Salman Al Khalifah, and HE [His Excellency] the Prime Minister Shaykh Khalifah Ibn-Salman Al Khalifah, had offered their wholehearted support to the association.

EGYPT

Islamic Coalition Expresses Reservations About ACC

45040289B Cairo AL-SHA'B in Arabic 21 Mar 89 p 2

[Article: "Islamic Coalition Explains Reservations About Arab Cooperation Council Agreement."]

[Text] In the session held the day before yesterday, the Islamic Coalition exposed before the People's Assembly the unconstitutionality of the Arab Cooperation Council [ACC] agreement between Egypt, Jordan, Iraq and Yemen.

They objected to the agreement's infringement on Egyptian sovereignty and its constriction of the role played by Egyptian laws.

The People's Assembly hall witnessed heated debates and a lengthy legal argument between coalition deputy Justice al-Ma'mun al-Hudaybi, the prime minister and the foreign minister, over the agreement's unconstitutionality.

Engineer Ibrahim Shukri, head of the Labor Party and chief of the opposition, said: "It is our duty as representatives of the Egyptian people to debate this important topic in light of the public's desire to achieve Arab unity."

He emphasized the importance of deriving benefit from this experience so as not to repeat it in the future. He said: "I also agree with Mr Kamal al-Shadhili in most of what he said—that the world nowadays recognizes only large entities and that this step is very important for the return of the Arab Nation to its natural place among nations, and that the ACC is not an alternative to the Arab League. I disagree with Kamal al-Shadhili, however, that this quadripartite body realizes this large entity, for it is but one step on the road to bringing the Arab East and the Arab West together on the same path."

Ibrahim Shukri pointed out that this agreement must not be turned into an axis against any of the Arab brothers.

He proclaimed before the People's Assembly the Labor Party's support of this agreement so that the Arab Nation may become the sixth world power, as is frequently stated.

People's Assembly President Dr Rif'at al-Mahjub commented on Engineer Ibrahim Shukri's remarks by saying: "Observations may be expressed, but from a constitutional point of view there will be no amendment: the agreement is either accepted or rejected."

Constitutional Dilemma

As for Islamic Coalition deputy Justice, al-Ma'mun al-Hudaybi, he said: "Unity within the Islamic nation,

led by the Islamic Arab nation, is something we hold sacred and seek to accomplish and, therefore, any work in this regard is something we delight in and support. A review of the objectives of the ACC agreement between Egypt, Iraq, Jordan and Yemen revealed that the agreement contains momentous goals which all of us must seek to realize."

Justice al-Ma'mun al-Hudaybi put the podium and the People's Assembly in a constitutional dilemma when he set off a bombshell under the People's Assembly dome by questioning the constitutionality of Article 12 of the agreement that stipulates that resolutions shall be issued unanimously and, if that is impossible, they shall be issued by a majority. But this article did not specify what kind of resolutions. He said: "Let us suppose that a resolution be issued in contravention of Egyptian, Jordanian or Iraqi laws, which one will have supremacy: the ACC resolution or the local law?"

Justice al-Hudaybi added: "I was expecting the parliamentary committee to discuss this point from a constitutional point of view before referring it to the People's Assembly because this is a very serious stipulation that did not get any mention whatsoever in reports pertaining to the agreement! This does not mean that I oppose the agreement, but our people have the right to know the dimensions of this subject in view of its relevance to state sovereignty!"

Important Dialogue

Dr Rif'at al-Mahjub commented on Justice al-Hudaybi's statement by saying: "I will elucidate on this matter before the government comments on it. One matter is under contention from the legal point of view and another matter is not. If there is a conflict between the treaty and national laws, or if the treaty cannot be implemented without a law amendment, the judge is bound to enforce his country's laws."

At this point, Dr 'Ismat 'Abd-al-Majid, deputy prime minister and foreign minister, stepped in to reply to the points raised by Justice al-Hudaybi, who put the People's Assembly and the government in a constitutional dilemma by saying: "The point raised by deputy al-Hudaybi was a topic of discussion during the drafting of the agreement. Furthermore, unanimity is a 'flawed' method when voting in the Arab League and limiting unanimity to the agreement in amending the founding agreement or taking in new members."

The foreign minister pointed out that "People's Assembly approval transforms the treaty into law and there is no conflict between quadripartite ACC agreement and local laws. If any of the provisions are found to be in conflict with legal stipulations, constitutional law professors shall deliver the legal opinion."

Rapporteur Dr Yahya al-Jamal tried to salvage the situation by saying: "The present trend in international

treaties is to adopt resolutions by a majority and not by unanimity so as not to paralyze international organizations. Supremacy in international organizations has taken on a new meaning different from the absolute meaning in the old sense. Article 151 of the Egyptian constitution stipulates that, upon ratification, a treaty has the force of internal law."

Al-Hudaybi Exposes Their Contradictions

Coalition deputy Justice al-Ma'mun al-Hudaybi stood up to reply to them, saying: "Dr 'Ismat 'Abd-al-Majid, minister of foreign affairs, had his response! Dr Rif'at al-Mahjub, president of the assembly, had his response! the rapporteur had his response! But the fact is that they are all contradictory!"

Assembly president Dr al-Mahjub, irritated, interrupted him: "Well Mr Justice, I talked about the legal aspect of the agreement and we did not disagree!"

Justice al-Hudaybi replied: "I am saying that this subject is very serious and must be discussed at length and not 'half boiled' in order to be fully aware of the fact!"

Dr al-Mahjub interrupted him again, replying with exasperation: "The Egyptian judge will not implement an administrative decision issued by this agreement if it is in contravention of Egyptian law."

Justice Hilmi 'Abd-al-Akhar, chairman of the People's Assembly constitutional and legislative committee (National Party), was given the podium and he said: "I agree with you, but allow me to state my opinion plainly. There are two premises: this agreement included a clear provision inconsistent with Egyptian law and this provision will be enforced because it supersedes!"

Dr Rif'at al-Mahjub interrupted him, saying: "What Dr Yahya al-Jamal said is preferable and we will leave this to the rules of interpretation!"

National Party Deputy Bombshell

After debate and heated discussions about the constitutional dilemma Justice al-Hudaybi put the assembly and the government in, prominent People's Assembly member from the National Party, Justice al-Damirdash al-'Uqayli, suddenly stood up to declare his rejection of the ACC agreement, saying: "The people of Egypt have nothing to gain from this agreement. The natural thing would be for Egypt to unite regionally with Sudan and Libya and Iraq to unite with Syria. Egypt's entry into this agreement will block its return to the Arab League."

At this point, Dr Mahjub, Dr Yusuf Wali, secretary general of the National Party, and Kamal al-Shadhili, chairman of the ruling National Party's parliamentary body, looked at him with exasperation as though to say: "What are you talking about?! Sit down!"

In an effort to salvage the situation, Dr Rif'at al-Mahjub said, with great exasperation: "It is better not to be carried away by the logic of reason alone. We must instead go after the logic of reality. It is not right at all to let what cannot be implemented today impede realizing what can be implemented!"

At the end of the session, the People's Assembly unanimously ratified the agreement founding the ACC which is made up of Egypt, Jordan, Iraq and Yemen.

Shura Council Election Causes Controversy *45040238b London AL-HAWADITH* *in Arabic 17 Feb 89 pp 38-39*

[Text] The termination of any legislative council in Egypt has become easy and within reach of any Egyptian attorney. Kamal Khalid began it with his famous case, which put an end to the previous People's Assembly, dissolved by the Egyptian government to hold new elections in April 1987. However, the journey is not over. There is a new attempt to challenge the constitutionality of the changes that were made.

It appears that the same fate may be the lot of the current Shura Council. Attorney 'Abd-al-Halim Ramadan has succeeded in making its dissolution "a matter of time," possibly coming in April with the ruling of the Higher Constitutional Court, which is expected to be in favor of dissolution. The government may not wait for the court's decision before dissolving the council itself, making the ruling superfluous, particularly since the government is now preparing for additional amendments to the law on Shura Council elections in order to eliminate the flaws and shortcomings exploited by attorney 'Abd-al-Halim Ramadan in his case. In the end, it remains a question of the opposition parties' accepting these amendments, which pertain to the manner in which representatives are elected to the Shura Council, particularly since, as AL-HAWADITH has learned, the trend is toward direct election of individuals instead of the previous election by unrestricted slates.

'Abd-al-Halim Ramadan told AL-HAWADITH about the case challenging the constitutionality of Shura Council Law 150 of 1980 asking that implementation of the presidential resolution be blocked and nullified, as if it had never existed, calling for the voters to nominate and elect the Shura Council. "On 23 September 1989[year as published], a ruling was issued rejecting the request that implementation of the contested presidential resolution be blocked, referring my challenge to the appropriate Higher Constitutional Court. The Administrative Court agreed with me that the defense I presented was sound, in answer to the court's claim that I had no personal capacity or interest in the challenge. The Administrative Court's agreement created a new situation that was especially significant, with the court monitoring the constitutionality of laws and regulations but without the right to declare a law unconstitutional.

"The argument that the law was unconstitutional rested on the fact that candidates for the council and the voters who chose the candidates had to belong to a political party, thus depriving any citizen who did not belong to a party of the right to run for office and to vote. Specifically, this violates Articles 1, 2, 3, 40, and 62 of the constitution, and is inconsistent with democracy because it violates the principle of equal opportunity for all citizens and deprives independents of the right to run for office and to vote.

"Then began the exchange of memoranda, concluding with the State Commissioners' Office depositing a comprehensive report with the Higher Constitutional Court concurring with all my claims that this law was unconstitutional. In its report, the Commissioner's Office advised rejection of the government's claims, which were essentially that the Higher Constitutional Court did not have jurisdiction in such cases and that my claim should not be accepted on the grounds that I had no personal capacity or interest in the challenge. The court set 15 April as the date for a ruling after the Commissioners' Office submitted its report."

In an interview with AL-HAWADITH, Minister of People's Assembly and Shura Council Affairs Dr Ahmad Salamah [Muhammad] tried to downplay the significance of the report by the State Commissioners' Office by saying, "Although I have great respect for the office and its report, it is only one opinion among those presented to the court and may be adopted or not."

'Abd-al-Halim Ramadan reaffirms that if the law is ruled unconstitutional, it means simply that it was unlawful since it was promulgated and that all measures taken in implementation of the law, from nominations to elections to membership in the Shura Council, were taken on the basis of an unconstitutional law. It consequently means that the entire Shura Council has been illegitimate since the day of its election. However, Dr Ahmad Salamah assures us that nothing would require dissolution of the Shura Council even if the Constitutional Court issued a ruling, because amendments to laws are not applied retroactively. 'Abd- al-Halim points out that a ruling by the Constitutional Court is a "discovery ruling" of legal facts and is the foundation for a legal principle applied from the date the ruling is issued. The ruling, which has the force of legislation, revealed the unconstitutionality of the law since its promulgation, and all its effects are nullified with no need for an additional ruling.

As AL-HAWADITH has learned, it is confirmed that the People's Assembly and the Shura Council will discuss the draft law on the Shura Council during the next two weeks. According to Kamal al- Shadhili, head of the NDP [National Democratic Party]'s parliamentary organization in the People's Assembly, "This will include amending 11 articles of the Shura Council Law dealing with adoption of a system of individual election. Generally speaking, these changes will not mean a change in

the law or the drafting of a new law, provided they are totally in keeping with the context of the law. There is a definite trend toward dissolving the council, particularly since a situation cannot exist where half the members were elected by unrestricted slates and the other half as individuals." According to Dr Ahmad Salamah, this makes the issue of dissolution natural. He denies that there is a trend toward amending the council's jurisdiction or changing it to a legislative council, since this is a matter of law and the constitution.

Apparently the changes will not stop with conversion to an individual system of elections. According to Dr Ramadan, "Egypt will be divided into 52 election districts, with one million persons in each, which will also be unfair, warranting a challenge of unconstitutionality. This is particularly true since an individual candidate cannot take on the difficulties of a true battle unless he is backed financially by a party publicizing and organizing on his behalf in remote districts. The Shura Council is also becoming a testing ground, since it was the first to have election by unrestricted proportional slates. The People's Assembly and local councils followed suit, and now the system of individual election is being brought back. There is a good possibility that the People's Assembly will change to a system of individual election, as revealed by President Husni Mubarak when he met with Egyptian intellectuals after the opening of the Cairo Book Fair, saying that individual elections would be tried in the Shura Council with the stipulation that they also be applied to the People's Assembly. He did, however, hold out the possibility that this would happen after the Assembly elections were over." However, attorney Kamal Khalid also believes that the People's Assembly itself will not see its term, particularly since he has brought a case before the Administrative Court, the same route, challenging the amendments to People's Assembly Law 88 of 1986. As he told AL-HAWADITH, he obtained "a court ruling of the significance of the challenge of unconstitutionality, and it was referred to the Higher Constitutional Court. The Administrative Court described the amendment as a glaring distortion of legislation and an invalidation of the principle of equal opportunity and equality. On 7 December 1987, the court also rejected the challenges presented by the president, the prime minister and the minister of interior. Last March arguments before the Commissioners' Office of the Constitutional Court concluded, and appeals were barred so that the office could submit its report." Still in Kamal Khalid's words, "the report is believed to be completed, but political motives are causing a delay in its submission so that the Shura Council and People's Assembly will not be dissolved at the same time, which would cause constitutional and parliamentary upheaval.

Obviously, when the government complied with the opposition's demand for a return to individual elections, this compliance was not welcomed with open arms, and there was caution regarding existing amendments, even though the opposition wanted to announce a unified

position on the expected changes. Meetings are under-way to formulate such a position, which may be announced at the public meeting to be held by the opposition parties in Tanta on 9 February [as published]. Nonetheless, opposition opinions are divided:

- Some play down the importance of the Shura Council. Lutfi Wakid of the NPUG [National Progressive Unionist Grouping] says that "it has no authentic jurisdiction and is merely a consultative council, similar to the specialized national councils, which can do a better job of playing the same role." The religious thinking is the same, as expressed by Sayf al-Islam al-Banna of the Muslim Brotherhood, when he told AL-HAWADITH that "two-thirds of the Shura Council members are appointed. Only the government can create the council, not the will of the people."
- Others in the opposition raise the idea of the old guarantees of impartial, untarnished elections as a priority that must come before the concept and type of elections. One such guarantee is total supervision to effect the election process without interference by the administration. Another is to make the voter lists more accurate, particularly since some names appear more than once, and non-existent and deceased persons vote in the elections.
- Ibrahim Shukri mentions in this regard the importance of election by unconditional proportional slates in which all can present lists based on specific platforms. He criticizes the statement that individual elections are best, telling AL-HAWADITH that they "prevent many representatives of public opinion from joining parties with social programs and responsibility." Yasin Siraj-al-Din proposed reducing the proportional slate from 8 percent to 2 percent, criticizing the individual election system as one in which if two candidates receive a comparable number of votes, the victory of the one who received only a few votes more would mean that a large percentage of voters would not be represented.

AL-HAWADITH has learned that there are two schools of thought within the opposition parties on dealing with the new law that would comply with some of their demands:

- The first calls for a boycott of Shura Council elections and opposition in the People's Assembly to the amendments that the government intends to propose, according to Counselor Ma'mun al-Hudaybi, who told AL-HAWADITH, "The Council appoints two-thirds of its members and has basically no legislative role, merely a consultative one. Furthermore, an individual could not carry out the necessary election activity or publicity in the 52 districts proposed." According to Muhammad 'Abd-al-Shafi, deputy chairman of the Liberal Party, "Under the system of individual election, before the system of slates was introduced, the number of districts reached 150." The

opposition parties are expected to announce this view in their next meeting.

- The second urges participation in Shura Council elections. Liberal Party chairman Mustafa Kamal Murad told us, "Changes pertaining to individual slate were among opposition demands, and the government complied because it has many advantages over proportional and unrestricted slates, particularly since the individual system was used successfully from 1924 to 1984, approximately 60 years. Furthermore, the Liberals and the Wafd Party agreed to take part in Shura Council elections by unrestricted slate under the old system, since Mustafa Kamal Murad and Murad al-Sibtasi were representing the Liberals, and Fahmi Nashid was representing the Wafd Party. The opposition parties, or at least the Liberals and the Wafd, had to participate after the election system was changed to one of individual districts." According to Dr Nu'man Jum'ah, deputy chairman of the Wafd Party, "Individual elections in Egypt allow the best elements to come to parliament. The people are usually right in their assessment and choice. Individual election also transfers the speaker's loyalty from the control of the party to the people who elected him." Nu'man Jum'ah mentioned a new point under study in opposition meetings, "The opposition parties must coordinate to choose their individual candidates, which will lead to a type of cooperation among them to manage the election battle in the districts, even with the large area and number of inhabitants they encompass."

Assistant Foreign Minister Discusses Renewed Arab Relations

45040238B London AL-HAWADITH in Arabic
17 Feb 89 p 39

[Interview with Assistant Egyptian Foreign Minister Muhammad 'Ismat Rida; date and place not given]

[Text] Ambassador Muhammad 'Ismat Rida, assistant foreign minister, told AL-HAWADITH, "The world is moving toward peace. During the past year, several positive signs have reinforced this trend, obviously helping to overcome the regional conflicts exhausting many developing countries, inflicting heavy material and human losses on their people, and preventing them from carrying out their development programs. The apex of this peaceful development was the speech delivered from the United Nations podium in Geneva by the leader of the Palestinian revolution, brother Yasir 'Arafat, on 13 December.

"The Palestinian cause has witnessed intensive Arab and international efforts. President Husni Mubarak has held many meetings and is continuing to do so in order to clear the air, promote the Palestinian cause, and bring about an international peace conference.

"We hope that with U.S. President George Bush's taking over the reins of government, great strides will be made

toward establishing peace in the world. The announcement of the establishment of a Palestinian state was a valuable opportunity for all the concerned parties and others to seize and achieve a comprehensive, just, and lasting solution to the problem of the Middle East.

"We hope that Israel will go along with reality, with peace, and with the efforts that have been made and that it will seize this opportunity for peace."

[AL-HAWADITH] A year has passed since resumption of diplomatic relations between Egypt and other Arab countries. What do you think of the results?

[Rida] Egypt's relations with the other Arab countries were not reestablished in a vacuum. Their contacts and relations continued in all spheres, including both political consultations and economic and cultural relations. Resumption of relations intensified such contacts and relations, which Egyptian political leaders pursued for the sake of the coordination necessary to deal with Arab-Egyptian issues in a pan-Arab framework and constructive spirit and particularly for Arab action to bring about a just settlement to the Palestinian issue and to spur peace efforts in preparation for an international conference.

I am certain that Egyptian-Arab relations will see more progress and relaxation in the near future, with reconciliations with many of our sister Arab countries.

[AL-HAWADITH] Are there any Egyptian-Arab efforts in the field of development?

[Rida] In its activities with its Arab brethren, Egypt tries to establish the proper formula for cooperation and integrated reciprocal investment of Egyptian and Arab capabilities and resources to achieve our joint interests and face the challenges of growth in the next century. There is no doubt that Arab movement toward rapprochement on political and development issues provides the growth aspect of relations a good opportunity to expand and establish itself.

[AL-HAWADITH] Recently we have seen diplomats attacked abroad. To what degree do foreign ministries provide protection for their diplomats?

[Rida] Terrorism is not a new phenomenon, but technological progress has made terrorist attacks easier. Naturally, the diplomatic corps is a primary target for terrorists, particularly since the perpetrators are trying to make specific political gains.

Terrorism against diplomats takes three forms: hijacking aircraft carrying diplomats, storming and occupying airports and taking hostages, and assassinating diplomats. Egypt's embassies in Madrid and Ankara have been stormed, and regrettable incidents have occurred at many embassies throughout the world.

A number of our Saudi colleagues have been assassinated recently in Bangkok, Karachi, and Ankara and have been kidnapped in Beirut. Deputy Prime Minister and Foreign Minister Dr 'Ismat 'Abd-al-Majid, speaking for Egypt, condemned the assassinations of Saudi diplomats as terrorist activity that must be opposed and its perpetrators punished, particularly since Saudi diplomacy is marked by its positive nature, initiatives, and avoidance of disputes and bickering. It has been described as the diplomacy of patience [al-nafs al-tawil], dealing with the world impartially and not interfering in the affairs of others, which has won it the respect of the entire world. In my opinion, the responsibility for protecting diplomats rests with the host country. The countries of the world must act quickly to carry out studies and take steps to combat terrorism and establish special security teams.

[AL-HAWADITH] What is your opinion of current Egyptian-Saudi relations?

[Rida] Egyptian-Saudi relations have been and will remain brotherly, friendly relations. President Mubarak and the Guardian of the Holy Places have a brotherly relationship of long standing. They consult continually on matters affecting the Arab and Islamic nations.

God willing, our two countries will see greater progress in the economic, cultural, social and investment spheres.

Egypt is looking forward to the expected visit by the Guardian of the Holy Places. The visit is intended to further strengthen the relationship with regard to issues which are of concern to the Kingdom of Saudi Arabia, Egypt, and their peoples.

Muslim Brotherhood Advisor Interviewed on Forming MB Party

*45040271B London AL-MAJALLAH in Arabic
22-28 Mar 89 p 11*

[Interview with Ma'mun al-Hudaybi, counsel for the Muslim Brotherhood, by Husayn 'Abd-al-Qadir: "In the Aftermath of Labor Party Issue al-Hudaybi Says, 'We Are Trying To Establish a Party for the Muslim Brothers';" in Cairo; date not specified]

[Text] Egypt's opposition Labor party has undergone a change in direction which became evident after the results of the Executive Committee elections were announced. Supporters of the Muslim Brothers won 19 of the committee's 30 seats. Veteran party members severely criticized the Muslim Brothers and accused them of "taking over" the party. Husayn 'Abd-al-Qadir, AL-MAJALLAH's correspondent in Cairo, met Ma'mun al-Hudaybi, counsel to the Muslim Brothers, and conducted the following interview with him.

[AL-MAJALLAH] How do you explain the charge that is being made against the Muslim Brothers? They are being accused of "taking over" the Labor Party.

[al-Hudaybi] This is a false allegation. The Muslim Brothers did not try to take over the Labor Party or any other party. Mr Ibrahim Shukri, president of the Labor Party, knows that we did not interfere in any of the party's affairs.

[AL-MAJALLAH] Early in your alliance with the Labor Party, you deleted the word, socialist, from the party's name. Now you are holding almost all the party's seats. What next?

[al-Hudaybi] None of this was our decision. Party officials are the ones who make the decisions they want to make. The term, socialist, is still in the party, and we never asked for its deletion. We have a specific program that we share with the Labor Party and the Liberal Party. We ran for election on that basis. And as long as each party remains committed to that program, the alliance continues.

[AL-MAJALLAH] What is your impression of the statement that was made by Ahmad Mujahid and main party officials?

[al-Hudaybi] Labor Party officials are free to do as they please among themselves. Mr Ahmad Mujahid knows for certain that we have never interfered in the Labor Party's affairs.

[AL-MAJALLAH] It is being said that you are making plans to fill the party's remaining seats. It is also being said that the next step will be the replacement of Ibrahim Shukri himself and that you will become president of the party.

[al-Hudaybi] All this is nonsense, and the only reason for it is to create problems. I myself did not know who were the candidates for the Executive Committee, and I will not know the winners' names until they are printed in the newspapers.

[AL-MAJALLAH] It is being said that you are the brain and the engine behind the parliamentary alliance. It is also being said that Ibrahim Shukri is nothing more than a front.

[al-Hudaybi] We are members of the Labor Party's parliamentary caucus. It is normal for us to discuss matters which are presented to the parliamentary caucus. We work together to coordinate positions. Other than that, we do not interfere in anything that has to do with the Labor Party.

[AL-MAJALLAH] Then what is the reason for all this turmoil?

[al-Hudaybi] There are powers or people whose interests would be served by widespread unrest within the Labor Party.

[AL-MAJALLAH] It is being said that having your own party in parliament could provoke some feelings.

[al-Hudaybi] Basically, there is no fear that we will have any civil strife in Egypt. The application of Islamic law would not lead at all to such civil strife. On the contrary, the application of Islamic law would affirm national unity because Islamic law affirms that Christians and Jews have the same rights and obligations that Muslims have.

[AL-MAJALLAH] Will your presence in the Labor Party in large numbers cause you to abandon the idea of establishing a party for the Muslim Brothers?

[al-Hudaybi] Not at all. We are still trying to get a permit to establish our own party.

Comments on Brotherhood Supreme Guide's Views, Terrorism, Stability

45040227 Cairo AKHIR SA'AH in Arabic
1 Feb 89 pp 3-6

[Article by Muhammad Wajdi Qandil: "Events of The Hour: Terrorism and Stability: How to Cope With Them? Those Who Play With Fire and With Democracy"]

[Excerpts] [Passage omitted] Some partisan writers—the Labor Party and the Wafd Party to be exact—strike the chord of provocation and intimidation in writing about religious extremism and try to cast doubt on the legal measures the security agencies are following to counter terrorism, thus playing with fire which may burn them before others. This includes:

- Giving the impression that the youth in Egypt are leaning towards religious extremism when, in fact, their broad base is sound and aware. The young people are suffering from the psychological and economic pressures of unemployment that have come about in recent years as a result of growing numbers of college graduates and inadequate job opportunities. The leadership of extremism has taken advantage of these extraordinary circumstances, using religion as a pretext, to twist the facts at will thereby charging the existing society and the ruler with unbelief. Such venom may find a sympathetic response from those who suffer a religious vacuum.
- Giving the impression, as the Labor Party newspaper has been circulating, that the Islamic group has become an effective force in the arena that can dictate any opinions it wishes and can force anything it pleases on the majority. This is untrue, because this group, just like the extremist tendencies in Europe and America which are known for taking potshots, is known for its loud voice and ability to move fast, but it does not speak for the majority of the Egyptian people.
- Giving the impression that labor unions, student unions and university faculties are predominated by

Islamic groups. This is untrue, because the tide began to ebb in recent student elections and in labor unions. The groups' tendencies toward violence become unmasked when they began using chains and daggers inside the universities to attack professors and students who disagree with their opinion.

Giving the impression that extremist elements who have chosen the path of terrorism and violence are being abused and tortured by security agencies under the emergency law, while raids and seizures of terrorist dens are done with the permission of the prosecutor's office, which conducts its investigations in accordance with the precepts of justice and the rule of law. On the contrary, security officers and policemen are the ones being killed by terrorist bullets and extremist attacks.

A question to the writers who disseminate extremism: How can security officers stand up to the bloody violence they encounter at the hands of terrorist elements? How are they to perform their duties and reply to the bullets directed at them, and there are stark examples of that?

Here I return to the question I raised before: Where do the Muslim Brothers stand vis-a-vis the groups? Why are the men of the Islamic call—who profess renunciation of religious violence—silent about extremism and violence?

I have before me an article by Mr Hamid Abu-al-Nasir, the [Muslim] Brotherhood's guide, about the question of law and order in which he raises points that merit comment and a calm dialogue.

He believes that law and order is a public issue that must be supported with all the energies and capabilities of intellectuals and opinion-setters and by all the popular forces working in the arena with all their various orientations through a popular conference during which the fundamental lines of a security policy would be drawn to define goals, intentions and means which everyone can accept to bolster security and achieve stability.

We do not disagree with Mr Abu-al-Nasir's conceived idea of how terrorism ought to be countered. It is clear, however, that he is trying to steer clear of the fundamental issue, namely, extremism and religious violence which came into being in the forties under the cloak of the Muslim Brotherhood, confining his dissertation to a particular undisputed aspect, security policy to wit.

If he means to say that centers of terrorism must be resisted through security—an irreplaceable necessity—security agencies are fulfilling their duties and responsibilities with diligence and courage to ward off the danger and protect the citizens. We do not think that anyone can accept the endeavors of the errant minority, which is engrossed in the calls to extremism, to force its opinions on the people through the use of chains, daggers and bullets. [passage omitted]

The Muslim Brotherhood—if they truly reject violence in the name of religion—should have resisted thoughts alien to tolerant Islam and should have opposed the small minority that is trying to put the policy of terrorism above the shari'ah.

Other points Mr Abu-al-Nasir raises are: adoption of practical steps to draw up radical solutions to these areas, remove tension, and placate and respect people's feelings, such as stopping arrest campaigns, respecting the humanity of every citizen, releasing detainees, halting media campaigns against religion and the Shari'ah, banning cheap show business and media programs and rescinding all emergency laws that impede freedoms, peace and tranquility.

It seems that Mr Abu-al-Nasir, the Brotherhood guide, wanted to place all calls propagated by the groups and repeated by the Brotherhood in one basket to veil the fundamental issue, extremism and terrorism. Therefore, let us consider the issues up front:

When the Brotherhood's guide talks about easing tension, he must explain who is responsible for the state of violence and tension that has prevailed in the arena since the assassination of President Anwar al-Sadat at the hands of the Jihad Organization. How can the extremist Islamic groups escalate their confrontation with the government to the point of using bullets and assassination?

Mr Abu-al-Nasir cannot ignore the method of bloody violence the groups are following to achieve their contrived objectives and the expressions of violence at universities, labor unions, and cities in Upper Egypt.

It is not a mystery what happened at Asyut University when Islamic group members assaulted professors and students and inflicted punishment on dissenters using chains and daggers in a brutal way incompatible with the respect and reverence in which universities and professors ought to be held.

As for arrest campaigns of which the Brotherhood's guide speaks, they are part of the emergency law which is meant to protect society against the reign of terrorism and against groups that want to set up a state within state and to charge the ruler and society with unbelief.

This is not a new measure in confronting world terrorism. In civilized Europe and the Vatican, special tough anti-terrorist laws have been enacted to permit not only arrest on suspicion, but also the use of force and on-the-spot shooting if resistance is encountered.

I maintain that the emergency law in Egypt is much more lenient than the anti-terrorist laws European countries have enacted to protect their civilization and societal stability against terrorist and violent tendencies. The same thing goes for the United States.

Hence, this is not a novel issue limited to Egypt alone. It is the government's duty to protect people's lives, homes and possessions; to guarantee them freedom of opinion and belief; and to stand up to those who violate the Shari'ah, or else anarchy would reign.

If Mr Abu-al-Nasir were in the shoes of Minister of Interior Zaki Badr, would he have stood idly by in the face of such recklessness and assaults by extremists? Would he have walked away from protecting the citizenry and achieving stability by standing up to the centers of terrorism? Would he have hesitated to detain the elements of violence and to enforce the law?

We know that the Muslim Brothers themselves clashed with the extremist groups in Asyut and al-Minya and that they came under attack with knives and daggers. We know that the groups that have opted for violence, not dialogue, are charging the the Muslim Brothers with such charges as unbelief and distorting the call to Islam. Why then have the Brothers remained silent about terrorist practices, hiding behind the cloak of religion? Why have they been justifying the behavior of extremist groups by maligning and denigrating the performance of security agencies? [passage omitted]

It seems that Mr Abu-al-Nasir does not wish to adopt a specific position vis-a-vis extremist groups. He says: "Security forces can arrest, detain and call up guns to counter daggers and hand grenades. One well-known fact remains, however, that guns, artillery and daggers cannot root out opinions, thoughts and beliefs, and cannot impose opinions and beliefs."

Very well. We do not dispute that violence cannot impose opinions and beliefs, but extremist groups must accept this fact and return to spreading the Islamic call with wisdom and beautiful preaching. They must come out of their silence vis-a-vis calls for violence and terrorism and the men of the rightly-guided call must work seriously and honestly for the sake of God and Islam. [passage omitted]

Extremism and terrorism are phenomena that are spread throughout the world in different and diverse forms right after World War II and as a result of small regional wars that led to social disintegration and fragmentation among the youth.

Witness the effect the Vietnam war had on American society through rampant violence and homicide. There is a large number of terrorist organizations throughout the world involved in horrible activities such as the Japanese Red Army, the IRA [Irish Republican Army], the Baeder-Meinhoff in Germany, the Basques in Spain, the Red Brigades in Italy and so forth. This is in addition to off-shoot extremist and terrorist organizations backed by known governments with money and arms.

Egypt is not an island isolated from the world. Anything that occurs anywhere in the world has its reverberations

and effects. Hence, it was not strange that certain extremist and terrorists' ideas should find their way to Egypt under various guises, taking advantage of the wars Egypt had to wage in one epoch and of the difficult economic crisis it is experiencing, for reasons beyond its control, caused by a legacy which is bearing down heavily on the Egyptian people who are getting out of the bottleneck to turn to development and construction.

Hence, this phenomenon is alien and has no roots in Egypt. It is represented by a few extremists who have espoused violence as a way to force their opinion on society through terrorism.

Therefore, it is not acceptable to aggrandize the phenomenon of extremism nor to minimize its danger on youth because society is duty bound to stand up to terrorism and extremism and to protect the broad base of innocent youth against the dangers of thoughts alien to Islam in the absence of proper guidance and true religious education. It is the responsibility of the government, of the parties, of unions and universities, and of the Islamic call and scholars to save the youth from misguided ideas and wrong interpretations of the essence of religion.[passage omitted]

Leaders Discuss Social Violence

45040271A Cairo AL-MUKHTAR AL-ISLAMI
in Arabic Mar 89 pp 12-13

[Article: "Al-Shaykh al-Ghazali: 'Islam Detests Treachery by Government and by Individuals,' Dr Salim Nijm: 'President Mubarak Refused To Talk with Physicians' Union'"]

[Text] The Physicians' General Union held a round table discussion of ideas on social peace and the repudiation of violence. Al-Shaykh Muhammad al-Ghazali; Engineer Ibrahim Shukri, president of the Labor Party; Mustafa Kamil Murad, president of the Liberal Party; Ahmad Baha'-al-Din, a newspaper writer; and Justice Ma'mun al-Hudaybi, member of the People's Assembly spoke during this discussion. The other participants were Dr Sa'd-al-Din Ibrahim, professor at the American University; Dr 'Abd-al-Fattah Barakah, president of the Academy for Islamic Research; Dr Usamah al-Ghazali Harb, a researcher at al-Ahram's Center for Political and Strategic Studies; and Dr Salah 'Abd-al-Mit'al, at the National Research Center.

Al-Shaykh al-Ghazali affirmed that the presence of violence was thought to be the result of the absence of dialogue between rational parties looking for the truth and seeking stability for the homeland. Al-Ghazali said that Islam detested treachery by the government as well as by individuals. He said that government systems in Western Europe were more like the caliphate and the Islamic government system than government systems in Egypt and in countries of the Islamic world. These government systems do not even come close to the freedom which was introduced by an Islamic system of government.

Engineer Ibrahim Shukri, president of the Labor Party, also spoke and said, "Violence is no longer limited to a few Islamic groups. It has become a social phenomenon that has swept the whole country. We have to have people who set a good example, and we must have a righteous system of government to deal with this phenomenon because the Egyptian people are very much influenced by their leaders."

Mustafa Kamil Murad, president of the Liberal Party, affirmed that eliminating violence requires that we do something about poverty. Sixty percent of Egypt's young people live below the poverty line. Eliminating violence also requires constitutional reform. The state of emergency and emergency laws must be repealed, and freedom of the press as well as freedom for political parties must be affirmed.

Author Ahmad Baha'al-Din said that he underscored what al-Shaykh al-Ghazali mentioned: reason and dialogue are important. "Reason and dialogue must be available in Egypt's social, political, and intellectual life because rational dialogue is a basic condition that must be met so that peace may prevail and violence spurned."

Justice Ma'mun al-Hudaybi revealed that government was responsible for the violent acts that were taking place. It had been nurturing and supporting the ideas and tendencies of the Repudiation [Group] to create division among the Muslim Brothers.

He said the Egyptian opposition was holding on to the freedom that was available. It was using that freedom, not wasting it, because it is entitled to it. The Egyptian opposition thinks the measure of freedom it has is not enough; it thinks it must strive to regain the people's right to have total freedom.

He said the government's violation of the constitution and the law caused the violence. The government does not comply with court rulings, and in doing so sets a poor example for young people. Dr Salim Nijm, general manager for the Physicians' Union, mentioned that President Husni Mubarak had refused to talk with the board of the Physicians' Union because the union represents 90,000 physicians.

Islamists Discuss Government Reaction to Extremists

45040260 Cairo LIWA' AL-ISLAMI
in Arabic 9 Mar 89 pp 20-21, 55

[Article by Ahmad Sha'ban: "This Frenzied Campaign Against The Islamic Tendency—Till When?"]

[Text] "Extremism" and "terrorism", two everyday refrains the mass media uses in its daily pursuit of the public to the point of portraying the Islamic tendency as the number-one threat to society!

The campaign grows more ferocious with every minor incident attributed to an Islamic tendency element, whereupon all hell breaks loose. When it was said that a group of Muslim youth tried to stop a dance at a university, there was a great outcry that did not subside until after the entire Islamic tendency was portrayed as wanting to do away with all the pleasures of life and all kinds of entertainment and to spread darkness over the land of Egypt!

When the 'Ayn Shams incidents occurred and an officer fell to his death, arrest campaigns were unleashed against children, women and young men, and mass expulsion measures were taken against a number of families in the area. Meanwhile, the media was not satisfied with portraying the Islamic tendency as terrorist but, as opportunists always do, they attacked the ulema and those calling for applying the Islamic Shari'ah. Then the truth came out through 'Ayn Shams residents and on the pages of the government newspaper, AL-AHRAM, absolving the Islamic tendency of the charges leveled against it!

I took these incidents and accusations to a number of ulema and party leaders and they all rejected the notion that the Islamic tendency is responsible for terrorism in society, notwithstanding certain isolated incidents, but this sort of thing happens in societies everywhere. The media and the enemies of Islam, however, exploit them and blow them out of proportion to slander the Islamists in society!

Everyone affirms that, whereas the tone of media charges of terrorism and extremism against the Islamic groups has grown sharper in the wake of the 'Ayn Shams incidents, investigations have absolved these groups of the police officer's death, the incident that triggered the vehement campaigns against the entire area.

As proof, they cite the investigative report AL-AHRAM published on 30 January 1988 about the Islamic groups in the 'Ayn Shams area which established, through statements by workers, farmers, educated people and housewives, the absence of terrorism by Islamic groups. Indeed, this press report went one step further and published testimony by 'Ayn Shams residents about the services these groups offer, such as breaking business monopolies and higher prices of most basic commodities, finding job opportunities for the unemployed youth and providing semi-free medical services for sick people, in addition to helping the needy.

True Testimony

Shaykh Mahmud 'Abd-al-Wahhab, vice-chairman of the Legal Society, expressed amazement when he raised this question: "If the government newspaper, AL-AHRAM, has published these statements by 'Ayn Shams residents bearing witness that the Islamic groups call unto the way of God with wisdom and beautiful preaching, does anyone have the right to portray these groups as terrorists and extremists when they are the only ones to take

notice of the people in the area, offering them a variety of services while there is no sign of services provided by the National [Democratic] Party [NDP] or the other parties?!"

His eminence asked in amazement: "Why this uproar against these young men when eyes are closed to crimes of rape, drugs and addiction, which are more deserving of media campaigns, given the fact that they represent the real menace?!"

"Is it fair for the government to fight the Islamic groups because some of their members, as alleged, stopped a dance party in a university. Instead of holding a dialogue with them through the ulema and professors at the university, it dispatched 'Adil Imam to Upper Egypt to perform out of spite!"

Egypt Free of Terrorism

Shaykh Ramadan 'Urfah, People's Assembly representative for the NDP, affirms that Egypt is free of terrorism, notwithstanding certain incidents and felonies that occur in other countries because good and evil are always in conflict.

He also said that when an individual incident occurs, charges are hurled at the Muslim youth!

Before that, fingers were pointed at the Muslim youth when attacks were carried out against foreign diplomats. Investigations absolved the Islamic group of these incidents and the real culprits confessed their deeds. He wondered: "Why such a big uproar against some overzealous youth when it is possible, through a dialogue with the ulema, to elucidate what is right with religion at a time when we do not hear one word about the depraved, effeminate youth who have deviated from God's divine ordinance and who, in my opinion, are the real extremists and must be dealt with!"

He pointed out that if some youth argue about certain controversial issues such as the veil, the beard, the woman's vote, and so forth, such ideas may be handled through dialogue and their advocates must never be called extremists or terrorists!

Shaykh Ramadan 'Urfah does not rule out the possibility that behind the constant pursuit of Muslim youth at the hands of security forces is a group whose only concern is to tattle and make trouble between them and security forces. This group includes communist and Zionist agents.

"It is high time that officials put their hands on the troublemakers, for a fairminded person does not pronounce judgment before hearing all sides."

Correct Verdict

As for Dr 'Abd-al-Jalil Shalabi, former secretary general of the Islamic Research Academy, he said: "If we concede that terrorists and extremists do exist, would it not

be fair to bring these terrorists and extremists before a committee of ulema to hold a free dialogue on the ideas they espouse so that the ulema may determine whether or not they are terrorists and whether they really belong to the Islamic groups or are actually infiltrators? Consequently, the ulemas' judgement and legal opinion would be correct and built on visible evidence.

"But for a religious scholar to issue his legal opinion based on mass media reports or security agency accusations, nothing can be accomplished this way, nor is it the proper way to crush the extremism of which they speak."

Dr Mahmud Hilmi Murad, secretary general of the Labor Party, draws attention to the fact that these incidents do not call for a declaration of a state of emergency or the adoption of unusual, illegal repressive measures, nor for threats from the Ministry of the Interior, whereby we are faced with state terrorism!

Muhammad 'Abd-al-Shafi, secretary general of the Liberal Party, agrees with this point of view, pointing to the fact that extremism does not exist among the Islamic groups. However, true extremism is found in certain security agencies and mass media. If we want to do away with extremism, let us strike at societal decadence and disintegration, whereupon everyone will calm down and people will become confident that the government is on the way to gradually applying the Shari'ah.

There is another tendency that is more deserving of ideological rectification—namely, the secularists and the Marxists. This is what Dr 'Abd-al-Jalil Shalabi said, explaining that these people like to attack Islam for no good reason, taking advantage of any mistake or slip attributed to the Islamic tendency. The young among them may believe that by attacking Islam they can gain renown, forgetting that they excite the feelings of peaceful citizens, thus posing a threat to the nation.

Dr Muhammad Hilmi Murad added a new observation in this regard that some other people are exploiting the campaign and satisfying their inclinations by attacking the entire Islamic tendency, by objecting to the demand to apply Islamic Shari'ah, and by censuring and chiding religious scholars on the pretext of freedom of opinion in the belief that they are pleasing the government and oblivious to the fact that they are infuriating the great majority of the Egyptian people who believe in their religion and long to improve their lot.

They should have demanded that the Muslim youth be given the opportunity to express themselves through legal Islamic societies and Islamic newspapers, as was the case in Egypt prior to the revolution.

Dr Hilmi Murad called upon the Islamic ulema to urge the government to adhere to Islamic teachings and to preserve values and morals Islam advocates for the media and the Islamic code of behavior in society.

In making this demand, Dr Hilmi stressed upon the ulema the need to strengthen their bonds with the youth in order to have a dialogue with them away from TV screens, detention camps and security agency surveillance, so that the dialogue may yield the desired results.

Muhammad 'Abd-al-Shafi added his voice to that of Dr Muhammad Hilmi Murad in calling on the ulema and focusing on the fact that, in order to achieve these demands in full, they have to have independent opinions and to prove to the people that they represent the opinion of the true religion and not follow behind any other party.

In this connection, he underscored the need to restore al-Azhar to its previous state and to repeal Law No 103, enacted in the sixties on the pretext of developing al-Azhar, to guarantee the ulema's independent decisions and points of view so that they may have acceptance in society and so that al-Azhar may open its heart to its opponents' point of view.

When all is said and done, only the right will triumph and truth will endure even if after a long time: "For the scum disappeared like froth cast out, while that which is for the good of mankind remains on the earth." [Surah 13:17] Positions are not forever and ministers are not eternal. The only thing that stays with an official is his work by which he is remembered and judged by history. It goes with him to his grave and he carries it on his shoulders on Judgment Day.

Let us remind the officials that a tyrant, an idol or Pharaoh does not go to hell alone, but drags along his advisors, his soldiers and his aides: "For Pharaoh and Hamon and (all) their hosts were men of sin" [Surah 28:8] and "On the Day that Judgment will be established: Cast ye the People of Pharaoh into the severest penalty!" [Surah 40:46]

When officials develop the proper personality by being faithful to the office and recognizing people's rights, and being loyal to God and God alone, only then will we have taken the first steps on the right path and our problems and troubles will dissolve. Then the Egyptian individual will rest assured that he will get his due—his rights safeguarded, his dignity preserved and his humanity protected. Only then can an Egyptian feel safe and secure and have a sense of belonging to his country and his community.

This Egyptian will change from a passive quantity to a creative and productive power, whereupon we would not need production conferences or seminars to rationalize consumption. Egypt will no longer need a huge army to keep the peace internally, because justice will prevail and the Egyptians will return to the oasis of justice, freedom, and equality in rights and duties, and not before then.

God speaketh the truth: "Verily this is My Way, leading straight: follow it. Follow not (other) Paths: they will

scatter you about from His (great) Path: this doth he command you, that ye may be righteous." [Surah 6:153] "And fear the Day when ye shall be brought back to God, then shall every soul be paid what it earned and none shall be dealt with unjustly." [Surah 2:281]

Gulf Press Allegedly Campaigns To Weaken Banking System

45040281 Cairo AL-MUSAWWAR in Arabic
17 Mar 89 pp 56-57

[Article by Majid 'Atiyah: "Biased Campaign Against Egyptian Banks: Who Is Nurturing It? What Do They Want?"]

[Text] An unexpected campaign has suddenly appeared in some Gulf and other newspapers targeting Egypt's banks. It is a campaign that talks with impudence about these banks' insolvency, going so far as to suggest that they are unable to pay their depositors. There is one that talks about Egypt's foreign currency crisis and predicts that the government will take over these deposits to exchange it for Egyptian currency. All this is for the purpose of causing panic among depositors. Reports attributed to their Cairo bureaus are published with a photo of the Egyptian Central Bank president smack in the middle of the reports to give them credence when they are almost totally made up of false figures and fallacious facts!

Why did this campaign suddenly emerge? Does it have any connection with President Mubarak's European visit aimed at easing the IMF siege and obtaining loans for development interests in Egypt?

Who is behind this campaign? Is it the representatives and brokers of investment companies that have been exposed and whose owners were exposed as a bunch of embezzlers who cheated depositors out of their hard-earned life savings? Is this the reason it is trying to put distance between savings accounts and banks in favor of currency dealers? And is there another suspicious party interested in stopping the flow of Egyptian savings into Egyptian banks which enhance the national economic power?

[These are] natural questions about the timing of the campaign, about who is behind it, about its objectives and about who stands to gain by harming the national economy and slandering old Egyptian banks that were formed and established before some countries came into being.

Let us put these questions aside for now so that we may explore the positions of Egyptian banks, some of which have been listed among the 100 largest banks in the world in terms of volume of activity, financial position and international reputation.

Egypt has 102 banks, 25 of which are public sector banks; 4 are commercial banks—the National Bank, Egypt Bank, Cairo Bank and Alexandria Bank; 4 are specialized banks; the real estate banks, the Industrial

Bank, the main Farm Credit Bank and 17 farm credit banks in the governorates. There are also 40 commercial banks subject to the investment law, 11 investment and business banks, 22 foreign bank branches and 3 banks that are not subject to the Central Bank.

One figure is enough to demonstrate the strength of the financial positions of all these banks put together: their financial position adds up to over 100 billion Egyptian pounds, three times the size of the Egyptian state budget or more than a full year's income of a number of oil-producing countries.

These Figures

The four major public sector banks comprise most of the banking activities in the country, up to 70 percent. A quick reading of these banks' activities reveals the following figures that are clearly and glaringly indicative of this suspicious campaign:

- Total deposits in the four public sector banks amounted to approximately 41 billion Egyptian pounds, 13 billion of which are in foreign currency, according to the latest bank budget put out in June 1988.
- In one year, deposits in these banks grew to 10 billion pounds from 31 billion pounds for the previous year.
- These four banks contributed 6 billion pounds to investment projects.
- Deposits make up 74 percent of the total budget, compared to 71 percent for the previous year.
- Loans these banks granted to the public and private sectors for economic activities amounted to about 60 percent of the total deposits, with the lion's share going to the private sector. Industrial activity got 40 percent of it.
- The four banks' capital and reserves amounted to about 705 million pounds, compared to 555 million the previous year.
- The four banks' profits for this past year amounted to 133 million pounds compared to 120 million for the previous year.

Crisis Banks

I borrow this expression from Central Bank Governor Dr Salah Hamid who said before the Policies Committee:

"There is no doubt that some small banks, due to mismanagement and speculation, have sustained losses. These losses, however, have no relationship to individual or other accounts deposited in these banks, because deposits are guaranteed by the Central Bank, notwithstanding the fact that these banks have violated Central Bank resolutions banning them from engaging in any kind of unguaranteed speculation, not to mention the banking community's experience in this area.

"It is true that loans have been granted to certain individuals who have defaulted on their payments, but

there is a plan to deal with this problem by rescheduling the debts or lowering the interest rate according to the circumstances of the economic unit.

"It is also true that loans have been granted to individuals who have fled the country. This matter, however, is covered by the reserves and has nothing to do with private bank deposits.

"If the Central Bank is entertaining the idea, in support of the banks, to merge some similar banks, such as the 17 popular development banks, most of which have a capital of no more than 2 million pounds and are scattered throughout the governorates, what if they are made into one central bank in Cairo with the small banks acting as its branches in the governorates? Is there anything to be said about a bank crisis in Egypt?

"It is true that some small banks have needed help from the Central Bank and the Central Bank did offer them the necessary support to help them get back on their feet. Among them is the Islamic Investment and Development Bank that was ruined by infighting and bad management. When the Central Bank offers such support, it is performing its true role in preserving the capability and strength of the entire Egyptian banking institution.

"Whereas some leading bankers have committed improprieties and are now under investigation, it does not mean that banks should be slandered. What it means is that the Central Bank is bent on preserving the integrity of the banking institution's course and sound role in serving the national economy. Moreover, this kind of action keeps and preserves work discipline in this vital institution."

Started at Home!

What is the reason, then, for this campaign against Egypt's banks? Who is behind it and why?

Let us be candid.

This campaign was started in Egypt by the so-called "coalition" [National Progressive Unionist Group] press, be it in their weekly newspaper or their magazines that are religious in character. The newspaper comes out every week, with what it calls news of investigative reports about bank insolvency, mergers and corruption—a central theme in every issue. Maybe this newspaper could be excused, since spaces filled by advertisements, symposiums and articles defending corrupt investment companies that sent the Egyptian people's money abroad have disappeared.

And now their magazine has joined the battle. It literally said:

"Egyptians have lost confidence in the government and, therefore, they are depositing their money in Arab Islamic banks. Money is still pouring into these banks..."

In another place, the same magazine said that "95 percent of those who pulled their money out of investment companies have refused to deposit it in usurious government banks, but rather have taken it out of the country for deposit in Islamic banks in Gulf states and some other countries such as Cyprus or Turkey."

We see here an open invitation to the people to smuggle their money abroad and another invitation to people with savings accounts abroad not to remit their money to Egypt. Nonetheless, we find the coalition parties talking about patriotism and Egypt's economic interests.

The Shame of It All!

The invitation here is not to boycott usurious banks, as they allege. Are there not Islamic banks and branches of Islamic banks in Egypt? Why the invitation to deal only with Islamic banks abroad like Cyprus and Turkey? Why?

Investment Company Representatives

The source and goals of the biased campaign have been identified: to deny the country foreign currency resources and more investments that create job opportunities for the youth and enhance the country's economic power; foreign currency resources to import supply goods for the subsistence of the people whom they claim—falsely—to be defending their interests!

Investment companies pulled out the Egyptian people's money and smuggled it abroad to speculate with it. They squandered the hard-earned money of depositors and robbed the country of a national resource to the tune of several billion Egyptian pounds. The new appeal to the Egyptian people is not to remit their savings at home but keep it in Arab banks, perhaps in Cyprus or Turkey. God be with you, O Egypt, and save you from those braggart propagandists.

Through intense coordination—observed by the Egyptian banking delegation—between the domestic campaign and the foreign one in some Gulf newspapers where Egyptians are found in large numbers, investment company representatives and brokers, who used to and still do collect money for their own benefit, played a role in launching the campaign against Egypt's banks and in spreading rumors and confusion such as bank insolvency, loss of deposits, foreign currency shortages and a government plan to take over their foreign currency savings accounts in exchange for local currency at the banking market rate. Unfortunately, some Egyptians there—who are removed from the real national scene—were fooled by all this and began withdrawing their deposits. This process, however, nearly came to a halt when people realized that not one depositor asked for his money back and failed to get it immediately, unlike Cyprus Faysal Bank that stopped returning money to depositors.

The Governor Challenges

In the face of this campaign targeted against the Egyptian banking system, which in turn is a scheme aimed at undermining the Egyptian economy—for, as we have learned, the banking system is the sinews of the national economy—we had to debate the campaign, with all its schemes, goals and dimensions, before the Policies Committee chaired by Prime Minister Dr 'Atif Sidqi. The Central Bank governor, Dr Salah Hamid, came to the committee carrying with him a true picture of the banking institution's state of affairs and the Egyptian banking delegation's report on normal Egyptian banking activities. The governor literally said:

"Reports in the domestic press and false reports and biased rumors in the form of a well-organized campaign in the foreign press are aimed at undermining Egypt's banks. This biased campaign against Egyptian banks is marked by fabrication and distortion. Not one bank in Egypt, big or small, has failed to meet its commitments toward any client."

Finally, are the bats listening? Are those who claim to speak in the name of Egypt while striking at the depth of its soul listening?

Opposition Defends Banking System
45040292a Cairo AL-AHRAR in Arabic
20 Mar 89 pp 1, 6

[Commentary by Mustafa Kamal Murad]

[Excerpts] In this article we will complete our discussion of the financial state of Egyptian banks, after having clarified in two previous articles the strong financial positions of the four public sector commercial banks. [passage omitted] We stated in these articles that reports carried by newspapers in Egypt and abroad—to the effect that several borrowers fled with their loans—are exaggerated and do not express the whole truth. We maintained that this matter amounts to nothing more than several borrowers who left behind bank guarantees for their loans, some of which were not sufficient to defray the obligations owed by them to the banks. We stated that the percentage of these loans is weak or that the doubtful portion of these loans does not exceed .33 percent of the combined balance of the public commercial sector banks, the joint private sector banks and the investment banks. We also stated that this percentage is one of the lowest such percentages in the world, which affirms that the Egyptian banking system is governed and controlled by a number of laws. Moreover, I would not be exaggerating if I said that it is the most regulated system in the world. This invites complete trust and the increased deposit of savings in Egyptian banks.

In the current article, we clarify the financial situations of the joint commercial banks and the investment banks in 1987, according to official statistics. In doing so, we

are as an opposition political party which has clarified the credit situation in Egypt with the utmost reliability and accuracy.

There are 23 joint commercial "private sector banks, excluding the national development banks established in the governorates." The combined balances of these banks in 1987 totalled about 14 billion Egyptian pounds; deposits in these banks totalled about 12 billion Egyptian pounds, and the loans made by them total about 6 billion Egyptian pounds. A comparison of the figures shows that their median deposits constituted 63 percent of their combined balances, and that the total amount loaned by them constituted 43 percent of their combined balances and 70 percent of their deposits. All of these percentages indicate the strong financial positions of Egypt's joint banks, which assures the full guarantee of the rights of shareholders and depositors. They also indicate that these banks have been able to gain the trust of shareholders, depositors and foreign banks even though they were established relatively recently, about 15 years ago.

If we now move to the eight investment banks, we find that in 1987, the volume of their balances in 1987 totalled 4.4 billion Egyptian pounds, the volume of deposits in them totalled 3.5 billion Egyptian pounds, investment loans granted by them totalled 2.6 billion Egyptian pounds, the median of deposits in them in relation to their combined balances totalled 80 percent, and the percentage of the total loans made by these banks in relation to deposits in them totalled 71 percent. These percentages all affirm the strength of the financial positions of the Egyptian investment banks. [passage omitted]

Bakers, Supply Officials Interviewed on Bread Problems

45040298 Cairo AL-MUSAWWAR in Arabic
24 Mar 89 pp 19-23

[By Najwan 'Abd al-Latif]

[Text] [Passage omitted]

Bakery Owners

The price of flour in the black market has reached 50 piasters per kilogram, whereas its official price is 20 piasters per kilogram. This simply means that a bakery owner can make a profit of 20 Egyptian pounds by selling one sack (100 kg) of flour on the black market, compared to a profit of 1 Egyptian pound if he uses the flour to bake regular bread or 2.5 Egyptian pounds if he uses it to bake tabaqi bread. This difference has encouraged many bakery owners with weak consciences to deviate. Actually, deviation exists in every profession. However, in this case, it is more offensive, because the gain obtained from it deprives the needy of food.

[AL-MUSAWWAR] Hajj 'Ali 'Uthman owns three bakeries. Two produce regular bread, and the third produces

the tabaqi loaf. Hajj 'Uthman states: I cannot deny that some bakery owners, who do not fear God, are selling flour in the black market, because the profit from such sales is more than twenty times higher than the profit from bread production. Naturally, this is one of the causes of the crisis.

[AL-MUSAWWAR] Which type of bread do the bakery owners prefer to produce, the regular loaf or the tabaqi loaf?

['Uthman] Most assuredly the tabaqi, because it yields a higher profit. A sack of flour used to produce regular bread earns no more than 1 Egyptian pound, whereas the profit on a sack of flour utilized to produce tabaqi bread is 2.5 Egyptian pounds per sack.

[AL-MUSAWWAR] What is the difference between the regular loaf and the tabaqi loaf in terms of specifications and costs?

['Uthman] There is no difference regarding specifications. Each weighs 160 grams and has a diameter of 22 cm. The only difference is in the degree of purity of the flour, which is 72 percent for regular bread flour and 82 percent for tabaqi bread flour. As for costs, the price of a sack of regular loaf flour is 11 Egyptian pounds, the dough kneader receives 150 piasters per sack, the turner receives 130 piasters, each baker—there are two bakers for each sack of flour—receives 120 piasters and the two delivery boys receive 50 piasters each per sack, whereas the cost calculated by the Ministry of Supply is 64 piasters for the turner, 73.5 piasters for the dough kneader, 60 piasters for the baker, and 32.5 piasters for the delivery boy.

A sack of tabaqi bread flour costs 23 Egyptian pounds. The daily wage received by a turner or dough kneader producing tabaqi bread is about 25 Egyptian pounds, compared to 15 Egyptian pounds for producing regular bread. Therefore, the cost of tabaqi bread has increased, but it ultimately provides a much better profit.

[AL-MUSAWWAR] Are bakery owners incurring losses as a result of what you mentioned regarding the cost of regular bread?

['Uthman] No businessman can tolerate loss. Therefore, you cannot find regular bread which conforms to the specifications. The weight does not exceed 120 gm per loaf, and the diameter is less than 19 cm. In addition, several bakery owners are selling their allotments on the black market.

[AL-MUSAWWAR] Are all of the bakery owners therefore hoping to convert their bakeries in order to produce tabaqi bread?

['Uthman] Most certainly—however, I am willing to produce regular bread, and to continue doing so, because I believe that a high volume turnover at low prices will

lead to large profits. There is a lot of competition, otherwise, you would not see such enormous crowds at bakeries selling regular bread, whereas those selling tabaqi bread do not experience this crowding.

[AL-MUSAWWAR] Has there been a reduction in the flour allotments distributed to your bakeries?

[Uthman] This has not happened at all; however, my three bakeries operate for only 12 hours each day. If the allotments of flour were to be increased, my bakeries would stay in operation longer and produce more. In this way, the crisis would be ended. However, it is clear that there is a problem with flour. There was a reduction in the allotments of several bakeries whose owners were arrested for price fraud. Why were the withheld quantities not given to reputable bakeries so that the crisis would not get worse?

The Search for Rice and Macaroni

[AL-MUSAWWAR] In the Social Services Association of the Bakery Owners, the chairman of the association, 'Abdallah Ghurab, stated the reasons for the crisis:

[Ghurab] There has been a 20- to 30-percent reduction in the flour allotments of bakeries in Cairo and Alexandria, and a 40- to 50-percent reduction in the flour allotments of bakeries in other governorates. This reduction is attributed to the wheat import crisis, the increase in wheat prices and a scarcity of dollars. Also, the government's opening of several new public sector bakeries reduced the amount of flour available to private bakeries, because flour was diverted to the new bakeries, which the citizens have not yet gotten to. The reduction in the flour allotment is not productive, because a bakery is a complete economic unit. It has an absorptive capability and a production capacity. If its capacity is not fully exploited, losses result, and these losses are ultimately reflected in the product.

Increases in the prices of rice and macaroni, which are bread substitutes, also exacerbated the crisis by stimulating an increase in bread consumption.

[AL-MUSAWWAR] What is the role of tabaqi bread in this crisis?

[Ghurab] Tabaqi bread is not a cause of the crisis. The change in price of tabaqi bread is a corrective change aimed at matching production costs with prices in order to compensate bakery owners, because the manner by which bread prices are calculated by the Ministry of Supply has not changed since 1984, whereas the prices of several materials which affect cost, such as electricity and water, are three times higher.

[AL-MUSAWWAR] How many bakeries produce tabaqi bread and how many produce regular bread?

[Ghurab] Approximately 50 percent in Cairo and Alexandria; in some governorates, only tabaqi bread is produced. The majority of the bakeries in the governorates continue to produce regular bread. We have begun an experiment in about 10 percent of the bakeries. The experiment was supposed to go into effect universally at the end of the month; however, this was postponed for two months.

[AL-MUSAWWAR] Nevertheless, is there not a growing demand for the regular loaf?

[Ghurab] I know this, and I believe that it is necessary for the state to support the workers, who constitute the group most damaged by the increase in the cost of a loaf.

[AL-MUSAWWAR] On what basis are the bakeries being converted from producing the regular loaf to producing the tabaqi loaf?

[Ghurab] It is a random process. If we were making an attempt, we would locate the regular bread bakeries in the popular areas.

What is interesting about this crisis is that it has become exacerbated to a large extent in the rural and provincial areas. I believe that the reason is that we are between wheat harvests.

[AL-MUSAWWAR] The owners of the bakeries are accused of fraud regarding flour allotments designated for bread production, which is indicated by the presence of flour on the black market and the illegal sale of bread in the streets for 10 or more piasters.

[Ghurab] I do not deny that some bakery owners have deviated. However, there is also strict supervision.

Where Is the Supervision?

[AL-MUSAWWAR] The deviation of some bakery owners is one of the causes of the crisis. What is being done to control this?

Major General Ahmad al-Sayyid 'Uthman, an agent of the Supply Investigations Administration, states:

[Ahmad 'Uthman] Bread is one of the commodities which the administration focuses on supervising. Since 1 January 1989, 3,285 violations have been recorded. Of these, 931 involve bread produced in violation of weight requirements, 866 involve the production of bread in violation of specifications, 1,032 involve the sale of bread at excessive prices, 398 involve the halting of production, and 301 involve the offering of European bread at unauthorized times.

Regarding flour, 223 cases pertaining to the smuggling, storage and distribution of flour allotments were recorded, resulting in the seizure of about 450 tons of flour.

A new phenomenon of the bread crisis is rural consumers heading to the cities to obtain bread, especially in the evening, when supervision is more lax and bread is sold at excessive prices. This week, we caught a bakery in al-Manyal selling bread to several individuals who had come from al-Fayyum and the villages of al-Jizah. Of course, these individuals were selling the bread in their villages at twice the price.

[AL-MUSAWWAR] Brigadier General Mahmud Ibrahim, the director of the Information Administration, states that:

[Mahmud Ibrahim] Our campaigns are aimed at punishing violations related to specifications, selling at excessive prices, or smuggling flour. Violators face a month to two years in prison and fines not exceeding 1,000 Egyptian pounds. However, last year, the minister of supply issued a decision, in agreement with the minister of justice, to suspend legal action against bakeries so that they can continue to produce. This makes deterrence insufficient.

We have observed that the people are not taking enough of an interest in the tabaqi loaf. There is only interest during a crisis. The tabaqi loaf is not meeting with a response in the governorates. Even though the situation is better in Cairo, al-Jizah and Alexandria, it is very difficult to supervise tabaqi bread, because it created a new problem in the bakeries; namely, the sale of this type of bread at excessive prices. Some bakeries produce a loaf at a cost of 2 piasters and sell it for 5 piasters.

Among the causes of the problem are the seed shortage, especially cattle fodder, which has led to the use of wheat to feed livestock, resulting in bread shortages. Another reason is the reduction in the rice crop as a result of greater reliance on bread for nourishment. [passage omitted]

There Is a Crisis and There Is Not a Crisis

[AL-MUSAWWAR] It was natural that we finish our survey by meeting with an official in order to apprise him of the facts and ask what is being done to solve this crisis.

As soon as I said "bread crisis," I was interrupted by Dr Ahmad 'Abd-al-Ghaffar, the head of the Private Sector Organization of Mills, Bakeries and Silos, who interjected:

['Abd-al-Ghaffar] It is a crisis, and it is not crisis. As a matter of fact, there is no justification for these lines outside bakeries, because the quantities of bread produced are voluminous. Moreover, the crisis is not long-term. It occurs only during peak hours, at noon and in the evening, because the citizen wants to eat fresh bread, because its freshness overcomes its defects. Bakery owners have attempted to fabricate the crisis by selling flour

on the black market and by slowing production so that the citizen will buy bread regardless of its bad quality.

[AL-MUSAWWAR] Have some bakery owners complained about the reduction in their allotments of flour?

['Abd-al-Ghaffar] This happened to the irresponsible bakers, but the quantity subtracted from their allotments was distributed to public sector bakeries. Therefore, the quantity of flour available for the production of bread did not decline. We are making available 321,000 tons of flour per month of the indigenous type, and 185,000 tons per month of the top-grade type.

[AL-MUSAWWAR] But are not the lines an indication of a real crisis?

['Abd-al-Ghaffar] It is a seasonal crisis which occurs between March and June when the wheat harvest is over and preparations for the new crop are starting. During this period, the fellahs obtain bread from the bakeries instead of producing it themselves. Whoever has a portion of the old crop prefers to sell it as food for livestock instead of humans, because an ardeb of wheat sold for human consumption commands 35 Egyptian pounds, whereas an ardeb of wheat sold for livestock feed commands 60 and sometimes 90 Egyptian pounds.

[AL-MUSAWWAR] There really is a crisis regarding the flour available to cooperatives and stores. What is its cause?

['Abd-al-Ghaffar] Our consumption of wheat is increasing steadily. We import the better part of it, which requires hard currency. This is a complex economic problem that requires us to control market supply and requires the consumer to control consumption.

[AL-MUSAWWAR] Do you believe that the increase in the number of bakeries producing tabaqi bread was a reason for the lines in front of bakeries selling the regular loaf?

['Abd-al-Ghaffar] I do not believe so. There are also lines of people waiting to buy tabaqi bread, if not in Cairo, then in the provinces.

[AL-MUSAWWAR] How many ovens produce each type?

Dr. 'Abd-al-Ghaffar refused to answer this question!

Production of the foreign tabaqi loaf has become generalized nationwide, and the regular loaf has disappeared. When will the indigenous tabaqi loaf be produced nationwide?

['Abd-al-Ghaffar] It has not been determined yet.

[AL-MUSAWWAR] What did the consumer gain in exchange for the increase in the price of the loaf, especially since its specifications did not change?

[Abd-al-Ghaffar] A reduction in the percentage of moisture in the loaf, which improves it, helps to preserve it longer, and reduces spoilage. This is the special characteristic of tabaqi bread.

[AL-MUSAWWAR] What are you doing to solve the bread crisis?

[Abd-al-Ghaffar] First, a crisis means that you cannot acquire the commodity. Despite the existence of lines, the consumer ultimately obtains his commodity. This means that there is no true crisis. In any case, we have prepared carts in public squares to serve as mobile outlets for the distribution of public sector bread.

We have also moved toward improving the Syrian [shami] bread product, which has led to demand for it, whereas previously, the consumer was not interested in it. In addition to the monthly allotment of flour, 75,000 tons of flour will be made available in order to cope with the needs of the public in the month of Ramadan. Supervision will also be stepped up.

[AL-MUSAWWAR] When do you expect the crisis to end?

[Abd-al-Ghaffar] Within days.

[AL-MUSAWWAR] We could not interview Dr Jalal Abu-Dahab, the minister of supply, because of his trip to Australia—whose purpose, I imagine, has to do with wheat. [passage omitted]

Columnist Derides U.S. Chemical Warfare Concerns

45040291a Cairo AL-AHALI in Arabic 15 Mar 89 p 12

[Commentary by Philip Jallab]

[Text] The extraordinary effort of the Central Intelligence Agency should be saluted.

Months ago, the agency discovered that Libya is building a factory for the production of pharmaceuticals that can produce gases used in chemical warfare.

Our American "friends" flew into a rage because of the "special" American-Egyptian relationship.

The United States feared that Libya would use chemical weapons against Egypt.

Several days ago, Egyptian central intelligence [as published] discovered that Egypt is building a factory for pharmaceutical products in the suburbs of Cairo with Swiss technical assistance. It was feared that Egypt was on the verge of producing chemical gases for use against

Libya. Therefore, out of concern for the brother Libyan people, it employed all means to pressure the Swiss government to exert pressure on the Swiss company to stop work on the factory.

An "Arab, national" position on the part of the United States cannot be forgotten!

The United States is deathly afraid that the Arabs in Egypt and Libya will annihilate each other with these chemical weapons. Therefore, it went beyond all laws and diplomatic protocols out of concern for the lives of Arabs and the promotion of Arabism. First, the previous president threatened to blow up the Libyan plant in order to save the Egyptians; then, the construction of the Egyptian plant was stopped to save the Egyptians!

The Arabs always come first on the Americans' list of priorities—before the American people itself.

This is indicated by the fact that even though the United States is the greatest producer of poison gasses in the world, followed by western Europe, the Soviet Union, Israel, and about 50 other countries, it is only concerned about protecting the Arabs from these chemical weapons, and it has not been able, as requested by other states, to stop other states from producing these gases and chemical weapons as long as they do not intend to use them against the Arabs!

The United States wants to protect us from ourselves. We must recognize that we deserve this guardianship until we reach the minimum legal age of political maturity!

Therefore, every sincere citizen must inform the representative of the central committee agency [as published] at the American Embassy in Cairo about every plant and factory which can produce gases used in chemical warfare—from tear gas to mustard gas, which paralyzes the nervous system.

We have extremely dangerous factories which can be converted in the space of hours to produce chemical weapons. These factories are involved in the production of carbonated water, fertilizer and pharmaceuticals. The United States can export to us all of these products free of charge in exchange for the closure of these plants. It is not a large sacrifice on the part of the Americans compared to their concern for the lives of the Arab Libyan people!

Israel is envious of us, and is almost consumed by rage over the extreme concern of the United States for the life and happiness of the Arab nation!

Therefore, Israel produces all types of poison gases and nuclear bombs and enjoys only American disregard and disdain. Let us consider ourselves fortunate because we are Arabs and because the United States of America is consumed by love for the Arabs!

Article Traces Muslim Sudan's Woes to U.S., USSR

45040327B Cairo AL-I'TISAM in Arabic
Apr 89 pp 20-21

[Article: "Beloved Sudan Agonizes in Unprecedented Distress, Experiences Tragedy Manufactured by Criminal America and Sinful Russia"]

[Excerpts] [Passage omitted] Some have seized the opportunity to take revenge on the person of al-Sadiq al-Mahdi; others have not muted their hostility and hatred of Hasan al-Turabi; others have joyfully gloated over the Sudan because of the problem of applying Shari'ah law; others have expressed hateful sectarian bigotry against Islam and Muslims. World radio stations, the international press, and the Egyptian press have witnessed all this. Only the few whom God has protected from malice, hatred, gloating, and bigotry have stood on the side of the Sudan. The malicious, hateful, gloating, and bigoted ones have forgotten that the Sudan is an Islamic country experiencing distress manufactured by criminal America and sinful Russia through their agents great and small on the Sudan's borders and inside the Sudan. Those afflicted with mental perversion have forgotten that the Sudan is experiencing distress manufactured by the evil ones of the world in order to stop the Islamic tide within the Sudan or within Africa. They have laid wait for the Sudan, despite its having proclaimed democracy, a multi-party system, and fair elections like the best democracy—better, that is, than the democracy in any country in the region, including the state of the Jewish murderers on the land of Palestine. [passage omitted]

Those waging war on the Sudan are not the criminal hireling John Garang and certain traitorous communist leaders who wrongly and fraudulently affiliate with Islam. It is the United States that is waging war on the Sudan through Kenya and Uganda. It is the Soviet Union that is waging war on the Sudan through Mengistu's Ethiopia and Habre's Chad. It is the two together, American and Russia, through some hireling Sudanese political parties. Then there are the Christian missionaries who work with John Garang and the international relief and aid committees.

What hurts is the fragmentation of the political parties and their wrestling with each other for selfish interests, at a time when leftists and secularists are standing shoulder to shoulder, exploiting the Sudan's difficult circumstances to create disturbances and distort the image of Islam and those calling for its implementation.

There is no doubt that the forces of international evil and their servants have succeeded in realizing political and military gains in the entire Sudan; and with these gains, the claims of the forces of evil and their servants to speak for democracy and dialogue have fallen to the ground. Democracy, it seems, is for non-Muslims; dialogue is

with non-Muslims. For Muslims, for Islam, there is no democracy and no dialogue! [passage omitted]

What has happened and is happening in the Sudan has a clear positive side. It confirms that the secularists and leftists are hirelings of the forces of evil both Eastern and Western. It confirms that they all hate Islam and Muslims. Even if the system is completely "democratic" in the way that Israel implements it, as long as the majority is Muslim, democracy is not allowed for them—as demonstrated by what has happened in Lebanon, Pakistan, Iran, and, most recently, the Sudan. Whoever wants to enter the circle of free nations must jettison his Islam. I think this is a useful lesson for the Islamic movement, so that it will not be duped by specious claims about freedom and democracy promoted by agitators who serve the West and the East. The West and the East have agreed to swallow up the Muslims under any circumstances. The manner of their being swallowed up is not important; the only thing that matters is that they be swallowed up, and that's enough! [passage omitted]

In any event, the Sudan's Islamic leaders, whatever their positions, must realize the dimensions of the international and domestic conspiracy. They must learn that Islam is the target and Muslims the victim. For the sake of Islam they must forego personality. They must deprive the enemies of their opportunity, so that the Muslim Sudan can be victorious. And victorious it shall be, with God's permission, though it be hateful to the infidels. As for Egyptians, they are close relatives and kinsmen. They should stand beside the Sudan with all they possess, until the Sudanese pass through their distress. They should disregard all quarrels and causes of irritation and division; for the Muslim Sudan is dearer and greater than all personal considerations.

[Box, p 21]

Comment: What We Predicted Happened

Following Mr al-Sadiq al-Mahdi's maneuvers during the gestation period before the recent cabinet formation, his surrender to Garang's conditions, and his concurrence with the Democratic Unionist Party's demands, what we predicted has happened. As Radio London and the news agencies have announced, al-Sadiq al-Mahdi has sent a high-level delegation to Ethiopia to meet dissident officer John Garang and inform him of the Sudan's acceptance of all his conditions. These include: shelving Islamic Shari'ah law, cancelling the May resolutions, and working to reform the "course of the economy" as John Garang likes to call it from his power base and his subservience to Ethiopia as a crusader fortress in the heart of Africa. An amazing absurdity is the fact that the third party in the negotiations between the Sudan and Garang is the hateful crusader Mariam Mengistu, the enemy of Islam and murderer of Muslims. Greetings to the Islamic Front, with its 60 seats in the Constituent

Assembly, for its abstention from power by not participating in the coalition ministry in protest at the suspension of the application of Islamic Shari'ah law!

Views on Press Problems

45040270A London AL-MAJALLAH
in Arabic 22-28 Mar 89 pp 58, 59, 60

[Article: "Egypt: Accumulating Debts, Imported Licenses, Alien Elements"]

[Text] When elections for the Journalists' Union are held every 2 years, discussions are resumed about the problems of the press and journalists' problems. The problems of the profession, which usually remain hidden behind reporters' daily activities of reporting the news and writing articles and press stories, surface at that time. As the 24th session of the assembly of the Egyptian Journalists' Union got underway—the date for that was the 3d day of this month, March—the demand that the profession's affairs be investigated grew louder. Demands are being made to upgrade the press, to publish new newspapers and to provide a suitable climate for journalists so they can play their part in serving society.

While "Independence for the Union" and "Let's preserve freedom of opinion" were the rallying cry for the journalists' elections in the seventies, the rallying cry in the early sixties was "Better Services for the Journalist." In the coming period the rallying cry in the Egyptian press will be "Let's protect the profession and work to upgrade it."

The living reality in the Egyptian press underscores several facts:

- Old and respected institutions of the press have been afflicted with administrative and financial problems. After making a profit in the seventies, they are now in debt and their debts are growing. Institutions like Dar al-Ma'arif, Rose al-Yusuf, Dar al-Hilal, and al-Ta'awun are in debt. Each institution's debt is between 8 and 12 million pounds in taxes to the government and debts to public sector banks. Even al-Ahram and al-Akhbar, two institutions that are enjoying economic equilibrium in theory, have been threatened during the past 4 years by declining average profits. Reports from the Central Accounting Agency confirm that these two institutions are at risk of being pulled into a cycle of indebtedness.
- The presence of partisan newspapers since the seventies as a new variable for the community of journalists in Egypt has become a problem that has its own implications. These include the absence of administrative rules, and that creates problems for journalists at these newspapers. Also, the fact that the role of partisan newspapers is variously and not uniformly evaluated is hurting journalistic performance. While some government officials welcome the partisan press, others do not. Some ministers even refuse to deal with partisan newspapers.
- There are new publications which are being printed in Egypt but whose permits were obtained abroad.

- Law No 148 for 1980 regarding the authority of the press placed enormous restrictions on publishing newspapers. Thus, coming out with any new publication has become impossible.
- Problems have been accumulating in press institutions which are now burdened by large numbers of journalists. These institutions lack the ability to develop their professional performance. Not one single publication has been published by any of these press institutions for the past 15 years.

If these are the most salient characteristics of the press scene, the solution, as author Salah al-Din Hafiz says, lies in reconsidering the rules upon which the profession is founded. Mr Hafiz says that convening a general conference that would include journalists to discuss the future of the press is a must. Mr Hafiz is asking that press laws be reconsidered to allow the problems of the profession to be treated. He said these problems were getting progressively worse.

But what are the main points which will be debated by journalists for the purpose of protecting and developing the profession?

Jalal 'Arif, attorney for the Journalists' Union says, "There are three main issues that will be debated. The question of ownership of existing press institutions is one. The concept of owning a newspaper is to be amended to allow the publication of new newspapers and the establishment of new institutions."

- "[Another issue that will be debated is that of] preserving the relationship between the executive, legislative and judicial authorities and the authority of the press so that journalists can be unimpeded while performing their jobs.
- "Standardizing administrative and professional rules in press institutions will be debated to allow a harmonious relationship to exist between journalists and administrators in a press institution."

The problems of press practices in Egypt are attributed to the pattern of the relationship which has existed between the press and the government. Ever since the enactment of the first statute after the French campaign—precisely on 13 July 1823—during the administration of Muhammad 'Ali, who was ruler then, publication of anything without the government's permission has been prohibited by law. At that time the government was represented by Muhammad 'Ali. Under Sa'id Pasha, the government was represented by the minister of interior, and under Isma'il Pasha, by the minister of foreign affairs.

The first law on publications, which was enacted on 26 November 1881, confirmed that. It gave government the right to give pre-publication permits for newspapers. It also gave it the right to suspend the publication of a newspaper, to confiscate a newspaper and to shut it down on orders from the minister of interior or the Council of Administrators, the Council of Ministers at the time. The law indicated that such actions would be

taken to preserve law and order and to protect public morals and religion. The law also required each newspaper that is published to pay a large security deposit of 100 Egyptian pounds. (That was a large sum in 1881.)

The government tried to maintain its control over the press even after the July 1952 Revolution broke out and the Press Act, Law No 156 for 1960, was enacted. The government's control of the press took on a new form, however. Before 1960 newspapers were privately owned by their founders and their heirs. But after Law No 156 was enacted, ownership of newspapers was conveyed to the state. In this regard the state was represented by the National Union and then by the Socialist Union. After the Socialist Union was abolished and Egypt started having multiple parties in the seventies, a decree was enacted in 1975 creating the Supreme Council for the Press. Now, newspapers are owned by that council.

It is ironical that Article Four of the bill which was drafted to regulate the press and then presented to Parliament's Legislative Committee stipulated that ownership of newspapers be distributed as follows: the state is to own a 51 percent share of a press institution, and workers in that institution are to own a 49 percent share. Journalists would thus have a role in managing newspapers by having a stake in them. And yet, this article disappeared altogether from Law No 148 for 1980. In that law the article on newspaper ownership stipulated that press institutions are totally and entirely owned by the state. Dr Jamal al-Din al-'Atifi objected to that at the time, and a large segment of journalists joined him in objecting to that situation too, but their protests fell on deaf ears. Improper conditions are the result of the state's outright ownership of existing press institutions. These press institutions are al-Ahram, al-Akhbar, al-Tahrir, al-Ta'awun, Rose al-Yusuf, Dar al-Hilal, al-Sha'b, al-Ma'arif, and the Middle East News Agency. These conditions were described by Ihsan 'Abd-al-Quddus who said, "Egypt has one editor-in-chief; he is the state. All other editors-in-chief are actually editorial secretaries who carry out instructions."

Author Mahmud al-Maraghi adds that the problems of press institutions and their administrative fumbling are the direct result of the fact that their loyalty is not to the reader but rather to those who have the power to appoint journalists to leadership positions.

To restrict journalistic activity to existing press institutions and prevent the publication of new newspapers, the Press Authority Act, Law No 148 for 1980, contains many rules which make the publication of any new newspaper difficult. Author Mustafa Amin, who objected to that law at the time, is still objecting to it. He is demanding that people be given the freedom to publish newspapers even if each newspaper had only one reader. This is because the press represents what people think, and it is not right to control people's thoughts.

Law No 148 for 1980 stipulates unequivocally that the press is an independent, popular authority that is to pursue

its mission freely. The mission of the press is to serve society, to express public opinion tendencies and to contribute to shaping public opinion by using various methods of expression. The constitution also stipulates that the press is a fourth authority. According to the constitution a journalist may not be questioned and his safety may not be jeopardized for publishing accurate information. And yet, the relationship between the press and the executive authority in particular has been marred by much tension during the years of democratic practice, ever since political parties came into being. Mustafa Shardi spoke about that in articles he wrote in the opposition newspaper, AL-WAFD. Mr Shardi said that some ministers do not cooperate with opposition newspapers. They attack these newspapers, and they consider what they publish damaging to public interests from their point of view. Many times they refuse to allow journalists from opposition newspapers to cover events that take place within the scope of these ministers' work.

This phenomenon has spread to journalists in national institutions as well. There has been friction between a large number of ministers and journalists who are assigned to cover the activities of these ministries. Some ministers overreacted: they had some journalists arrested and their homes searched. Furthermore, photography films were destroyed, and some journalists have been barred from certain locations. If we were to add to all that the high cost of living and young journalists' small income, we would discover that journalism is indeed a profession of troubles. Some partisan newspapers, moreover, practice journalism from a narrow partisan perspective that does not reflect what is really happening in society. These newspapers are published merely for the sake of publishing a newspaper.

Imported Permits

There is another phenomenon above and beyond that of national and partisan newspapers. It is represented by imported permits which some people get from abroad. These permits which are brought into Egypt give those who have them the right to print their newspapers in Egypt. This threatens to create many problems for existing newspapers, the least of which is the stiff competition between one newspaper coming from abroad and bringing the most modern technology with it, and another newspaper which is still struggling with technological and professional shortcomings inside the country.

Journalists' Union Leader Discusses Press Needs
45040270B London AL-MAJALLAH in Arabic
22-28 Mar 89 p 59

[Interview with Makram Muhammad Ahmad, newly elected president of Journalists' Union: "President of Egyptian Journalists' Union Tells AL-MAJALLAH, 'Egypt Needs More Newspapers';" date and place of interview not specified]

[Text] Before the elections were held at the Egyptian Journalists' Union, it was known that Makram Muham-

mad Ahmad would win and succeed Ibrahim Nafi' as president of the Egyptian Journalists' Union. AL-MAJALLAH met Makram Muhammad Ahmad after his election victory. The magazine talked with him about the future of the press and the future of the union.

[AL-MAJALLAH] Amending the Press Act has become an essential demand for the press. What do you think would be the stages of this process of amending the law?

[Ahmad] The Press Act in its present form and with its various articles does in fact have to be re-written so it can be compatible with what we are experiencing now during the stage of completing democracy. In its present form the Press Act was suitable for a previous political stage. It expressed that stage truthfully, but it became meaningless and lost its reason for being when that period ended and the period of transition from totalitarianism to democracy started. The present Press Act with its three sides has to be amended. Those regulations which pertain to newspaper publishing, newspaper ownership, and the present status of management must be amended.

[AL-MAJALLAH] Who has the authority to amend the law?

[Ahmad] As I declared in my elections program which was well received by the majority, the law would be amended by a steering committee that will include members of the new assembly, a few experienced, senior writers, and legal advisers who are interested in freedom of the press. In drafting this new bill, this steering committee would take a set of factors into consideration. The most important of these factors are: studying the conditions for completing the quest for democracy and studying the conditions of the partisan as well as the non-partisan press. The new law must guarantee the Egyptian press the right to disagree and to be different. The new law must be compatible with the stage of putting the final touches on the democracy we are building.

After the bill is drafted, journalists would discuss it in a general conference that all kinds of journalists would attend. This would pave the way for presenting the bill 6 months later to the legislative institution. We can thus guarantee that the new law will have the journalists' input and that it will not be enacted without their involvement or their knowledge.

I think the freedom to publish newspapers is something that has to be reconsidered. New controls to regulate newspaper publishing are required, especially since many political movements and tendencies which emerged on the scene are still looking for an appropriate tool they can use to express themselves. New controls are also needed since existing press institutions have been unable to accommodate more of the young journalists

who graduated from colleges of information, either because they are already overstaffed or because they are economically weak.

[AL-MAJALLAH] What are the most important problems which are getting your attention as president of the Journalists' Union?

[Ahmad] There are many problems on the list. First on that list is the problem of new press laws and that of correcting internal relations within the institutions of the press. I am referring to problems which occur between staff members in the same institution: problems between the chairman of the board of directors and the editor-in-chief on the one hand and the journalists who are working with him in his press institution on the other. An attempt must be made to find an acceptable formula that would guarantee all journalists an equal opportunity to work and to publish.

One of the most important problems that we will also deal with promptly is that of restoring the profession's dignity and respect. This is a pressing issue, especially after many young journalists were arrested at their places of employment as though they were criminals. In restoring the dignity of the profession, we will pause at one of the most important points [in this regard]. It has to do with the regular flow of information from the sources of information. Ministers and officials now give unlimited access to newspapers that report good news and print details about the accomplishments of their ministries every day and every week. If the opposite happens, however, the outcome is well-known: that journalist is boycotted forever, and he is denied access to information.

I also believe that the dignity of the profession cannot be restored until differences are settled and defamation campaigns among journalists are brought to an end. This phenomenon which became widespread is having a significant impact on the credibility of the journalists themselves.

[AL-MAJALLAH] What is your position on opposition parties and the language of dialogue?

[Ahmad] I do, undoubtedly, believe in dialogue, and I believe it is necessary. Dialogue has been the motto for AL-MUSAWWAR Magazine since I assumed responsibility for that magazine in September 1980. I felt that we had to engage in a dialogue after the platform incident, and I felt that we were going through a new stage. AL-MUSAWWAR has been trying to serve as an effective and influential platform for all tendencies. It has tried to host all kinds of writers on its pages, and it has welcomed all opinions.

AL-MUSAWWAR published without reservations the thoughts and opinions of 'Umar al-Talmasani, Khalid Muhyi-al-Din and many other opposition writers out of

its concern that dialogue prevail and become a common language used by all movements and tendencies.

Editorial Criticizes State Security Priorities
45040292b Cairo AL-WAFD in Arabic 2 Apr 89 p 3

[Commentary by Jamal Badawi]

[Text] We need to re-examine the state's security policy, because the security agencies concentrate most of their activity in the religious and political domain. They track the parties, monitor the Islamic groups and encircle the universities, mosques, unions and faculty clubs. Unfortunately, the national newspapers are letting themselves be carried away by this erroneous policy and are striving to mobilize public opinion against the parties on the pretext that they are allied with the Islamic groups. The newspapers incite the security agencies to oppress the Islamic groups on the pretext that these groups are practicing terrorism and are attempting to seize power, as Khomeini did in Iran.

In my opinion, this policy is based on imprecise thinking. The social and religious composition of Egypt differs from that of Iran, the Islamic groups in Egypt are weaker than is thought, and they do not possess the ability to carry out radical change in Egypt. If some individuals associated with these groups perpetrated acts which are incompatible with the regime and the law, it does not mean that the specter of terrorism threatens Egypt! Nor does it mean that Egyptian society is exposed to the danger of terrorism and must be saved through oppression and calling upon the security agencies to go to war to the extent that their behavior becomes more oppressive or dangerous than it already is.

The true danger threatening Egyptian society stems from the drug gangs which have been able to inundate the country with heroin, cocaine, opium and hallucinogenic pills to the point where these narcotics are sold openly on the streets and sidewalks. The people go to them in vehicles in open daylight and stand in lines to obtain their drug needs. This poison has become a commodity which is available to everyone. If the security agencies diverted their efforts to the suppression of these criminal gangs, the situation would not have reached its current state.

The danger threatening Egypt's youth is not only terrorism, but addiction. Poisons are entering the country in enormous quantities, and only 20 percent of it is seized. The rest is sold under the supervision of influential men with authority and large sums of money, whom the security agencies cannot reach. Why have they not responded to them? Why have they not assaulted their hideouts and destroyed them with dynamite if necessary?

Egypt's young people are threatened. They are our lifeblood and the buttress of our future. Our distress doubles when we realize that addiction is incurable, an agonizing

truth which experts refrain from mentioning. We hope that the security agencies will protect Egypt from this danger!

Commentator Views Recent Progress in Peace Process

Reasons Behind U.S., Israeli Positions

*45040299 Cairo AKHIR SA'AH in Arabic
29 March 89 p 17*

[Article by Nabil Zaki]

[Excerpts] [Passage omitted] The [recent] development of the American position can be attributed to the continuation of the popular Palestinian uprising (which has lasted for more than 16 months), a series of successful peace initiatives undertaken by the PLO, and diplomatic activity undertaken by Egypt and Jordan. [passage omitted]

It seems that the United States wishes to convince the PLO to accept, as a first step, the idea of holding discussions between Israelis and Palestinians from the occupied territories who are not members of the PLO (even if they support, or are supported by, the PLO!).

Naturally, this proposal is part of the U.S. policy of maintaining a flexible and adaptable position, and searching for common ground.

Even though the current American position is characterized as being more responsible vis-a-vis the Palestinian-Israeli conflict, it is nonetheless not rising to the level of developments occurring in the context of this conflict itself. [passage omitted]

Recent days have witnessed political bombs exploding in Israel, all of which herald the beginning of acknowledgment of the inevitability of dealing with the PLO.

The most significant of these bombs is the secret report produced by Israeli intelligence agencies specializing in foreign, local and military affairs, which includes ideas and analyses diametrically opposed to the ideas and analyses of Shamir and all Israeli officials in his sphere of influence. [passage omitted]

The leaking of the contents of this report to the Israeli and international press was a strong blow to all of the pretexts which Shamir had been preparing to take with him to Washington to negotiate with Bush. [passage omitted]

There is a faction within the Israeli Labor Party (a partner in the ruling coalition) which advocates withdrawing from the coalition and joining the ranks of the opposition if the government's policy does not change. Labor Party leader Shim'on Peres recently stated that Israel must talk with the Palestinians "as they are...as they are organized." As Shamir stumbled about—first

denying the information in the secret report, and then retreating to acknowledge the report's existence, saying that it contains appraisals, not recommendations—residents of Jewish settlements in Northern Israel were calling on the United States to pressure the Tel Aviv government to negotiate with Palestinian representatives or even the PLO. [passage omitted]

The most outstanding of all of these important events is the second round of the Palestinian-American dialogue in Tunis, inasmuch as it dealt with "substantive issues." The sixteenth month of the intifadah [Palestinian uprising] is the month in which the United States and Israeli public opinion truly recognized that there is no alternative to negotiating with the PLO.

If the United States wants to exploit favorable circumstances to create momentum in the peace process, there are no better circumstances than the present ones, inasmuch as Shamir is not Israel in the final analysis, especially after free rein was given to his oppressive policies for 16 months, with the result being—as stated in the secret report prepared by Israeli military intelligence—the impossibility of suppressing the intifadah. If Bush wants to save Israel from itself, he must decisively establish the positions which must be taken.

Also, the leaders of the PLO have missed no opportunity during the past several weeks to emphasize their flexibility and willingness to discuss a number of compromises in order to activate the situation and help Israeli leaders out of their impasse.

Ultimately, the principles remain firm. The American administration knows that adhesion to them is inevitable until they are achieved, regardless of whether an international conference is held. These principles are as follows:

- The withdrawal of Israel from all of the territories which it occupied on 5 June 1967.
- The right of self-determination for the Palestinian people, including the right to establish an independent state on its land.

All current activity must ultimately converge on these two principles, for they have been the focal point of the struggle and the sacrifices of the Palestinian people, for more than 40 years.

'Arafat-Mitterrand Talks

45040299 Cairo *AKHIR SA'AH* in Arabic
31 March 89 p 2

[Commentary by Nabil Zaki]

[Text] The decision of French President Francois Mitterrand to hold a meeting with Palestinian leader Yasir 'Arafat comes in the wake of Washington's insistence on

freezing the European role in the Middle Peace process. Moreover, it can be said that Mitterrand's decision is a European response to the American position.

Concerns had been raised in Brussels (seat of the European Community) regarding the possibility that Washington and Moscow would agree to exclude Europe from a settlement and ignore its role and interests in the Middle East. Likewise, Leo Tindemans, the Belgian minister of external relations, emphasized to James Baker, the American secretary of state, that the European Community has played an important role in facilitating the maturation of the positions of the parties to the conflict and in paving the way for an international conference; consequently, it would not accept being excluded from a role in a final settlement of the conflict, which is an international conference.

It is well-known that Europe's role in assuming responsibility for arranging an international conference and for promoting peace in a neighboring region has intensified in a manner unparalleled since the Vienna declaration in the 1970s. There is also the French-Egyptian agreement, made long ago, on the formation of a preparatory committee for such a conference.

Europe has come up against U.S. opposition to any European peace initiative. Baker requested of French Foreign Minister Roland Dumas that Europe desist from "intervening" at present in this conflict, so as not to undermine the mission of the United States, which is more able to understand the complex aspects of the situation.

Actually, Washington's opposition to a European role is attributed to its perception that this role constitutes an element of pressure on Israel.

The announcement made from the Elysee palace on the Mitterrand-'Arafat meeting (expected to occur in three months) was tantamount to a decision that Europe is determined to undertake a role in the Middle East.

Editorial Claims Parliamentarian Fired on Mubarak's Orders

45040289A Cairo *AL-SHA'B* in Arabic 14 Mar 89 p 5

[Editorial by Muhammad 'Abd-al-Quddus: "Compatriots: Permissible Punching"]

[Text] Sincere congratulations to expelled People's Assembly member Tal'at Raslan on the occasion of his dismissal from parliament! Oh what an honorable charge leveled against him. He tried to put the minister who assaulted people's honor and dignity in his place.

I was saddened by the fact that some opposition members tried to arrive at a compromise in this affair, such as a conciliation with the assaulting minister. Had Raslan stayed in the People's Assembly in exchange for offering his apologies, it would have been a serious defeat for the

opposition and a crushing blow to all honorable ethics and values that have no room for compromise.

My point of view in this affair is definite. People's honor and dignity are sacred and must never be assaulted. Anyone who assaults them oversteps all bounds of decency, legitimacy and the sovereignty of the law and must be put in his place by any means, even punching, which, in this case, is permissible. Accordingly, I believe that the punch the assaulting minister received was warranted. The puncher is to be thanked and his expulsion from the People's Assembly because of it is a badge of honor for him. I support what AL-SHA'B's editor-in-chief wrote last week under the title: "The Minister May Be Punched Again for Ill Manners."

One symptom of the regime's downfall is the fact that the government's party did not dare put the blame on the minister who assaulted the people's honor and dignity. This means that the ruling party sanctions making people's honor fair game to any assailant under the government's eyes and ears and protection as well.

My countrymen are intelligent, discerning and insightful. They know that the decision to expel the member came from above (!) in accordance with an order given by the president himself. The government's party was merely the enforcer, or, in other words, the "rubber stamp." People thought it farfetched at first that the People's Assembly member would be expelled on grounds that he did not punch the minister out of nowhere. Indeed, it is a ticklish affair having to do with honor and dignity which the minister assaulted. The regime, however, exposed itself when it brushed aside all these sentiments. We say to them: "You made Tal'at Raslan a hero in the eyes of his compatriots and downfall was your well-deserved lot, for he is the winner and you the losers."

IRAQ

Government Reimposes Food Price Controls

44000506 Dubayy KHALEEJ TIMES
in English 14 Apr 89 p 4

[Text] Baghdad—The Iraqi government, faced with increasing public complaints about rocketing costs, said on Wednesday it was reimposing controls on food prices.

The president's office said in a statement that a committee would be reestablished to fix vegetable and fruit prices week by week.

Iraq launched economic reforms more than a year ago giving the private sector a greater role and lifting many restrictions, including some covering pricing.

The government, however, kept controls over essentials and continued subsidising rice, sugar, flour and tea.

Wednesday's statement, read on Baghdad Radio, said the government would continue encouraging the private sector but "we remind those greedy people that this policy doesn't mean leaving their hands free to exploit the consumers."

It set new prices for chicken, eggs and all vegetables, which recently soared in price to unprecedented levels.

ISRAEL

New Mayor of Umm Al-Fahm Interviewed

44040326 Nazareth AL-SINNARAH in Arabic
3 Mar 89 p 5

[Interview With Shaykh Ra'id Salah by Lutfi Mash'ur; date and place unspecified]

[Text] AL-SINNARAH held the first comprehensive press interview with Shaykh Ra'id Salah, who was elected mayor of Umm al-Fahm by an overwhelming majority. The editor of AL-SINNARAH, Lutfi Mash'ur, and AL-SINNARAH's correspondent in the Umm al-Fahm area, Muhammad Shafiq al-Qasim, participated in the interview.

[AL-SINNARAH] What is your response to official reactions following your victory in the elections and the success of the Islamic movement in other villages?

[Shaykh Ra'id] My reaction to the statements issued today is that they are strange and that there is no cause for them, for the simple, basic reason that when we decided to participate as an Islamic block in elections with the other lists, we set our sights on working to build Umm al-Fahm through the [same] law which governs the municipality of Umm al-Fahm, the municipality of Nazareth and the municipality of Shafa'amru. This law governs me as the mayor of the municipality of Umm al-Fahm, and it also governs any citizen in Umm al-Fahm. Based on this law, we will work, maintain channels of communication with pertinent agencies, and proceed with our task as individuals bearing responsibility for the general interest of Umm al-Fahm.

On this basis, I do not think that there is any reason for these responses.

[AL-SINNARAH] What is your understanding of the statement made by the minister of the interior that there is a need to take specific measures?

[Shaykh Ra'id] These specific measures remain unclear to me. However, we maintain that something must not be judged before it is given a chance to work and provide something which is desired. What is desired is the development of Umm al-Fahm and its extrication from the crisis which it is experiencing. Therefore, something must not be judged before its occurrence.

[AL-SINNARAH] What is your opinion of the statement made by one of the officials that he will soon wish for the communists?

[Shaykh Ra'id] This same person continues to say this. We maintain that his longing for the communists will never prevent us from building Umm al-Fahm based on the generally accepted rules of the municipalities which govern the other municipalities in the interior.

[Shaykh Ra'id] Is there a possibility or intention that, through the municipality, you will concern yourself with serving religious goals or objectives at the expense of the municipality?

[Shaykh Ra'id] Regarding this point, I want to make it clear that there is no doubt that—when we take over the municipality officially and practically in the near future—we will proceed on the basis of two points: The first, on which we will not yield, and which we consider tantamount to our official role in life and society, is the call to God, the praised and exalted. We have dedicated ourselves to the call to God for more than 10 years, and will not yield on this. We will continue to call to Islam, and we will continue to call on the people to mold themselves with Islamic morals and to follow the Islamic moral example, as well as the customs, festivals, conduct, outward appearance and religious observances of Muslims. We will continue to call for that, but based on a clear law set by our Lord, as was stated by God, the exalted: "Call to the way of your Lord with wisdom and beautiful preaching, and debate with them, marshalling what is best." The second point, on the basis of which we will work in the near future, is the process of building Umm al-Fahm in the areas of health, education and athletics, and regarding the crisis of the streets, and the crisis of the home. We will work to build Umm al-Fahm based on the law. There will be no interlocking of these two points. The law is clear on the first point. We adopted it more than 10 years ago. The second point, the building of Umm al-Fahm, is based on the legal framework which governs any municipality in the country.

[AL-SINNARAH] Will there be a change regarding young women and employment in the municipality and the schools?

[Shaykh Ra'id] Regarding this topic, we—God willing—believe that there are two points: First, we fundamentally reject religious coercion. However, at the same time, we reject religious persecution. We will not permit ourselves to force any religious position on any person. At the same time, we will not allow religious persecution in Umm al-Fahm. I put forward this rule in order to answer many questions, including the questions posed by you. Regarding female employees within the purview of the municipality's authority, without doubt, we will call them to God, as we call others. However, it is of course preposterous to use the law of the municipality to

compel them to dress in conformity with Islamic law, and we will not have any such position. We will proceed on this basis.

[AL-SINNARAH] Regarding changes within the municipality and the municipal apparatus?

[Shaykh Ra'id] We will treat the issue of the municipal apparatus based on two departure points: The first is that we prevent any unqualified person from obtaining any position. We will prevent the repetition of this phenomenon in the future by issuing public job vacancy announcements so that credentials and skills are the deciding criteria in filling any position. We will deal with current employees in the scope of a simple law, namely: If you want your due, you must provide the required due of the public. If these employees preserve this law in cooperation with us, we will continue to maintain it. If the public interest is harmed, or an employee neglects his duties, my Islamic conscience and my conscience toward the interest of my town, does not permit me to be silent, and we will adopt the appropriate solution for each situation.

[AL-SINNARAH] I have heard that the municipality of Umm al-Fahm has large debts. What is the municipality's current situation, and what are its debts and obligations?

[Shaykh Ra'id] I was surprised by a remark regarding Umm al-Fahm made by an economist who stated: It is difficult for anyone to determine Umm al-Fahm's debts for the simple reason that there is no sound control of all of its finances. No person who has been able to control all financial matters pertaining to Umm al-Fahm. Therefore, there are debts which are unknown, but which amount to about 7 million shekels. We believe, however, that the debt is increasing, firstly because of what the economist said, and secondly because, unfortunately during the month preceding election day, Umm al-Fahm experienced a spurt of activity based on debts not covered by allocations in its budget. There were sewerage and road-paving projects. Naturally, these projects added to the debts of Umm al-Fahm. We ask God for the ability to bear them in addition to already existing debts.

[AL-SINNARAH] If the official budget is not sufficient to deal with all of the financial straits, do you have ways of solving them, inasmuch as the continuation of these debts with bank interest is unfeasible?

[Shaykh Ra'id] In general, when we proposed solutions to the citizens regarding the financial problem, in addition to Umm al-Fahm's education, health and other problems, we worked hard to make our proposal scientific and based on an extensive study of any general problem of Umm al-Fahm. For example, regarding the financial problem in Umm al-Fahm, we gathered economists, accountants and bank employees. Together, we examined Umm al-Fahm's crisis and the causes of this crisis, which is embodied in large debts totalling 7

million shekels and perhaps more. We examined the causes of this crisis based on our consultations with the financial team. We attempted to reach a solution. We deduced a number of points, which we attempted to arrange in the form of a solution to the financial crisis of Umm al-Fahm. We formulated them as part of a general program that we presented to the citizens of Umm al-Fahm. We believe that if we proceed on the basis of these points and maintain them, as is our intention, we will, God willing, gradually extricate Umm al-Fahm from its financial crisis.

[AL-SINNARAH] Can you explain some of the points?

[Shaykh Ra'id] Yes. For example, one of the points concerns the fact that the municipality of Umm al-Fahm has not submitted accounting reports to the Ministry of the Interior since 1984. This leads to a delay in the [allocation of] the fixed budget, and deprives Umm al-Fahm of development budgets. In addition, as a municipal employee has stated, Umm al-Fahm was promised 3 million shekels in grants. However, the fact that accounting reports have not been submitted since 1984 precluded the granting of the 3 million shekels. Without doubt, we will first prepare detailed accounting reports covering 1984 to the present, and we will not give any pretext or excuse to any agency with which we deal to cut the fixed budgets or any development budget in the future. Another point is that Umm al-Fahm, which is in the purview of the general administration's financial administration, has yet to exploit the financial sources from which it is possible to derive budgets which serve the building of Umm al-Fahm. A third point pertaining to financial matters is that Umm al-Fahm could dispense with the tax collecting company, which currently receives 10 percent, or about 400 million pounds (40,000 shekels), of the taxes that it collects. If there was a sound financial administration which could control the tax collection process, we could save these sums—amounting to 4 million per month—for the benefit of Umm al-Fahm.

There is something missing in the financial framework of the municipality of Umm al-Fahm, namely balance. Current projects lack balance. For example, there is no budget for education, health, social services, and athletic or other activities. This leads to chaos in the process of making expenditures. For example, the sums received monthly by the teachers were used in another project, leading to strikes from which students in Umm al-Fahm still suffer.

[AL-SINNARAH] Are there still strikes there?

[Shaykh Ra'id] There are strikes.

[AL-SINNARAH] Do you believe that this accumulated deficit is due to mismanagement?

[Shaykh Ra'id] It is currently clear that mismanagement has a large part in the financial deficit. Of course, I would like to emphasize a point that is well-known to all,

namely the process of distinguishing between the Arab and Jewish spheres with regard to the budgets. This is something to it.

[AL-SINNARAH] It has been suggested that you have financial sources abroad.

[Shaykh Ra'id] We have the Islamic League [Moslem League], which is a legal and official league, and considered one of the committees of the Islamic movement. The financial resources received by us from abroad are limited in number, and we can receive them only through the banks. So far, the only sum which we have received from abroad is from the Yusuf Islam Association, the financial association in Britain.

[AL-SINNARAH] Can you turn to this institution to defray Umm al-Fahm's deficit?

[Shaykh Ra'id] With the permission of God the exalted. We will work hard to use the fixed budgets in the most complete manner. We will also knock on all doors to obtain development budgets to build Umm al-Fahm and we will not hesitate to request assistance from local associations or even from international associations—according to what is permitted by the law—for the benefit of Umm al-Fahm and its future.

[AL-SINNARAH] Will you initiate a meeting with ministers and officials in the government after the attack which it launched yesterday and today?

[Shaykh Ra'id] Of course, we will not spend all of our time in meetings, but if the interest of Umm al-Fahm requires that we hold this or that meeting, we will undoubtedly do so.

[AL-SINNARAH] Will you justify the position of the Islamic movement and respond to the accusations and threats against the movement?

[Shaykh Ra'id] I believe that the best response to all of these accusations is the near future, when the Islamic movement will be administering the municipality of Umm al-Fahm, and this will be a response to all of these accusations.

[AL-SINNARAH] That is to say that you will ignore these accusations?

[Shaykh Ra'id] Of course, we have not ignored them intentionally. On the contrary, we stated our position frankly to the newspapers, television, radio and all parties which requested it. Only the future can provide a real response to all of these accusations.

[AL-SINNARAH] How do you view the local leadership? Are they exemplary leaders of the Arabs of Israel, and how will your relationship be with the regional

committee and the follow-up committee? Are you satisfied with their work, and will you submit any recommendations?

[Shaykh Ra'id] God has so far not ordained that we participate directly in the decisions of the regional committee. However, we were among those who were in accord with the decisions of the regional committee regarding its general positions, in view of the fact that it constitutes an appearance of unity which must be maintained. Therefore, we were among those who hastened to preserve unity. There are decisions which were issued with regard to Peace Day or Equality Day, or any other position.

Without doubt, we will work in the framework of the regional committee to influence decisions in a sound manner, which we believe is based on the principle currently in effect in the regional committee.

[AL-SINNARAH] Do you believe that levelling accusations at one another or the levelling of accusations on the part of one party will provide an atmosphere conducive to cooperation?

[Shaykh Ra'id] Levelling accusations at one another of course neither permits nor provides an atmosphere of cooperation, mutual understanding or action. If this atmosphere exists, we will not waste away in it. Rather, we will attempt to change and purify it, and rise above levelling accusations at each other to competing in building and working based on the statement of God the exalted: "On that, let the competitors compete."

[AL-SINNARAH] Will you take the initiative in remedying the disagreement between several party factions?

[Shaykh Ra'id] The settlement of disagreement is, of course, one of the most special characteristics of Islam. If we encounter a situation which requires us to settle a disagreement, we will not hesitate to do so.

[AL-SINNARAH] Are you saying that you are calling for the cessation of accusations?

[Shaykh Ra'id] We are not just now making this call; this call has been made uninterruptedly since the revelation of the noble Koran. God calls for the cessation of rancor, hurting one another in the media, accusations and abuse, and for concern for the facts of matters.

[AL-SINNARAH] It is said that the local authorities are moving in the direction of autonomous rule for the Arabs of Israel. Is this the goal of local authorities in your view?

[Shaykh Ra'id] What do you mean?

[AL-SINNARAH] They intend for the Arabs of Israel to create a leadership for themselves in order to separate one day from the state and from the life of the state?

[Shaykh Ra'id] I believe that the positions of the Arabs of Israel, whom the regional committee represents to the Arab councils, are positions which have passed [as published]. Based on these positions, the regional committee has called for an improvement of all aspects of their conditions and circumstances. I believe that this right must be practiced under the rubric of preserving our existence, life and our advancement as citizens. We have the right to an honorable life.

[AL-SINNARAH] Regarding political activity on the level of the Knesset, will the Islamic movement enter Knesset elections?

[Shaykh Ra'id] Elections will not be held for five years. It is too early to talk about Knesset elections.

[AL-SINNARAH] However, is there discussion about this subject in the future?

[Shaykh Ra'id] The matters of the municipality of Umm al-Fahm will take up all of our thinking. When the time comes for Knesset elections, we will think about the matter. As they say, "the first dance is a step."

[AL-SINNARAH] What is your opinion regarding the intifadah [Palestinian uprising], and the relation of Islam to proposed political solutions and developments?

[Shaykh Ra'id] Let us limit our discussion to municipal affairs.

[AL-SINNARAH] Could you give us some personal details?

[Shaykh Ra'id] I am 30, married, and have two daughters.

LEBANON

Article Predicts Renewal of Amal-Hizballah Clashes

44040324 Beirut AL-NAHAR AL-'ARABI WA AL-DUWALI in Arabic 6-12 Mar 89 pp 16-17

[Article: Amal's Firewood and Hizballah's Fuel Rekindling Blaze of a War That Had Subsided]

[Text] Political circles indicated that a major fire will break out in the south because actions by the Amal Movement and by Hizballah have been tantamount to gathering firewood and hoarding fuel, respectively. The political circles said that the new situation which was taking shape following the Damascus Agreement indicated that the war which will be resumed between the movement and the party will be a conflagration that will "wipe out everything." The fact that neither party is prepared to deal seriously with the agreement presupposes the expectation that fire will break out at any time.

The Damascus Agreement contradicted the grave, realistic outcome of the clashes which occurred last March,

and it challenged the outcome of the fighting in al-Tuffah District. In the weeks that followed since that agreement was reached, the impossibility of combining two opposites or two contradictory things was established. The agreement stipulated that conditions in the south were to be restored to what they were over 1.5 years ago, and conditions in (al-Dahiyah) were to be restored to what they were approximately 10 months ago. But Amal cannot restore everything in the south and bring back the conditions that existed 1.5 years ago because doing that would threaten the movement and break it up. But because Hizballah wants to prove its good intentions, it did half of what it was supposed to do to restore conditions in (al-Dahiyah) to what they were 10 months ago. Whereas Amal refused to allow those who had been deported to return to the south, Hizballah did nothing when half of Amal's fighters returned to (al-Dahiyah).

The sources added that Amal's leaders were behind the demonstrations which opposed Hizballah's return to the south. These demonstrations were organized by the people in a number of towns and villages south of al-Zahrani, particularly in the area of Tyre. The demonstrators' cheers brought to mind statements made by Amal's leaders about a "dissenters' group," about "clandestine dollar dealers," and about a "party of apostates." Although Hizballah did not organize demonstrations to return to the south, it makes frequent references to "delays in completing" the execution of the agreement. Hizballah is also asking broader questions and raising more questions as well about "the reluctance" to execute the agreement.

Shams-Al-Din

The sources went on to say that after the agreement was announced in Damascus under the auspices of Syria and Iran, al-Shaykh Muhammad Mahdi Shams-al-Din, vice president of the Shi'ite Council, declared himself "the third party" in that agreement. He said he had joined the Syrians and Iranians, in "achieving that agreement." A few days later al-Shaykh Muhammad Mahdi Shams-al-Din expressed his fear that Israel might "penetrate" the Shi'ite scene. He feared "the agreement could fail," and he spoke about the appeals that were being made by al-Shaykh 'Abd-al-Amir Qabalan, who asked Amal and Hizballah on popular occasions to remove the obstacles that have been thwarting the execution of the Damascus Agreement. At private gatherings, however, the excellent Mufti of the south finds that matters between Amal and Hizballah do not favor Shi'ite interests.

The sources said that the question had to focus on what Hizballah has to say about setting a suitable date for the fighting to break out in the south. Amal has already "spoken" by staging the "spontaneous demonstrations" that were organized by the people in the area of Tyre. These were demonstrations against Hizballah and against the oath which is incorporated into the Damascus Agreement. That oath has to do with the return of Hizballah's fighters to the area.

The sources went on to say that Hizballah's fighters are affirming that they will return to the south either by virtue of the Damascus Agreement or by means of war. They say that Amal cannot continue to "manipulate the provisions of the agreement" for a long time. Amal's officials will either have to live up to their commitments, or Hizballah will no longer be bound by its commitments.

The sources said the Damascus Agreement was a tool used by the Syrian government to put pressure on the Islamic Republic of Iran to weaken its religious-military hierarchy which is represented by Hizballah. The sources said the agreement was a tool used by the Iranian Republic to give it time to choose the appropriate opportunity to destroy the Amal Movement and start opposing the Syrian government. But developments in the past few weeks have caused the four parties in question—Syria, the Iranian Republic, the Amal Movement and Hizballah—to shift from their quest for measures to complete the execution of the agreement, which stopped the fighting in al-Tuffah District, to taking precautions against "what will come as no surprise at all:" the war which will be unprecedented in the history of south Lebanon. The sources said the four parties were getting ready for this war whose central battlefield will be south Lebanon and whose major front will be the southern suburb of Beirut and West Beirut.

The sources observed that Amal could not implement any item of the Damascus Agreement which had to do with the south. The agreement stipulated that Hizballah's fighters were to return to the areas from which they had been deported. It stipulated that attacks against Israel were to be carried out within the framework of a "joint operations room." That stipulation in the Damascus Agreement about a "joint operations room" was not something that either party believed in, but it was rather a matter of expediency. Amal had proposed the operations room plan to Hizballah after the party's fighters were driven out of the south more than 1.5 years ago. At that time Hizballah rejected the idea, and it accused Amal of using "the operations room" to lure its fighters in preparation to turning them over to Israel or to having them killed by Israelis. Amal proposed that idea knowing that Hizballah would never agree to it, and it was right in its assessment. But Hizballah accepted the plan in the Damascus Agreement in compliance with an Iranian decree based on the principle of accepting anything for the purpose of returning the fighters to the area south of al-Zahrani. When it was time to execute the agreement, however, Amal staged demonstrations in the area of Tyre against the return to the south of the "dissenters' group," the "party of apostates" and "the clandestine dollar dealers."

A Crisis of Confidence

The sources said that a few signs looming on the distant horizon indicate there is a crisis of confidence between minister Nabih Barri and the Syrian government. This is because the Syrian government has been trying to play "a

dirty role" in the south by forcing Amal to make concessions. But Barri does not have the ability to stand up to the Syrians. At the same time, he cannot accept the restoration of conditions which existed south of al-Zahrani before the Israeli invasion.

The sources said that in West Beirut and in the southern suburb of Beirut the Syrian government was joining forces with Amal and agreeing to consider Hizballah "the common enemy." In the south the Syrians are helping Hizballah evacuate the bases that are under Amal's control. But American considerations are preventing the Syrian government from putting overt pressure on the Amal Movement in the south. These considerations, however, are not preventing the Syrian government from keeping Amal in a state of confusion.

The sources added that Shi'ite leaders who had failed in the past to achieve a settlement between Amal and Hizballah will not be able to take any measures to prevent the awesome fight between Amal and Hizballah from breaking out in the south and in Shi'ite areas afterwards. Those who expect an Israeli invasion are divided into two groups. One cannot see beyond its own nose, and another is using talking about the invasion to alarm people. The south is on the verge of a Shi'ite conflagration, not a new Israeli invasion, and that [outbreak of fighting] will destroy man and beast in the south. Hizballah is getting ready to ignite the volatile Shi'ite situation in the south, and Amal is continuing to gather ammunition for "the scorched earth" war it will launch against the "dissenters' group." It is essential that a close watch be maintained on areas of south Lebanon—from al-Tuffah District to the border strip—and on the southern suburb of Beirut as well as West Beirut.

The sources concluded by saying that the Damascus Agreement was not suitable to prevent a war between the two Shi'ite factions because it was against the four instigating parties—the United States, Israel, Syria, and the Iranian Republic. It is also against Amal and Hizballah, the two agents in this conflict. The destructive conflagration which will break out in the south will not bring about radical changes. Although it will alter the course of a secondary Shi'ite faction, it will not change the course of mainstream Shi'ites. And the awesome fire which will break out in the south will not be the last one. It will rather be one alarming episode in a series of terrifying episodes created by American, Israeli, Syrian and Iranian terrorism and hung around the neck of the Shi'ite sect.

LIBYA

Tripoli Weekly Prints Open Letter to America
45040266A Tripoli AL-JAMAHIRIYAH
in Arabic 20 Jan 89 p 5

[Article by Ahmad al-Kazim: "The World After Reagan"]

[Text] He departs unmourned, talking nonsense as he did when he came to power 8 years ago, and falling in the

dustbin of history like other totems human history is embarrassed to mention when it is forced to talk about them. This old man who sat on the throne of a superpower by a quirk of fate came in carrying in his pouch nothing but a set of sleazy tapes, dreaming to be a hero over nature only to turn out to be, as in fantasy, a real loser.

I do not know what to say in his farewell. Do I pray for him, for supplication is too much for him? Do I enumerate all his vices, for he has no virtues? Do I congratulate the American people or do I gloat over their misfortune?

I am certain that he learned the lesson too late. Here he is today leaving, never to return, pursued like others before him by insults and vilification. However, the people are here to stay and we must affirm our notion, coupled with action, that relations among peoples are lasting. To draw a lesson, we must talk to the American people directly.

O you American people, in 1776, in the Declaration of Independence, in which you established the natural human rights under which everyone is equal, and in the subsequent declaration of intellectual independence in 1837, 60 years later, which says "the days of our dependence on others and our long apprenticeship under other countries are coming to an end," you said that "millions around us who have their lives ahead of them cannot live forever on the shriveled leftovers of the foreign harvest. [no close quotes as published] Every era ought to write its own books. Those who learn from books and the young people who read books only because they are there and not because they are relevant to nature and the human make-up, do not have to accept all opinions contained therein. Otherwise, they would be looking back instead of ahead. Genius looks ahead and man's eyes are in front and not in the back of his head. But today we are riffraff who attach no significance to man's humanity. We have not learned to stay home to get in touch with our domestic environment. We go abroad in search of a glass of water from someone else's vessel. We imitate; we build our houses with foreign taste; we decorate our shelves with exotic ornaments. There are other statements made by Emerson or by Thoreau in his debate on the constitution when he said: "The best government is one that does not rule at all, for such a government will be of the people when they are ready for it. No free state in the true sense will be established unless the government recognizes that the individual is a self-independent supreme power from which it draws all the power and authority it has." He also says: "We give rule to the majority not because it is wiser but because it is more powerful." He is the one who said: "Should we impose laws on people by force because that is the way they were drafted or because a group of people have acknowledged their propriety. Does a person have to carry out an action of which he does not approve?"

In talking about government, Thoreau was most eloquent when he said: "When you arrested rebel leaders and cut off their heads, the only thing you did was to

commit a heinous crime, but the evil's head was unharmed. Right must be upheld before the law."

Many Americans who have forgotten their history and have renounced their constitution find it strange that these principles should have been used to build the new American society. We have no argument with that. On the contrary, we could have been an ally to that. For this is the way to feel the authority of the people who govern themselves and do not encroach upon others.

But what a difference between this and past actions when logic and action were totally different. They are not defending freedom. They are defending their interest in domination under the cloak of humanity. I do not think I have to prove that. O American people, we are a nation that dreams of unity, dreams of equality, dreams of a safe tomorrow. It has its own special culture and its pure legacy. It draws its values from Islam and does not believe anyone is greater than God. This is it in a nutshell.

What do you want from us? You incited your agents to sow the seeds of discord between us and our brothers. You sent your dogs to tear up our flesh in your radio broadcasts. You tried to poison our food and you obstructed our economic programs. You partook of efforts to delay the establishment of the people's authority and you put everything in your arsenal at the disposal of gangs that belong to a movement whose ideas conflict with your constitution and your future even more so than with our existence on the same earth.

Finally, you mobilized your mammoth fleets to blockade our shores and commit shameless aggression even against fishing boats and civilian airplanes. You did all this to bring us to our knees with the rest. We pleaded with you that we tried but failed, so your planes took us by surprise all night long while we were asleep. Your actions were exactly like those of thieves. You hit our leader's tent and Benghazi's schools as if we were the ones who killed your soldiers in Lebanon or went after everything that is American on six continents. "It is a tax we have paid and are willing to pay every day, for this is an honor we cannot deny. Perhaps the latest craze is your talk about the Rabtah plant which you link to terrorism. If this was true, tens of thousands of Libyan and Arab men and women would not have gathered around it when it came under threat. This means that it was a decision taken by the masses to defend themselves and their right to life at a time when you are relying on Star Wars, neutrons and the atom. As for terrorism, morality and responsibility, the decision to hit Hiroshima was not made by Mu'ammarr al-Qadhafi.

O you American people, we point out to you:

Where are Lon Nol, Haile Selassie, the Shah of Iran, al-Sadat, al-Numayri, Bourguiba, Idris al-Sanussi and two presidential terms for Reagan?

O you American people, when Mu'ammarr al-Qadhafi was planning the revolution, you and your British and Italian allies, along with your operatives, were occupying our country, reigning over it with thousands of troops, tens of airplanes and a group of vagrants who failed at the dawn of the revolution to defend you. You were unable to defend yourselves against the masses of the revolution Mu'ammarr al-Qadhafi unleashed. So why do you try again and with the same tools, with the prior knowledge that today, as we approach the 20th year, the revolution has doubled its strength and has waged battles on all fronts, thereby gaining experience in the quality and magnitude of the conflict. Its followers have covered the continents and its popular ideas have cut through areas inside American society itself.

You have been here too long. The right thing to do is to leave our shores. We are anxiously awaiting your departure from the Mediterranean. As for Zionism, which you back and is nestled in your institutions, it is your problem.

As for us, we were here before you and we will be here after you. O you American people, we promise you that we will meet force with insanity and will meet wisdom with reason and salute with a better salute. We only bow to the Creator and we only circumambulate the Kaaba. It is a great nation and a heartfelt salute to it from the tent rope to the she-camels to glory.

Tripoli Weekly Criticizes "Clerical Institution"
45040266B Tripoli AL-JAMAHIRIYAH
in Arabic 10 Feb 89 p 5

[Article by 'Umar al-Jihni: "Clericalism and Authority"]

[Text] Ever since human societies were established, clericalism has been a part of authority's tools, sometimes manifested as a priest and other times as a magician who utters mysterious words, claims to know the supernatural and is the one who oversees the offering of sacrifice, which is usually a human offering to a central god and secondary gods to get them to halt their rage and anger and grant humanity rain and blessings.

The clerical institution has employed its capabilities in the service of authority, which is represented by a god or a representative of god, such as the theory of delegation that prevailed in the Middle Ages. In all these examples, however, the clerical institution was the subject of authority, for the priest bestowed divine power on the ruler, absorbed people's wrath by scaring them with the consequences of their position and went after the renegades and dissenters by denying them paradise and the approval of the gods.

This relationship between the church and authority persisted even after the revealed religions were sent down from heaven. Even though the divine ruler no longer existed, it is the church that made the ruler God's shadow on earth, consuming with fire all those who

opposed it in this. It even consumed the scholars who discovered through science that the world is not the center of the universe and is not flat, as the church used to claim, as happened to Savonarola and Galileo in Italy. The church could have gone along with the new discoveries, but the pillars on which any clerical institution stands do not permit dialogue or argument but only absolute authority.

In Islam, however, clericalism emerged after the great sedition and after matters were settled in favor of the 'Umayyads. Discovering that the opposition often came from Hijaz, they searched there for jurists who could, by issuing legal opinions, consolidate their reign. [passage omitted]

Whereas the clerical institution in the above examples was a subject of authority, many indications today point to its division into subject and coveter of authority. In Egypt, for example, the al-Azhar shaykhs stand with authority in its confrontation with dissenting religious tendencies, such as the Jihad and al-Takfir wa al-Hijrah organizations, some of which call for charging the ruler with unbelief while the others, like al-Takfir, call for charging with unbelief all Muslims who do not share their position and employ armed violence as a tool to change and take power. As for the so-called Muslim Brotherhood, they waver between the two positions, for their movement is based on the desire to get to power alone, but they are ready to align themselves with the existing power to rule convincingly, as was the case in Sudan during the last days of al-Numayri and as is the case now in some Arab countries.

If we overlook the clerical institution which is subordinate to authority, other movements that covet power are a good example of why the clerical institution, with all its various types, cannot stay outside the authority that is seeking to keep it out, notwithstanding the acts it committed in violation of the slogan of religion behind which it hides. A case in point is the Jihad Organization which, in 1981, committed two robberies against jewelry stores in Shubra and Naja' Hamadi, during which 6 people were killed for half a kilogram of jewels. This operation took place in the holy month of Ramadan as the fast-breaking cannon was being sounded. Organization members used the excuse that they were robbing Copts and that they were allowed to commit minor sins like robbery in the interest of their "holy" goal.

While such groups came into existence for objective reasons and as a reaction to the open-door policies, consumption patterns and western behavior, as well as an expression of the intellectual vacuum and military defeats the Arab nation has suffered, their espousal of the idea of "God's governorship" advocated by the Pakistani, Abu-al-A'la al-Mawdudi, to the effect that it is necessary to have a group of people claiming exclusive right to the interpretation of the Koran and the Prophetic Tradition and any interpretation contrary to its own is deemed an anti-Koranic position, proves that

these groups have exploited these objective circumstances to get to power and that the clerical institution, after a long history of alliance with authority, is now seeking power for itself using the same historic tactic it adopted and employed in the service of the ruler: monopolizing the interpretation of religion and the issuance of legal opinions.

MOROCCO

Solution to Export Payment Delays Suggested *45190073b Casablanca LA VIE ECONOMIQUE* *in French 14 Apr 89 p 4*

[Article by bank executive Driss Bentayeb; first paragraph is LA VIE ECONOMIQUE introduction]

[Text] Export transactions with Algeria have a minor drawback: payment delays are currently estimated at 360 days. Here is a way to get around that obstacle.

The strategic interest of a common market in the Maghreb as well as the advantages of all-round economic cooperation are no longer open to doubt.

But trade between countries belonging to the UMA [Arab Maghreb Union] is destined to grow in keeping with the specific economic and financial features of each of those countries.

In that respect, the case of Algeria is a revealing one. The fallout from the drop in petroleum prices that began in 1986 and the rise in real rates of interest on the foreign debt make the outcome of the current adjustment efforts uncertain. But the impact of those two factors has nevertheless been reduced thanks to import restrictions and the fact that there has been little change in the position on current account (from -0.4 percent to -0.2 percent).

In addition, according to the OECD [Organization for Economic Cooperation and Development]'s forecasts for 1989, the increase in petroleum revenues and the opening up to the Greater Maghreb should give the Algerian economy a new boost. The fact remains, however, that the delay in foreign payments is still a major obstacle to the growth of trade with Algeria.

That being the case, what possibilities are open to Moroccan exporters wishing to conquer that market pending a settlement agreement between Morocco and Algeria?

The Moroccan businessman who wants to make sizable exports to Algeria should take into account the requirements and conditions set by the Algerian government agencies responsible for imports, examples being the OAIC (Interoccupational Algerian Grains Office) and ONEPAL [expansion unknown] (the office responsible for importing food products).

What are those conditions?

Besides a payment delay of 360 days, Algerian partners will pay, as a maximum, the Libor [London Interbank Offered Rate] plus three-eighths,¹ with the difference between that and the market rate being the responsibility of the Moroccan supplier.

In addition, financial costs consisting of the commissions inherent in an export transaction based on documentary credit (notification, confirmation, acceptance, and deferred payment commissions) would be borne by the Moroccan exporter. As a consequence, the latter should be able to include all of those supplementary costs in his sales price.

It can be estimated that those costs will total 2 percent with a financial margin or "interest spread"² of from 2.5 percent to 4 percent, depending on market conditions.

Lastly, it seems necessary for the Moroccan businessman to seek the advice and assistance of his banker when the commercial contract is being thought out and drawn up, especially as far as the financial aspect is concerned. We call attention to the fact that thanks to intervention by his bank, he may obtain financing from a foreign correspondent bank, in which case he will not be obliged to wait 360 days for payment.

Footnotes

1. Libor is the interbank rate on the London market.

2. This is a margin paid to the bank that finances the transaction. It includes administrative fees, insurance fees, and a profit margin for the bank.

New Investment Bank Established

45190073a Casablanca LA VIE ECONOMIQUE
in French 14 Apr 89 p 4

[Article by M.N.B.; first paragraph is LA VIE ECONOMIQUE introduction]

[Text] The Moroccan banking world has just been enriched by the addition of a new and very original financial institution: Bank Al Amal. What makes this banking establishment original, and why was it founded?

The monetary authorities have just established a bank known as Bank Al Amal, a reference to Moroccan workers and merchants abroad.

In fact, the note introducing Bank Al Amal explicitly states that that institution will grant loans to TME [Moroccan workers abroad] and possibly to young promoters.

Bank Al Amal is an investment bank. As such, it will not accept deposits. But the text establishing the bank provides that if its funds are totally exhausted, Bank Al Amal can accept funds for a period exceeding 1 year.

Since it will not be able to accept funds under normal circumstances, Bank Al Amal will not compete with the traditional banks, as least as far as deposits are concerned.

Bank for TME

As its name indicates, Bank Al Amal is intended basically for Moroccan workers and merchants abroad. Let there be no misunderstanding on this point, because the reference to young promoters is secondary.

The text establishing Bank Al Amal stipulates that the bank is responsible for granting loans to TME and possibly—possibly—to young promoters.

In this case, the financing in question is intended for Moroccan nationals abroad. Young promoters "may also" benefit from that financing "in the form of participatory loans," a source close to the monetary authorities explained to us.

Viewed in that way, Bank Al Amal's activity is in fact complementary to the activities of the traditional banks. One may ask, however, whether the bank's sphere of activity will not duplicate that of the People's Bank, which, as we know, draws its strength from the fact that it has taken an interest in Moroccan workers and merchants abroad from the start.

It is certainly not our place here to provide an answer to that question.

In any event, the Central People's Bank is one of the founding members of Bank Al Amal.

Bank Al Amal Loans

Loans granted by Bank Al Amal become part of the equity of the company receiving the loan in question.

It must be emphasized that loans granted by this bank are intended only for legal entities, not individuals.

The fact that its loans are added to the borrower's equity provides the latter with easier access to loans from the traditional banks. This is what makes Bank Al Amal's activity complementary to that of the traditional banking sector.

To better understand what this means, let us look at the following example:

Let us suppose that Company X qualifies for a bank loan amounting to 65 percent of the cost of its project, but has only enough funds of its own to cover 10 percent of the

financing for that project, leaving a gap of 25 percent. Here is where Bank Al Amal steps in by granting the investor (Company X) the 25 percent it needs to carry out the investment project—because, let us not forget, Bank Al Amal is an investment bank.

Moreover, and this is another special feature of Bank Al Amal, if the borrower goes bankrupt, Bank Al Amal cannot be repaid until preferential and other debts have been discharged.

Capital of 500 Million Dirhams

The founders of Bank Al Amal are the following:

- The Maghreb Bank.
- The Deposit and Management Fund (CDG).
- The National Economic Development Bank (BNDE).
- The National Agricultural Credit Fund (CNCA).
- The Real Estate and Hotel Bank (CIH).
- The other banking institutions.¹

Bank Al Amal's capital totals 500 million dirhams, of which 100 million dirhams are already paid up. It is anticipated that 100 million dirhams will be added in each of the coming 4 years so that by the fifth year, the entire amount of initial capital will be paid up.

Shares subscribed by the banking institutions will be divided as follows: 25 percent will remain in their name, and the remaining 75 percent will be transferred at no cost to Moroccan nationals abroad—in proportion, naturally, to the amount of foreign exchange transferred by the latter to Morocco.

That distribution will apply both to the capital currently available and to the upcoming capital increases.

Bank Al Amal's board of directors consists of nine members:

- Chairman: Ahmed Bennani, governor of the Maghreb Bank.
- Directors: the CDG, the BNDE, the CNCA, and the CIH.
- The BCP [Central People's Bank], regional people's banks, the BCM [Commercial Bank of Morocco], and Wafabank.
- Nine supplementary members representing the TME.
- General manager: Hadj Larbi Amor.²

It is appropriate here to point out that a company called Dar Ad-Damane has been established by the founders of Bank Al Amal to partially guarantee its participatory and medium- and long-term loans.

The loans in question may be financed by Bank Al Amal alone or jointly with other banks.

Operational Next Summer

While Bank Al Amal is an institution now in existence with part of its capital fully paid up, the fact remains that it does not yet have a head office.

According to the same sources close to monetary authorities, Bank Al Amal may actually begin operations early next summer.

In the meantime, the new institution will be accommodated at the Maghreb Bank.

Footnotes

1. Citibank was not consulted because its operations are of a special nature, and in any case, it does not manage TME deposits.

2. Before being appointed to head Bank Al Amal, Hadj Larbi Amor worked for the Maghreb Bank as manager of its central accounting department, then as credit manager in Rabat, and lastly as manager of the Maghreb Bank's Casablanca branch.

January-February Wholesale Index up 1.1 Percent 45190073e Casablanca LA VIE INDUSTRIELLE ET AGRICOLE in French 5 Apr 89 p 4

[Text] The wholesale price index for January and February 1989 showed an average rise of 1.1 percent. The rate was different in each of the 2 months, showing a sharper increase in January (+1.2 percent) and then dropping by 0.1 percent in the following month. In addition, the rates for the various sectors of economic activity are different: they are higher in the sector of agriculture and food industries, for example (+1.4 percent and +1.7 percent, respectively), and even set a record of +4.7 percent in the case of metal manufactures, while the price index for fish products dropped by 3.4 percent.

During January 1989, the wholesale price index reached 260.9, compared to 257.8 the month before, for an overall increase of 1.2 percent.

The agricultural sector was up by 2.0 percent due to the increase in the price of fish products (+15.8 percent), where the price rise was especially pronounced in the case of category-3 fish (+25.9 percent), and higher prices for forest products (+2.3 percent), especially lumber (+2.4 percent). It is also noted that the price level of stockraising products declined (-3.5 percent), particularly in the case of poultry (-13.0 percent).

The rise recorded in the industrial sector (+0.7 percent) was due partly to price changes in the metallurgical industries (+1.3 percent), where there was a particularly steep increase in the price of metal manufactures, and

partly to increases in the food industry (+1.1 percent) resulting from higher prices for "other food industry products."

We also note that the wholesale price index for January 1989 was up by 3.8 percent in comparison with January 1988.

Agricultural Wholesale Index by Subbranch and Product Group

Subbranch and Product Group	% Change	Feb 89	Jan 89
1. Cereals and dry legumes	1.8	233.7	229.5
Winter cereals	1.4	231.5	228.4
Spring cereals	4.9	260.7	248.5
Dry legumes	3.0	207.8	201.7
2. Industrial and oilseed crops	-	235.0	234.9
Sugar crops	-	250.0	250.0
Raw tobacco	-	152.3	152.3
Vegetable fibers	-	190.0	190.0
Oilseed crops	0.1	316.2	316.0
Condiment seeds and spices	-	250.0	250.0
Tea and coffee	-	196.4	196.4
3. Truck gardening	-3.8	253.6	263.6
Vegetables	-4.8	267.4	281.0
Salad vegetables	-0.2	272.0	272.6
Green legumes	-1.5	253.5	257.2
Green condiments	-9.2	182.5	201.1
Mint	4.1	208.6	200.5
Truck-garden fruit	-	214.5	214.5
4. Arboriculture and viticulture products	1.0	307.0	304.1
Citrus fruit	-2.3	267.9	274.2
Fresh pome fruit	-	306.9	307.0
Fresh stone fruit	-	261.0	261.0
Dried fruit	3.7	333.0	321.0
5. Stockraising Products	-1.4	190.1	192.8
Poultry	-4.3	160.1	167.2
Animal products	-0.4	203.6	204.3
7.[as published] Forestry products	0.8	289.9	287.8
Wood fuels	-1.2	315.5	319.3
Lumber	1.0	290.1	287.2
Cork	-	254.0	254.0
Tanning products	-0.3	178.9	179.5
8. Fish products	-3.4	365.8	378.8
Category 1 fish	1.3	377.0	371.9
Category 2 fish	7.6	498.5	463.3
Category 3 fish	-16.7	270.3	324.2
Crustaceans	8.5	192.8	177.7
Agricultural sector	-0.6	251.0	252.6

General Index by Sector, Subbranch (Agriculture), and Industry Group (Industry)

Heading	% Change	Feb 89	Jan 89
Agriculture	-0.6	251.0	252.6
1. Cereals and dry legumes	1.8	233.7	229.5
2. Industrial and oilseed crops	-	235.0	234.9
3. Truck-garden crops	-3.8	253.6	263.6
4. Arboriculture and viticulture products	1.0	307.0	304.1
5. Stockraising products	-1.4	190.1	192.8

7. Forestry products	0.8	289.9	287.8
8. Fish products	-3.4	365.8	378.8
Industry	0.2	267.0	266.3
I. Energy	-	345.1	345.1
II. Food industry	0.6	234.0	232.6
III. Clothing and textiles	-	218.1	218.1
IV. Metallurgical industry	-	324.0	324.0
V. Other light industry	0.1	276.4	276.1
Total	-0.1	260.7	260.9

Industrial Index by Industry Group and Industry

Group of branches and branch	% Change	Feb 89	Jan 89
I. Energy	-	345.1	345.1
07. Refined petroleum and petroleum products	-	434.6	434.6
08. Electricity-water	-	274.0	274.0
II. Food industry	0.6	234.0	232.6
10. Food industry products	0.2	235.4	234.9
11. Other food industry products	0.8	226.1	224.4
12. Beverages and tobacco	1.3	263.5	260.1
III. Clothing and textiles	-	218.1	218.1
13. Textile products and hosiery	-	135.7	135.7
15. Leather and leather shoes	-	491.4	491.4
IV. Metallurgical industry	-	324.0	324.0
19. Metallurgical industry products	-	340.0	340.0
20. Metal manufactures	-	280.9	280.9
21. Mechanical equipment	-	188.1	188.1
22. Transportation equipment	-	443.6	443.6
23. Electrical and electronic equipment	-	238.7	238.7
V. Other light industry	0.1	276.4	276.1
16. Wood and articles of wood	0.7	289.1	287.1
17. Paper, paperboard, and printing	-	263.9	263.9
18. Processed quarry products	0.1	269.6	269.4
24. Office machines, precision instruments, and timepieces	-	132.7	132.7
25. Chemicals and paracheicals	-0.1	296.5	296.7
26. Rubber and plastic articles	-	236.7	236.7
27. Other products of the manufacturing industry	-	257.1	257.1
Industry	0.2	267.0	266.3

In February 1989, the wholesale price index totaled 260.7, compared to 260.9 the month before, for a drop of 0.1 percent.

That drop is due exclusively to the agricultural sector, whose index declined by 0.6 percent. The decline in agricultural prices was due partly to lower prices for truck-garden crops, which fell by 3.8 percent—with an especially sharp drop in the case of green condiments

(-9.2 percent) and vegetables (-4.8 percent)—and partly to declining prices for fish products, which fell by 3.4 percent, chiefly as a result of a 16.7-percent drop in the price of category-3 fish.

On the other hand, the index for the industrial sector rose by 0.2 percent. That rise was due partly to higher wholesale prices for food industry products (+0.6 percent)—basically beverages and tobacco (+1.3 percent)—

and partly to higher prices in "other light industry," where the index was up by 0.1 percent.

Lastly, we note that the general wholesale price index for February 1989 was up by 2.7 percent in comparison with the same month in 1988.

Study Forecasts Population Growth for Fes
45190073d Casablanca AL BAYANE in French
20 Apr 89 p 2

[Text] The Fes Regional Planning Office has conducted a demographic study of Fes Province and come up with the projection that the province will have 1,505,000 inhabitants around the year 2007.

The demographic study concludes that increasing urbanization is the result of the rural exodus from the interior of the province and the considerable changes that have resulted as far as movement of the population is concerned: lower mortality, delayed marriage with a resulting drop in fertility, a drop in the percentage of children under 15 years of age in the province's age structure, a drop in illiteracy among both men and women—especially in urban areas—and an increase in school enrollment among the younger generations, an increase in women's participation in economic activities, and an increase in industry and services to the detriment of agriculture.

Demographic projections through the year 2007 show that the province's population, which totaled about 805,000 in 1982, will increase by nearly 700,000 by around 2007. In the meantime, the province will experience pronounced urbanization: the urban population, which represented 68 percent of the total in 1982, will rise to 73.2 percent by 2007.

It should be noted that the demographic study examined population changes in the province on the basis of the census reports of 1960, 1971, and 1982, marital status and the marriage rate, illiteracy and school enrollment, natural changes in place of residence, migratory movements, the active population, the characteristics of households and housing, and population projections from 1982 to 2007.

QATAR

Oil Production, North Field Gas Discussed
4440329B Doha AL-ARAB in Arabic 19 Feb 89 p 6

[Report on press conference by Muhammad Taha; first 20 paragraphs are AL-ARAB report and commentary]

[Excerpts] On the occasion of the seventeenth anniversary of his highness the beloved emir of the country, Shaykh Khalifah Ibn-Hamad Al Thani, taking the reins of power, Dr Jabir al-Murri, general director of the

Qatari Public Petroleum Establishment held a press conference yesterday morning to talk about the accomplishments and projects of the establishment. [passage omitted]

Dr Jabir al-Murri shed light on the establishment's most notable accomplishments during the past year, saying:

In the areas of production and export the rate of production of crude oil during the past year was about 340,017 barrels a day, an increase of about 16 percent over 1987, and the volume of exports was 306,081 barrels a day, an increase of 20.4 percent.

The rate of production of associated natural gas was 257 million cubic meters a day, an increase of 15 percent.

Also the production of liquified petroleum gas (propane and butane) was 562,854 metric tons.

In the area of refining crude oil the production of refined petroleum products was 1,825,359 metric tons, and local consumption was 541,567 metric tons (about 30 percent).

It should be mentioned that exports of high-grade gasoline and airplane fuels began for the first time in Jan 1988, following the completion of two pipelines for sending the products from the refinery to Pier Number 6 in the port of Umm-Sa'id.

With regard to chemical fertilizers, the production of ammonia was 734,854 metric tons, an increase of 8 percent, and the production of urea was 779,550 metric tons, an increase of 6 percent over 1987.

With respect to petrochemicals, 256,528 metric tons of ethylene, 170 metric tons of low-density polyethylene, and 36 metric tons of sulphur were produced. Expansion is going on now in the Qatar Chemical Fertilizer Company and the Qatar Petrochemical Company to raise production in the future, that in view of the abundance of sources of gas in the wake of the north gas field project, which will be completed at the end of 1990.

As for sales, 88 metric tons of ethylene, 153 metric tons of polyethylene and 32 metric tons of sulphur were sold.

He also announced the completion of the project to build facilities to deliver and distribute petroleum products. This project consisted of two phases:

- In the first phase two pipelines were extended from the refinery to Pier Number 6 in the Umm-Sa'id region to export petroleum products in excess of the needs of the local market.
- In the second phase a pipeline was extended from the refinery to the Abu-Hamur region in Doha, and a depot to store and distribute petroleum products for local consumption was built.

State of the art technology in methods of computer control was used in this project, and provisions pertaining to safety and protecting and maintaining the environment were taken into consideration.

Exploration and Drilling

With respect to exploration and drilling for oil, Dr Jabir al-Murri said:

An agreement has been signed between the state of Qatar and the French company Alfa Octane on exploration and production in the unknown region number six. The purpose is to drill for oil and produce it and divide it between the two parties, and it comes in fulfillment of the ideal course of exploitation by the petroleum companies in the country.

In keeping with the directives of his highness the beloved emir of the country, and believing that human resources are the foundation of national development, we continue to implement the 5-year plan to train Qataris, which the establishment's board of directors inaugurated in 1985.

Our statistics in this respect point to a constant increase in the numbers of Qatari employees in various fields and to a qualitative change in the capabilities of the national labor force and its ability to take its place with proper qualifications in the fields of higher administration and the specialized professional fields.

The training center belonging to the establishment has a training and qualifying program, and it conducts training courses in the technical and administrative fields. It follows the progress of the trainees and gives them the opportunity to train in the specialized establishments and companies working in and outside of Qatar.

The north field project will provide job opportunities for the youth of Qatar, and it offers the necessary training programs. A number of young Qataris have already joined the project as trainees since it was first implemented more than a year and a half ago, inasmuch as they worked in the offices of the technical consultant according to their specializations. Some of them have begun to be attached to the work locations of the contractors who are implementing the project's installations. We encourage Qatari youth to apply for work in the project since it provides many opportunities for training to gain practical experience with the contractors in various fields of administrative, industrial, and engineering work.

[Question] What Are the Most Important Future Projects?

[Answer] The establishment intends to implement many large projects in the future that will bring about the best utilization of the gas of the north field and provide the country with new sources of income.

With regard to the near future, we are currently studying the establishment of new projects in Qatar that will bring about better utilization of the abundant quantities of gas and liquids from the first phase of the project to develop the north field, which will be implemented at the end of 1990. These projects include the production of methanol, fertilizers, petrochemicals, and petroleum derivatives. These products have an added value in that they are easy to transport and market, and subsequently such projects will provide good economic returns. We expect that the implementation of some of these projects will begin during the current year.

In addition to that, we pursue the possibility of extending pipelines to export gas from Qatar to neighbouring states.

In the intermediate range, we are looking to implement one or more projects to export gas in larger quantities, whether as liquified natural gas or through pipes.

I would like to mention here the Qatar Gas Company, which was founded in 1984 to build a plant to liquify gas at a capacity of 6 million tons a year, or more than a billion cubic feet of gas a day. We are continuing our efforts to get long-term contracts to export the liquid gas as a first step towards implementing this big project.

In addition to that, we are continuing to establish more industries based on the utilization of gas as a raw material or as fuel; industries such as fertilizers, methanol, and petrochemicals that will expand the industrial base, provide job opportunities, and diversify sources of income.

[Question] The north field project: what has been completed, and what will be done to complete the first phase?

[Answer] About 20 months have passed since the implementation of the first phase to develop the north field to a capacity of 800 million cubic feet a day was begun. As you know, this project is big by any standards, whether in respect of its many installations, or its geographic extension on land and sea, or with respect to its capital costs. Moreover, this project is vital to the country, since it aims to provide the quantities of gas needed to generate electricity and for the existing industries. In addition to that, the first phase will provide quantities of liquid hydrocarbons that will bring additional revenues to the country. Moreover, new industries will be established, such as fertilizers and petrochemicals as we mentioned previously, to take advantage of the gas in excess of local consumption.

In the past the implementation of the first phase has progressed according to schedule and within estimated costs. The work has reached an advanced stage, and in this respect, I would like to point to the following:

- So far, more than 70 percent of the designs and engineering work of the project have been completed.

- Contracts have been made for nearly all the works pertaining to the implementation of the project, and more than 90 percent of the cost of the project has been committed.
- Work is continuing on building the project's installations and manufacturing its equipment, and so far the manufacture and installation of drilling platforms has been done, and some of the buildings and survey operations have been completed. Moreover in Umm-Sa'id the first loads of pipe have been received, which were manufactured in Japan.

On the other hand, drilling operations are progressing well, and the drilling of the first well is expected to be completed soon.

I am pleased to mention here the degree of implementation which the project has reached and all current indications are that it will be possible to complete the first phase according to plan by the end of 1990.

[Question] What is your view of the situation of the petroleum market at the present time?

[Answer] There is a noticeable revival at the present time because of the drop in the oil surplus following the implementation of the agreement which the OPEC states came to at the end of Nov 1988, according to which an overall ceiling was set for the states of the organization which conforms to the volume of world demand.

This agreement had a positive effect on the price level, and led to a gradual rise from \$10 to about \$15 for Gulf oil, or an increase of about 50 percent, following the announcement of the agreement.

There are other reports that indicate that production by OPEC states last January (1989) had gone above the set ceiling by about a million barrels a day, which unsettled the market a bit.

In view of the efforts that the OPEC nations are making now and the coordination between them to maintain the production ceiling, it is expected that the production level will drop to the set level, and this in its turn will be able to shore up prices and raise them relative to what they are now.

We believe that balancing supply and demand and avoiding the occurrence of any gap between them will guarantee market stability and that prices will rise and stabilize at levels that conform to what OPEC has decided.

About the role of the Qatar Gas Company that was founded in 1984, Dr Jabir al-Murri said:

"This company is preparing the studies needed to make it possible to make long term contracts for marketing large quantities of gas from the north field. In view of the fact that the cost of building the liquid gas plant has

reached 2 billion dollars, this plant will not be completed until after long term contracts are reached with oil-consuming companies. The establishment has already made efforts regarding the possibility of contracting with companies to absorb the gas in large quantities and over the long term."

Dr Jabir explained that during his visit to Japan last year he met with some of the Japanese gas companies, and there are encouraging signs that Qatari gas might be exported to Japan in view of the increase in consumption of energy in Japan. He expects that additional energy of around 10 million tons will be consumed during the nineties.

In view of the importance of the north gas field and the large reserves which guarantee that gas will be marketed over the long term, we will be able to build a gas liquification plant gas in Qatar.

On the question concerning the possibility of Qatari-Russian cooperation in the area of gas, Dr Jabir said:

In view of the diplomatic relations during 1988 between Qatar and the Soviet Union, perhaps there will be cooperation in the area of oil and gas between the two countries, and in view of the fact that the Soviet Union is considered one the largest exporters of petroleum and gas, cooperation between us is possible, especially in the field of natural gas.

After the project to transport petroleum products for export is implemented, what is the expected increase in the export of petroleum products?

Dr Jabir: "Beginning with the 1988/1989 year, 60,000 barrels a day will be refined, instead of the 40,000 barrels of past years, that in view of the increase in petroleum products. Petroleum products in excess of local consumption will be exported.

"We do not have any problems in exporting, in view of the fact that the state of Qatar deals with very large companies whether they be Japanese companies or European, that after we closed the door to dealing with small trading companies." [passage omitted]

Agricultural Development Projects Reviewed 44040329a Doha AL-'ARAB in Arabic 19 Feb 89 p 6

[Text] Efforts to develop the agricultural sector in the state of Qatar horizontally and vertically are continuing to achieve their planned goals to diversify sources of income and strengthen the structure of the national economy, guided by the broad plans evident in the directives of his highness the beloved emir of the country, as displayed in his statement in this regard:

"Our concern for the agricultural sector and its development arises from our conviction that our land is fertile and good for agriculture, and can be exploited at the commercial level."

With all that as a starting point, the organizing steps and the investment programs implemented in the area of agriculture have helped to overcome many of the obstacles of the environment and the climate and establish an active agricultural sector capable of producing a wide list of goods and food crops in a manner both continuous and growing.

Agricultural Experiment Stations

The establishment of model farms came as the ideal solution to escape the predicament of limited arable land, which is the main problem faced by those who work in the agricultural sector in Qatar.

In 1963, on an area of land of 800 dunums in the region of Rawdat al-Faras north of Doha, an agricultural experiment station was established which was considered the first of its kind in the country. Its goal was to create a suitable environment for carrying out experiments on various seeds, vegetables, fruit trees, grain crops, and oil crops, in addition to carrying out experiments on means of controlling agricultural pests, including insecticides and other means, and offering agricultural extension services to the farmers and farm owners who want them.

Directions of Agricultural Expansion

The cultivated and arable lands were listed and classified as a preliminary step towards developing their productivity and improving and protecting the soil. An example of that is the topographic survey project of the farms and arable lands, which is considered one of the most outstanding projects in this respect. Its aim is to make contour survey maps for both the arable and cultivated lands. The first and second phases of this project have been completed, and it was possible to survey 40,000 hectares of arable land and about 15,000 hectares of cultivated land.

Also in this direction, the performance of plastic green-houses was developed, the classification program of fallow land and farmland was implemented, pastures were developed, and agricultural mechanization was expanded to improve production and reduce costs. In this respect there are also agricultural extension programs, tree-planting programs, economic and statistical studies, field crop experiments, protected plantings, a water resource program, maintaining soil fertility, and agricultural, water, and extension service survey programs. In addition to the agricultural experiment station in Rawdat al-Faras, other model farms were set up one by one in the regions of the north, al-Ghuwayriyah, al-Khawr, al-Dhakhirah, al-Shahaniyah, al-Rayyan, al-Jamaliyah, Dukhan, al-Wakrah, and Jaryan al-Batinah, and they all conduct agricultural experiments on crops

and on producing locally suitable strains by way of crop hybridization, and several experiments have been done on the planting and adaptation of new varieties of olive, fig, and tangerine trees.

Figures on Agricultural Production

On the basis of reports on agricultural income, production requirements, and the uses of land in agriculture, we can get a numerical picture of the development taking place in agricultural activity.

Thus, agricultural statistical figures indicate that the area of cultivated land was 48,350 dunums planted to several principal crops, headed by vegetables at 32 percent of the total cultivated land, inasmuch as they comprise a quarter of the total agricultural income. They are followed by grains at 19.2 percent, then dates at 18.5 percent, and green fodder at 16.4 percent, and in the list fruit comes in at 13.9 percent of the cultivated area.

Whereas the value of agricultural income rose by 2.1 percent to 324 million riyals during the past year, during the period of 1980-1988 it rose by about 11 percent a year, on the basis of a compound annual growth rate of the value of agricultural income. The share of milk and its byproducts was 27 percent of the value of agricultural income, red and white meats were 13 percent, and fish 8 percent of the total agricultural income.

Veterinary Services

The animal health section under the Ministry of Industry and Agriculture offers free veterinary care services in the way of treatments, serum immunizations, and vaccinations to various kinds of domestic animals and birds at veterinary hospitals and clinics distributed around the country.

The section also cares for and protects rare animals such as oryx, gazelles, and horses in the parks of al-Wakir and Umm-Salal. The al-Shahaniyah park is set aside for the rare Wadihi oryx, the herd there being considered one of the largest in the world.

Animal Resource Projects

The state set up a number of pioneer production projects in the area of developing animal resources, as an incentive to private capital to enter into this field with government projects. The most notable of these projects are:

The Arab Qatari Poultry and Egg Production Company

As a partnership between the government and private capital, the Arab Qatari Poultry and Egg Production Company was founded to meet the needs of the local market and to reduce the importation of this article. Implementation of the project is slated to be in stages, and with the completion of the first phase, production has come to cover about 80 percent of the needs of the

local market with a production of around 36 million eggs a year and 3.5 million chickens.

Project to Produce Fresh Milk

This project, also a partnership between the government and the private sector, works to raise herds of cattle, and the company includes units for breeding animals, meat animals, and dairy animals. The company produces pasteurized milk and some other dairy products, and this project currently provides about 5 tons of raw milk, which it sends to the local market every day.

Sheep Farm in the Abu-Samra Region

The project aims to produce good quality breeding ewes and distribute them to breeders to improve the strains and develop the livestock resource. In its first phase the project included 12,000 head, and it supplies the local market with about 5,000 head of sheep a year for breeding purposes.

Fisheries Resource

Interest in the fisheries resource comes under the authority of the Ministry of Industry and Agriculture. The Qatar National Fishing Company (all the shares of which are held by the state) conducts fishing and shrimping operations and operates a fleet of fishing boats and modern, advanced nets with the purpose of providing for consumption needs of this important food commodity. Also, the city of Doha is the headquarters of the regional project to survey and develop the fisheries resource in cooperation with some of the Gulf states, with the goal of finding out what the fish reserves in the Gulf are, developing them, and offering technical advice how to exploit those reserves most comprehensively.

Water Resources Surveyed

44040329C Doha AL-'ARAB in Arabic 22 Feb 89 p 16

[Article by 'Atif Sulayman]

[Text] How can we develop water resources in Qatar, especially since the situation no longer suffers any carelessness or waste in water, and it has become imperative to use water judiciously?

Engineer 'Abd-al-Rahman Yusuf, director of the department of agricultural and water research in the agency organized a symposium on what we have brought up in the preceding lines, to which he invited more than one official and more than one agency involved in water in Qatar. At the start Eng Ahmad 'Abd-al-Malik, head of the irrigation and drainage section in the department of agricultural and water research, outlined the sources of water in the state of Qatar. He pointed out that there are traditional sources such as underground water, which is the single main source currently utilized in agriculture because of the low cost of producing a cubic meter, and it depends for its replenishment on scarce rain water.

There are non-traditional sources such as desalinizing sea water, which is used only for drinking purposes.

As for agricultural purposes, its use is uneconomical due to the high cost of desalinizing a cubic meter. The second of the non-traditional sources is treated sewage water, which is considered less costly than desalinizing sea water, and this source has been resorted to for use in agriculture. This season for the first time, 40,000 cubic meters were used to irrigate fodder and grain crops in the al-Rukayyah project for raising dairy animals, which covers an area of 680 hectares.

Eng 'Abd-al-Malik concentrated on the importance of judicious use of irrigation water in agricultural operations:

- Searching for crops that have the ability to resist salinity and drought, or that have low water needs; covering the surface of the soil with organic matter or chemical materials or plastic, that to reduce the process of evaporation.
- The process of acclimatization which in short involves treating seeds with a known amount of water. Thus these seeds are placed in a specific amount of water and left until they absorb it all, and then they are air dried until they return to their original weight, and this operation is repeated several times.
- Shading, the goal being to reduce the amount of the sun's rays, which reduces the daily process of evaporation, and which subsequently reduces the plants' water requirements.
- Using ordinary plows to plow heavy, intermediate, and light soils.
- Using modern irrigation systems. The use of the sprinkler irrigation system is preferred for root and fodder crops; the use of the fountain irrigation system is preferred for all perennial trees, citrus, and date; and the drip irrigation system is preferred for vegetable crops which are planted over large areas, which can save between 40 and 70 percent over traditional water consumption.

Potential for Treating Sewage Water

Eng Jasim al-Sayigh in the sewage section of the Ministry of Public Works explained the potential for treating sewage water and its uses. He explained that the cost of a treated cubic meter of sewage water was around 1.27 riyals, whereas the cost of desalinated water was 6 riyals, and what the state had saved with the use of treated water was about 18 million riyals a year. The average volume of sewage water treated in the city of Doha is about 60,000 cubic meters a day, and it is used to irrigate roadside plantings and fields of green animal fodder. According to the latest statistics, the volume of sewage water treated in Qatar is about 5324 [million] gallons a year, while the volume of well water is 375.3

million gallons a year; in other words treated sewage water represents a larger source of water than does underground water.

To the same question Dr Muhammad al-Haruni from the technical center for industrial development responded:

It is necessary to look for ways to purify well water to the point after which it would be good for irrigation, since its high calcium sulphate content is an obstacle to the various purification processes, for this substance does a lot of harm to the water purification units of the two methods: multiple stage distillation and reverse pressure. This weakens their efficiency, and is what makes it necessary to conduct research into ways to get rid of this substance or at least to reduce its percentage. Experiments to rid well water of this substance using chemical means have succeeded in this respect using precipitation technology, but their high costs prevent their use on a practical scale.

Dr al-Haruni added that the Technical Center for Industrial Development has contacted an Italian company working in the field of sea water desalinization, which has succeeded in setting up many units for desalinizing sea water using multiple flash boilers, and which has managed to raise their efficiency by lowering the sea water content of sulphates by passing it over a special resin. The problem pertaining to well water in the state of Qatar has been examined in the laboratories of the Italian company, and some experiments have been carried out on solutions that were prepared in the laboratory such that their composition was similar to some of the Qatari wells.

Salih al-Kuwari in the department of electricity and water talked about the possibility of using the excess underground water under Doha, explaining that a rise in the water level under the towns and regions that are starting to develop is a condition that Qatar has in common with some of the Gulf states. In recent years the rapid economic and social development of the Gulf states has caused large and increasing amounts of drinking water for home and commercial use and for industrial uses to be produced and distributed.

We add that the run-off from irrigation water, the seepage of irrigation water from distribution networks, and leakage from septic tanks represent the main sources that feed the underground water, in addition to rain water which represents the principle source, though it is variable. That has caused reserves in the water rock layer to increase by 1.7 million cubic meters in 1982, and that was enough to cause an annual rate of increase in the water level of .28 meters in the Doha region. Abundant rains which fell last year caused a temporary rise of one meter in the water level, along with the accumulation of water in large areas of the city. Today under the city of Doha, which has expanded greatly, there lies a distinct, broad hill of underground water, the highest point of which is within 9 meters of sea level. It is a situation

arising from the increasing amounts of water sent to the city which is developing at a very rapid pace, the source of which is water desalinization stations and water wells located in northern Qatar, and it feeds the underground basin in the form of water lost from the drinking water network, septic tanks, and the watering of public and private gardens. This increase in production has directly caused a troublesome rate of increase in the level of underground water under the city of Doha, and it has had an impact on the city since this situation causes many problems to building and construction activities, and in excavations for water pipes, sewers, and telephone and electric cables.

SUDAN

Ba'th Party Issues Position Statement on New Government

45040293b London AL-DUSTUR in Arabic
3 Apr 89 pp 20,21

[Article: "Observations On New Sudanese Cabinet"]

[Text] Has Sudan, with the formation of a new cabinet, sidestepped the causes of the political crisis that led to the resignation of Mr. al-Sadiq al-Mahdi's fourth cabinet? Did the composition of the new cabinet conform with the spirit of the transition protocol signed last March by political parties and labor union associations? How do political parties view the new cabinet? AL-DUSTUR prints below the full text of the document prepared by the political committee of the Arab Ba'th Socialist Party as a contribution to the dialogue over current issues in the Sudan. The document was presented 25 March 1989 to the president and members of the presidential council and to party and union leaders who signed the transition protocol.

Gentlemen: You are aware that Prime Minister al-Sadiq al-Mahdi held a press conference Wednesday evening 22 Mar 89 at the secretariat of the council of ministers, at which he discussed the current situation in the country and announced the general framework for his new cabinet which he dubbed a cabinet of the United National Front. Having studied [the statements made at that press conference], the political committee of the Arab Ba'th Socialist Party presents the following observations for your discussion and review in the hope of arriving at action that might bolster the agreed transition protocol.

1. In a cabinet of 25 members plus the leader of the assembly and president of the Council of the South, assigning only two seats to modern forces is a nominal and extremely weak representation inappropriate to their status and to their political and economic role, especially in all aspects of production. Most signatories of the transition protocol had in mind at least four seats.

2. It was the consensus of political and union forces that the minister of defense be chosen by the general

command for the sake of harmony and as an indication that the expanded cabinet is giving priority to the issue of bolstering the [Sudanese] Armed Forces [SAF]. It was inconceivable, under any condition, that the prime minister ask the general command to pick a minister of defense from a list he prepared of former military and civilian members of his party.

3. The Ba'th Party, as well as most other parties and unions, has advocated that the minister of the interior be a person of law and order known for his efficiency and rejection of foreign interference in the affairs of our country. His only preoccupation should be to maintain security and general order because:

a. There are reports of the existence of partisan and tribal armed militias. These reports are given credence in statements by the secretary general of the Ummah Party and the deputy secretary general of the political bureau of the National Islamic Front [NIF]. Their existence is further confirmed by a SAF memorandum and by a paragraph in the transition protocol that calls for their liquidation. All of the above would mandate that the minister of the interior be a man of law and order. Everyone should be confident that he denounces these militias and believes in their liquidation with no partisan or tribal partiality or favoritism.

b. Our country borders nine neighbors, in addition to occupied Eritrea, which is engaged in a war of liberation with Ethiopia. Relations among our neighbors are tense and fraught with such armed confrontations as the Chad-Libya conflict, the Libya-Iran-Egypt conflict, the Libya-Iran-Saudi conflict,...etc. Our country must consequently stand firm against foreign interference in our affairs. It is evident, therefore, that the minister of the interior must be a law and order person and should specifically not be a member of the Ummah Party, some of whose leaders have sympathetic ties to Libya.

We emphasize that we are not opposed to a relationship with Libya, but we would not want that relationship to develop to the degree that it would threaten our internal affairs and those of neighboring states. That would complicate our relations with neighbors, undermine our foreign policy balance, and further threaten our country's security, especially in Darfur.

The issue gains more significance in light of the prime minister's insistence—since the inception of the current crisis and up until his latest press conference—that the government has been pursuing balanced foreign policies. This is contrary to the sense of all parties, unions, and armed forces.

It is furthermore impossible to maintain a balanced foreign policy when the interior ministry allows the country to be used for Libyan or Iranian activity hostile to our neighbors on land or across the seas. That undermines the veracity of our foreign policy since it mirrors internal policy on security and the economy.

4. The new cabinet composition gave the Ummah Party 10 portfolios, in addition to the prime minister and the council leader, and awarded the Democratic Unionist Party six more. This accounts for two thirds of the cabinet and means that those who negotiated that arrangement did not comprehend the changes in the country's balance of powers since the December 1988 uprising. They do not realize the seriousness of the current government crisis, nor do they comprehend that the concept of expanding the ruling base means that everybody must share responsibility. They remain hostage to the narrow traditional partisan mentality that makes cabinet composition a function of the number of parliament seats and other party gains to the exclusion of all other considerations.

5. The new coalition government denied representation to those parties that were not members of the organizing committee. This contradicts the 2 March agreement between the prime minister and the presidential council stating that an expanded government include new forces and political forces within and outside the committee. That was asserted by the prime minister in his statement announcing the resignation of the entire cabinet. Furthermore, it contradicts the concept of expanded rule collectively agreed upon by parties, unions, and associations.

The exclusion of parties outside the committee from the coalition government resulted from a veto by the NIF against having those parties represented and the Ummah Party's desire not to antagonize the NIF, according to the Ummah Party's representative in the Ummah-Democratic Coalition joint committee which was in contact with the Arab Ba'th Socialist party.

That was a danger sign that the NIF, which did not sign the transition protocol and did not participate in the government, can still be the arbiter in a matter whose seriousness can be discerned from the prime minister's statement at his press conference. He is sorry that the NIF did not participate, still hopes that it would, and looks forward to cooperating with it on the larger national issues. We do not know what "larger national issues" could be outside the framework of the transition protocol which the NIF refused to sign, then attacked in an obvious campaign of skepticism. Furthermore, the NIF's strategy is to sabotage relations among the protocol's signatories, obstruct its implementation, and accuse others of being infidels and members of the fifth column. It acts as if it were synonymous with national unity and Islam.

6. In view of the above, the Arab Ba'th Party is of the opinion that the new cabinet, which is to implement the protocol, was structured in a manner incompatible with the wide base of support for the transition protocol, which signifies national consensus to which the prime minister declared commitment. Therefore, we must reiterate our support for it and hasten to dedicate all our

energies and capabilities to ensure its successful implementation. The cabinet composition belies the concept of an expanded governing base and seriously threatens its ability to implement the protocol.

Bilateral contacts have therefore resulted in the birth of a new coalition of the Ummah and Democratic Unionist parties in a government injected with two representatives of the new forces. It has not gone beyond the Ummah's (the government of all the committee) concept, which can by necessity understand neither the fundamental causes of the current crisis nor the country's balance of power changes that took place in the aftermath of the Sudanese peace agreement and the glorious uprising of December 1988.

The SAF asserted in its memorandum of 20 February that it has been profoundly impacted by the crisis in government. The government of all the committee is not so much a response to the broad dimensions of the crisis as it is a conciliatory move by the Ummah Party to enable it to rule without significant parliamentary opposition. This is the same thinking behind the previous cabinets that brought the crisis of government about.

7. The cabinet was formed in this fashion because the consultations leading to it were bilateral in violation of the political forces' and labor unions' consensus that all consultations be multilateral and be supervised by the presidential council. That consensus was articulated in memos submitted to the council.

In insisting that consultations on the new cabinet composition be collective and supervised by the presidential council, the Ba'th Party was prompted by the following considerations:

a. The transition protocol was born when the presidential council intervened to contain the emergency that exploded when the SAF presented its memorandum of 22 Feb 89. That emergency still exists. As supreme commander of the SAF and the primary constitutional authority in the country, the council should have supervised the consultations and the formation of the new cabinet. As such, it would have been able to forge maximum harmony between the army and the political will of the people.

b. Conducting consultations in a multilateral fashion would have crystallized an expanded government into a shape and form acceptable to all parties and unions that signed the protocol, and to the SAF as well.

c. That format would certainly have been ideal and could have given faster birth to an expanded government because it is the same womb that gave birth to the transition protocol whose implementation is our objective.

d. It would have been possible within that format to secure political assurances in the form of a written

political agreement according the expanded government a greater measure of stability that would facilitate implementation of the protocol within the time limit set for it.

e. It is to be understood that this format does not necessarily contradict constitutional legality.

To the president and members of the presidential council

To leaders of parties, associations, and unions signatory to the protocol

The prime minister has insinuated at his recent press conference that the constitutional conference might be sidestepped or may not convene. This would undermine chances of rallying around the transition protocol, and especially its peace initiative. It would also indicate lack of serious preparations for the constitutional convention. The prime minister tends to favor the NIF, to avoid irking it, to neutralize it, and to accept its veto at the expense of our national interests. That tendency would mean gradual abandonment of the agreed protocol.

In view of the above, and because it firmly believes that the transition protocol should be implemented and protected from any attempt to gang up on it or abandon it, the Arab Ba'th Socialist Party calls upon parties and union signatories to the protocol to continue meeting as a populist organization struggling to implement the protocol and protect it against attempts to gang up on it or abandon it. The party also calls for keeping a watchful eye on government performance in implementing all items of the transition protocol and for coordinating in that area with the presidential council whenever possible.

TUNISIA

Central Bank Governor Discusses Reforms
45050322 Dubayy AL-IQTISAD WA AL-'AMAL
in Arabic Mar 89 pp 48-49

[Article by Tunisian Central Bank Governor Isma'il Khelil: "Banking Reform in Tunisia and the Role of Offshore Banks"]

[Text] Tunisia succeeded beyond expectations in improving its balance of payments in 1988, enabling it to more effectively and steadfastly pursue the fundamental reforms instituted by the corrective plan.

Consistent exports and higher tourism revenues resulted in a considerable increase in net external assets, calculated at about \$610 million by the end of 1988. This is an increase of some \$320 million over preliminary estimates and of \$420 million over their value a year earlier.

In general, the economic situation is cause for optimism. There are indications that economic prosperity is around the corner as planned investments are implemented in

an atmosphere conducive to improvements in the economy and in foreign balances.

Numerous measures adopted in 1988 will improve the general economic climate and cause investments to firm up considerably, reflecting renewed investor confidence and entrepreneurial spirit among businessmen.

The value of total investment in 1989 is pegged at \$2.28 billion or 21.3 percent of GDP [gross national product], compared with \$1.98 billion or 20.8 percent of GDP estimated for 1988.

The private sector accounts for two thirds of the \$300 million increase. The share of private investment is expected to grow from 44 percent in 1988 to 48 percent in 1989.

The improvement resulted from measures adopted late in 1987 to stimulate the economy in various fields and sectors. Such measures included customs relief, softer loans, easier currency exchange, and an improved social climate.

In support of that effort and to handle shortcomings, new measures have also been recently approved to reduce the social burden to institutions by lowering customs duties on imported capital goods, controlling prices and production costs, facilitating administrative procedures, and further lowering interest on loans.

The banking sector was called upon to acclimate to these profound changes in Tunisian economic fundamentals.

The Tunisian fiscal apparatus—and offshore banking is an integral part and parcel of it—can effectively adapt to these fundamental changes only by accepting fiscal innovation and honest competition as well as by improving services to customers and reducing money product costs. The framework has already been put in place to enable offshore banks to effectively support the Tunisian economy.

The law on offshore banking has been amended to assure better integration into the Tunisian economy, improve the fiscal services decided upon in their interest, and streamline methods and procedures while safeguarding the integrity of Tunisian money markets.

Legal reform allowed the establishment of eight offshore banks and three representative offices in Tunisia. The authorities keep on receiving new applications.

The offshore sector has therefore been diligently augmenting its role in the Tunisian banking system. It has been able to amass resources valued at \$770 million, of which \$137 million are self-contributed.

The sector has also positively impacted the Tunisian economy by providing 186 jobs, of which 166 are held by Tunisians. It realized gross profits of 10 million dinars

[denomination as published] or 21.7 percent of the value of transactions. Its relative position is considered similar to that of depository banks.

Funding operations by offshore banks also rose in 1986 and 1987 to \$480 million, or 30 percent. Forty-five percent of that, or \$230 million, was used to finance establishments resident in Tunisia. All offshore banks, however, did not contribute equally to the Tunisian economy's funding effort. Financing by some banks amounted to only five percent of fiscal activity. Offshore banks have ample opportunity to increase their input in financing the Tunisian economy, especially in areas to which they can contribute by introducing fiscal innovation and modern financial techniques such as by developing foreign exchange operations, financing external trade, and stimulating securities markets.

As to foreign exchange and external trade operations, we are convinced that exchange controls truly impede the Tunisian economy from improved competitiveness and performance. We have hastened, therefore, to gradually ease exchange controls. The latest such reforms allowed for exemptions and permitted residents to deposit certain assets in accounts denominated in convertible dinars as well as in currency. Exporters have also been extended facilities and banking privileges.

We are determined to effect the gradual liberalization of exchange controls. Measures to be implemented shortly include a standardized definition of "residence" in all fiscal, commercial, and administrative legislations, vesting banks with the authority to engage in certain exchange operations without reference to the central bank, and replacing special and spot licensing with a comprehensive system of general licensing that would cover all the operations of an establishment.

The law covering foreign exchange, which dates back to 1976, will be revised in the future. Prior controls will be gradually replaced with follow-up oversight that is to be markedly educational in tone and that would create permanent harmony between the administration and elements of the economy.

The objective of all this is to gradually effect the external fund liberalization necessary if Tunisia is to emerge as a regional money and commercial center. By external fund liberalization we mean, in addition to gradual removal of exchange controls, opening the domestic money market to an influx of international funds, working towards foreign acceptance [convertibility] of the dinar, and removing domestic market disincentives to foreign financial institutions as long as they contribute sufficiently to financing the national economy.

This liberalization of external funds seems necessary, especially since our development strategy is based on stimulating the export of goods and services and encouraging international commercial brokerage. It comes at a

time when the erasing of market controls is helping domestic banks develop competitiveness and financial initiative.

We are determined to involve all banks in foreign exchange activities and currency liquidity operations. We have for that purpose, after wide consultations with experts and bankers, completed defining the producers necessary to create a foreign exchange market in Tunisia.

That market's finances, in addition to bank currency resources for the accounts of non-residents, will come from a certain amount of hard currency revenues which resident industrial institutions will be licensed to deposit with banks in trade accounts, provided they export nearly 15 percent of their output.

We are determined to involve offshore banks in this market which will operate between resident and non-resident banks in Tunisia. The latter will exchange [use] currency liquidity in inter-bank loans for funding purposes. The maturity of such loans is presently set at 12 months or less.

The Central Bank will have oversight over the foreign exchange market and will fix the interest rates for active major currencies. Transactions in unfamiliar currencies or for unusual durations will be "priced on demand."

We expect these reforms to encourage more participation by offshore banks in export financing and in educating Tunisian establishments about hard currency techniques to prepare them to gradually take command of their own foreign exchange operations.

We are determined to expand vehicles for currency loans and operations to satisfy all the commercial and financial activities of an establishment. We intend to make use of loan discounting, currency exchange operations, and other instruments of secondary credit markets.

Offshore banks could also play a pivotal role in support of Tunisia's objective of promoting the securities market as the vehicle of choice to mobilize savings and to finance investments.

The legal void in the field of debentures has been filled by creating a legal framework for issuing, offering, and redeeming bonds of all types. We have also recently

infused our financial system with new funding guidelines for all currently available sources of bank and external financing.

Fundamental reforms have also been introduced to legislation covering closed-end and open-end investment companies. The most important of these direct a major share of investment activity into the acquisition of stocks and bonds and ease regulations governing the portfolio composition of variable capital investment companies. By the same token, the reforms created finance and taxation rules favorable to investment companies.

We have also completed legislative refinements to ensure that the securities exchange will properly discharge its function of mobilizing savings and funding investments. The new legislation contains a series of innovations that essentially aim at safeguarding savings invested in securities.

We have also been considering further measures towards better financial markets liquidity by urging organizations to open their capital to subscription by foreign and Tunisian investors and common individuals and by granting them tax incentives in the form of reduced profit taxes and liberalized levies based on the return on stocks.

We are also determined to involve offshore financial houses in the implementation of a program to privatize public sector establishments. Already privatized under this program are companies operating in textiles, tourism, and construction material. Privatization recently had a big day at the stock exchange when ownership of three commercial companies, capitalized at nearly \$7 million, was transferred.

We are aware that the new legislative framework for offshore banking has not resolved all issues dealing with their day-to-day operations. The competent authorities, however, are looking into all of the points raised by offshore bankers, especially in relation to employee salaries and to convertible dinar transactions.

We are also confident that offshore banks will benefit from the Tunisian economy's new direction by getting more involved with export and investment financing. They will, we are quite sure, consistently safeguard Tunisia's stature and reputation and support its bid to become a regional financial and commercial center.

BANGLADESH

Ershad Extends General Amnesty to Shanti Bahini

46001465 Dhaka THE BANGLADESH OBSERVER
in English 23 Apr 89 pp 1, 10

[Text] Khagrachari, Apr 22: President Hussain Muhammad Ershad here today announced general amnesty to the elements of the so-called Shanti Bahini in Chittagong Hill Tracts who had not yet surrendered, reports BSS.

Addressing the Grand Peace Conference 89 of Khagrachari hill district, the President said the general amnesty would remain effective from today till May 20 this year and the opportunity was given so that they could return to normal life.

President Ershad expressed the hope that the misguided elements in Chittagong Hill Tracts would rise above all differences and avail themselves of this opportunity of general amnesty given to them by his government for returning to normal life.

He held out the assurances that the government would provide all possible assistance to rehabilitate to their normal life those who would give themselves up during the period of the general amnesty.

The peace conference was also addressed by the local Area Commander Major General Abdus Salam Chakma Tribal leader Babu Upendra Lal Chakma Chairman of Bandarban Sadar Upazila Shaching Prue. Chairman of Khagrachari Sadar upazila Babu Jatindralal Tripura. Chairman of Khagrachari Paurashava Zahidul Islam and Chairman of Rangamati Paurashava Babu Gautam Dewan.

On arrival at the venue of the conference the President was given a standing ovation by a huge number of people who came from different parts of the hill tracts are to attend the conference.

Tribal girls attired in traditional dresses and school children showered flower petals on him and waved streamers to welcome the President. The huge gathering at the conference cheered the President with clapping and raised welcome slogans.

The President declared that the elections to the Zila parishads in three districts in Chittagong Hill Tracts as per the law enacted in the Parliament would be held by June next and said Elections Commission would announce polling schedule in this regard.

The President described the forthcoming elections as very important and expressed his firm confidence that the polls would help establish permanent peace in the Hill Tracts area.

He urged all to take part in the polls to contribute in the process of establishing peace in the area.

He said the misguided elements, who would avail the opportunity of general amnesty, would be able to take part in the polls.

Warrants of Arrest To Be Withdrawn

The President said, if there was any warrant of arrest against any of them that would be withdrawn.

He said those who would surrender with weapons they would be given financial and other benefits including 21 kgs of foodgrains per head for one year. He said those who were landless and surrender themselves with arms and equipment would be given lands up to five acres.

President Ershad referred to the law enacted by the parliament providing new political and administrative status to the Chittagong Hill Tracts area and said for successful implementation of this law, cooperation of all and national unity would be necessary.

He said in order to make these steps successful, people of all strata in the Chittagong Hill Tracts should participate in the polls. The success of our initiative to establish peace in the area will be written in Golden letters in the history of the country, he said.

The President assured that the polls would be free and fair and hoped that journalists from abroad would come and see that the elections were held properly. He said that the forthcoming polls in the Chittagong Hill Tracts would be held in such a way that it would enhance the image of the country all over the world.

He announced that the Chairman of the Zila Parishads would be given the status of Deputy Ministers while the members would get the status of Upazila Chairman.

President Ershad said the vice-President of the country would administer the oath of office of the Zila Parishad Chairmen of the three districts of Chittagong Hill Tracts and the Divisional commissioner of Chittagong Division would administer the oath of office to the members of the Zila Parishads.

He said we all together prove to the world that we no more wanted conflicts and we wanted to live like brothers. We all are the sons of the soil and will build the country through our united efforts he said.

The President said the holding of the elections in the Hill Tracts was the fulfillment of the pledge made by him and his government to establish peace in the area. He said with the holding of the peace conference today, we had reached the cherished objective of establishing peace.

Describing this as an important event, he said whatever pledge he had made to establish peace in the area had

been fulfilled in letter and spirit. He said since he had taken over the responsibility of running the country, rehabilitation of non-tribals in the Hill Tracts are had been stopped separate budget provision for the development of Hill Tracts had been made and peace talks initiated by setting up a national committee.

He said the recommendations made by the national committee after thorough discussions with the Tribal leaders were now being translated into reality by enacting laws while the Hill Tracts area had been hubbing with development activities as a result of the sincere initiative of his government.

President Ershad announced that the law enacted regarding local government institutions in the three Hill Tract districts would come into force with immediate effect.

Referring to his visits to Khagrachari, Rangamati and Bandarban in November last year, the President said during his meeting with the people at that time, they gave their verdict in favor of peace and as a result, peace initiative had become successful.

He mentioned about the people who had crossed over the borders and said the government had sent Tribal leaders and the Bangladesh High Commissioner in India to pursue them to come back to their home. Many had already returned responding to the initiative, he said and hoped that the others would come back soon to join the mainstream.

President Ershad said Bangladesh was a developing country and was faced with many problems including that of the natural calamities like floods, droughts and cyclones. "If we remain united and maintain peace we are sure to reach our cherished objective of building the country," he pointed out.

He announced grants of Taka five lakh each for Khagrachari, Bandarban and Rangamati Paurashavas. Taka five lakh for Khagrachari town protection embankment and Taka one lakh each for a Jame Mosque, a temple of the Hindu community and Pagoda of the Buddhist community. He also granted a bus for the local Government Girls School in response to an appeal to him made by a student of the school in a letter.

Local Area Commander Major General Abdus Salam gave an account of the initiatives taken by the present government during the last seven years to establish peace in the area and said as a result we could now say that we had been successful in our efforts.

He said as a result of discussions with the Tribal leaders and measures for development of the area, a resistance had been built up and over the Hill Tracts region against those who had been trying to disturb peace there.

General Salam referred to the efforts being made by misguided elements to pursue the students to discontinue their studies by resorting to such claims as that the students were being kept engaged with activities like debate, cultural functions, science fair, and outings to shift their eyes from the main problems.

He regretted that these elements did not even spared the innocent students in poisoning their minds to achieve their ulterior motives.

The local Area Commander said finding no other alternative to achieve their objective, these misguided elements had been trying to disturb the harmony that had been existing between different communities. He urged all to remain on guard against such nefarious acts.

Dhaka, Egypt Sign Trade Agreement for 1989-90
46001458 Dhaka THE NEW NATION
in English 7 Apr 89 pp 1, 8

[Text] Bangladesh and Egypt yesterday signed agreed minutes stipulating total trade turn-over between the two countries of at least U.S.\$50 million during 1989-90 financial year, reports BSS.

Both the countries on completion of the 7th session of the joint trade commission have expressed their firm determination to further strengthen their bilateral trade and economic relations and to fully exploit the possibilities of increased bilateral trade.

The two sides agreed to make immediate study and exchange delegations in this regard to explore the possibilities.

Egypt has also shown interest in import of raw jute from Bangladesh he said.

The agreed minutes were signed by Mr Nabil Mohamed Badruddin Salem, the visiting Commercial Minister and Director General, Department of Asia of Ministry of Economy and Foreign Trade, Egypt, and Mr Abdul Jalil Khan, Joint Secretary, Commerce Ministry of Bangladesh.

Both sides agreed to extend the validity of Special Trading Arrangement (STA) signed between the Trading Corporation of Bangladesh (TCB) and Mers import and export company of Egypt for exchange of goods worth U.S.\$10 million each way for a further period of two years with effect from 2 February.

Both sides agreed to examine the possibilities of setting up of projects under joint venture in each others country.

Following signing of the agreed minutes Joint Secretary Abdul Jalil Khan expressed the hope that both sides will make concerted efforts to fully implement the decisions of the meeting.

The leader of the Egyptian delegation Mr Nabil Mohamed Badruddin Salem reciprocated and offered full co-operation on behalf of his government.

The exports from Bangladesh under this agreed minutes includes tea, jute goods, raw jute, GI pipes (half inch to three inch), super enameled copper wire, leather and drill machine tube light, MS plate, tobacco, crushed and finished leather, newsprint, printing and writing paper, spices, diesel engines, stainless steel, cutleries, ceiling fan, insulators, high tension electric motors, handicrafts, etc.

The items to be imported include pig iron, rock phosphate, polypropylene fibres, aluminium circles and coils, boiler engineering goods such as water pumps and water meters, polyesters/nylon/polypropylene/yarns thick counts from 2-15/1/2/3 chemicals and dyestuffs, creosote oil, duck materials, hospital and medical appliances and surgical gloves and plastic syringes, ferro-silicon, sodium bicarbonate, refined salt, kaoline, felspar, marble, alabaster, etc.

Dhaka Protests to Burma Over 'Gunboat Piracy'
46001460 Dhaka THE BANGLADESH OBSERVER
in English 12 Apr 89 pp 1, 10

[Text] Cox's Bazar, 11 Apr—Repeated intrusion into the Bangladesh waters near St Martin island by Burmese naval boats and taking away of a number of local fishing boats during the last few weeks created tension in the area and panicked the local fishermen.

Bangladesh lodged strong protests with the Burmese Government on intrusion of Burmese naval boats inside Bangladesh waters and lifting of local fishing boats and fishermen.

In one such incident on 20 March two Burmese naval gun boats from Akyab intruded into Bangladesh waters, about one kilometer near St Martin island and forcibly took away three local fishing boats with their fishing nets. One boat was returned but the other two boats are still with the Burmese force. The Commander of BDR [Bangladesh Rifles] sector at Cox's Bazar sent a protest letter to the border sector Commander of Burmese border force (Lunthin).

The 'gun-boat piracy' inside Bangladesh waters around the fishing spots near St Martin island went to such an extent in recent weeks that the BDR sector commander at Cox's Bazar sought a flag meeting with his Burmese counterpart to resolve the problem that vitiates the friendly neighbourly relations with Burma. The last flag meeting was held at Maungdaw town of Burma on 28 December last year. In the meeting the commander of the 2nd battalion of Burma Border Force expressed regret over the "unintentional" intrusion of Burmese naval boats inside Bangladesh waters. However, such 'gun-boat piracy' stopped after the flag meeting but again it revived during the last few weeks. The Cox's Bazar BDR sector commander

officially protested the violation of the bilateral agreement signed at the last flag meeting between the two sides.

To stop the 'gun-boat piracy' Bangladesh Navy and the BDR intensified patrolling in the troubled area. Last week 15 men of the 37th BDR battalion at Cox's Bazar were despatched to the area and they are keeping round-the-clock vigilance with a BDR launch. This special task force of the BDR has set up their camp at Badarmokam, an island about five kilometers from Teknaf. When this correspondent visited the remote island where there is no habitation now, by a speed boat from Teknaf that took one hour down the Naaf river at the point of the Bay of Bengal, the BDR men were then struggling to set up their tent against the violent wind of the Bay. Naik Subedar Abul Kalam and Habilder Abdul Mannan told me that they were ready to face any odds to stop the 'gun-boat piracy'. Before despatching his men to Badarmokam the young Commander of the BDR sector at Cox's Bazar Major Ferdous Khan, reminded them of their obligation to defend the sovereignty of Bangladesh waters.

Fisherman's View

The gun boats of Bangladesh Navy that are stationed at St Martin island mainly patrol in the deep sea area and whenever they come to Badarmokam and the surrounding area the Burmese naval boats never dare to intrude in our waters, a local fisherman told me while narrating their harassment due to what they called "Burmese gun-boat piracy."

Major Ferdous Khan who seemed to be very determined to stop the boat lifting incidents from his area told me that the BDR could ensure more vigilance in the area with speedy naval vessels. At present BDR has three camps at Cox's Bazar, Shahparidip and St Martin and it has only one launch.

Meanwhile, the smuggling through Teknaf and the adjoining areas had recently been discouraged due to regular checking by BDR and Customs people. Last month BDR hauled smuggled goods worth Taka 38 lakh in the area. Crockeries, towels, textile products, locks, Chinese beer, footwear, cigarettes and cosmetics are the main items that used to be smuggled in from Burma through Teknaf route.

Planning Minister Tells Press of Paris Aid Club Meet

46001467 Dhaka THE NEW NATION
in English 26 Apr 89 pp 1, 8

[Text] Planning Minister Mr A.K. Khandoker who led the Bangladesh team to the just-concluded Paris Aid Club meeting said in Dhaka yesterday that the international donor community had shown a closer understanding of Bangladesh's need for foreign assistance for sustained development against the backdrop of two devastating floods in an uninterrupted sequence.

The minister told a press conference at the Planning Commission that the clear focus of the Aid Club meeting was on effective support with an appropriate mix of foreign assistance for an early economic turnaround on the path of sustained growth and development.

He stated that the discussions at the Paris meeting covered the pressing development issues in Bangladesh in the current context. The issues included domestic resource mobilization for optimal utilization of external assistance, cost recoveries of public enterprises and utility bodies, the role of non-government organizations (NGOs) as development partners, sustained growth of agriculture, and a higher gross domestic product (GDP) growth performance, etc.

The minister said that long-term flood control measures and multi-purpose Jamuna Bridge construction project also figured prominently in the discussions. Though no specific donor pledges were made for these two particular development areas at the Paris meeting of the Aid Club this year the international donor community would make positive response to the needs for external assistance for the same as soon as the related studies would be completed, he added.

Among others, Planning Commission members Kazi Fazlur Rahman and Dr Sheikh Maqsood Ali, Finance Secretary Mr M.K. Anwar, External Resources Division Secretary Mr Enam Ahmed Chowdhury and Vice-Chairman of Jamuna Bridge Authority Mr Shafiul Alam were present at the press conference.

The Planning Minister said that the donors at the Paris meeting had made firm pledges for 2.2 billion US dollars in aid. The World Bank which organizes the air group meeting recommended two billion US dollars worth of aid pledges for Bangladesh at this year's meeting, he pointed out.

Mr Khandoker expressed the hope that total aid pledges would finally be at the level of 2.3 billion dollars as one or two donor countries were yet to make pledges on procedural grounds.

Giving a break-down of the aid pledges made at the Paris meeting, the Minister said that the aid package included about 1442 million dollars as project aid; about 598 million dollars as commodity aid and 180 million dollars as food aid.

He disclosed that Saudi Arabia and Switzerland had now joined the World Bank sponsored Paris Consortium as full-fledged members.

Replying to a question, the Minister firmly asserted that political issues were not at all discussed at the Paris Aid Club meeting. The requests for aid were considered purely on economic considerations, he added.

While giving a narrative about the aid flow situation at the press conference, Kazi Fazlur Rahman said that the aid disbursements would be around 1581 million US dollars in 1988-89. This amount will include 850 million dollars as project aid, 431 million dollars as commodity aid and 300 million dollars as food aid, he added. About the disbursement performance in 1987-88, he pointed out that project aid disbursements during the year stood at the level of 830.50 million dollars while those of commodity aid and food assistance at 509.50 million dollars and 300 dollars respectively.

Kazi Fazlur Rahman said that aid commitments were made so far in 1988-89 for a total amount of two billion US dollars as against 2.05 billion dollars pledged by the donors at the last year's Paris Consortium meeting.

Replying to a question, the Planning Minister said that the project aid pipeline now stood at about five billion dollars. Asked whether he considered fresh aid pledges more important than faster aid utilization at this stage, the minister said that efforts were of course needed on a priority basis to accelerate the pace of project aid utilization through a more effective and stepped-up drive for mobilizing the matching domestic resources or taka resources for the same. He pointed out that project aid utilization involves also a normal time-span because of their on-going character for some years. He stated that the project aid utilization rate in terms of its pipeline would be at 18 percent in 1988-89 like that of the last year.

About the long-term flood control measures, the minister said that three studies were involved for the same. These included the United Nations Development Programme (UNDP) experts' study, the French study on flood control under the personal initiative of French President Mitterrand and the Japanese-aided study. On completion of these studies, an appropriate action programme will be taken up on the basis of related findings and recommendations, he added.

The Minister told the newsmen that the World Bank had made categorical assurances about supporting the long-term flood control measures when the related programme would be drawn up and finalized.

Mr Shafiul Alam, in reply to a question, said that the leader of the Bangladesh delegation to the Paris Consortium meeting had highlighted in his written statement the priority accorded by the government to the Jamuna bridge project. The priorities have remained unchanged and any delay in completing the project beyond its currently stipulated time-frame would aggravate the power crisis in the west zone, besides causing adverse impact on account of both time and cost overrun factors, he added.

Mr Shafiul Alam said that the economic feasibility aspects of the multi-purpose Jamuna Bridge project had clearly been decided, "We are now anxiously awaiting

the revised feasibility report on the project and this report to be finalized by June next will cover issues relating to incremental rate of returns, railway track arrangements, etc." he said.

The donor community including the World Bank will be appraised of the funding requirements for the project as soon as the report is finalized, Mr Alam said.

About the role of NGOs, the Planning Minister said that the government had clarified its stand on involving the NGOs more effectively under streamlined procedural arrangements in poverty alleviation efforts as a development partner of the government.

Replying to a question on domestic resource mobilization, Finance Secretary Mr M.K. Anwar said that stepped-up efforts for mobilization of more domestic resources were an imperative need for sustained development. He pointed out that the macro-economic framework in Bangladesh in terms of inflationary, rate, budgetary deficit and external aid deficit "is comparable to any other countries of equal status". The moves taken by the government under the adjustment programme have created conditions for higher growth of the economy, he observed.

Mr Anwar said there were no options other than mobilization of more domestic resources through cost recoveries of public enterprises and utility bodies along with efforts to improve their operational efficiency, reduction of subsidies bill without affecting the common man, higher taxation on equitable lines and conserving resources for development support operations.

Smuggling Into Chittagong From Offshore Continues

46001459 Dhaka *THE BANGLADESH OBSERVER*
in English 11 Apr 89 pp 1, 10

[Text] Chittagong, 10 Apr—The flow of smuggled goods into Chittagong market through high sea has been continuing unabated. Such goods worth over Taka 100 crore had made passage into the local market via high sea contacts this year, according to Sea Customs Intelligence sources.

The off-shore smuggling thrived in the recent past. The international gang of smugglers in league with some local influential quarters operate this smuggling.

This illegal transaction of contraband is continuing despite intensified raids and patrols by the concerned authorities. Both fishing trawlers and sampans are directly involved in this smuggling. Most of these trawler and sampan owners maintain close contact with the crew of smugglers ship. The chain of contacts even cover their counterparts in foreign countries.

While the trawler moves at the outer sea in the guise of fishing, the sampan moves incognito for ferrying passengers and goods. The trawlers and sampans usually take the delivery of goods from the ship at night.

Sea Customs Hoodwinked

The trawler masters and boatmen bring their trawlers and sampan alongside the ships hoodwinking the Sea Customs and other law-enforcing agencies. The crew of the ships immediately unload the contraband to the trawler and sampan which carry those to the shore and deliver it to its owners.

The spots used for stockpiling contraband are shore villages at Anowara, Patiya, Banskhalia upazila, Chokoria, Sathkania and Teknaf upazilas. The places are in fact known as smugglers paradise. Eighty percent houses of these areas store the smuggled goods. The anti-smuggling task force even on Friday night seized 12,500 cartons of smuggled cigarettes worth Taka two crore from Salimpur New Patenga coast.

The goods after being passed through trawler or sampan get stored at shore village at earmarked places. The goods are finally delivered to businessmen at a convenient point and time.

Chittagong Hills Elections Set for 25 June

46001466 Dhaka *THE BANGLADESH OBSERVER*
in English 24 Apr 89 pp 1, 8

[Text] Election for Local Government parishads of Rangamati, Bandarban and Khagrachari hill districts will be held on June 25 next, reports BSS.

This was announced Sunday by Mr Justice Chowdhury A.T.M. Maswood, Chief Election Commissioner, in his address to the nation broadcast and telecast through Radio Bangladesh and Bangladesh Television.

The announcement said the date for submitting nomination papers to the Returning Officers is May 21 (Sunday), the date of scrutiny is May 22 (Monday) and the last date for withdrawal of nominations is May 29 (Monday), 1989.

Justice Maswood sought sincere help and cooperation of all concerned to make the elections a success and fruitful and said the Election Commission would take all necessary measures for free and fair election in a peaceful atmosphere.

He said election of the Local Government parishads of the three hill districts would pave the way for implementing the long felt desires of the people of a vast area of the country.

Justice Maswood said with a view to overall development of the people of the hill districts specially for preservation and development of the cultural identity of

the Tribal people in the area three hills had been adopted in the last session of the Jatiya Sangsad which later became laws with the approval of the President. The laws were Rangamati Hill District Local Government Parishad Act, Bandarban Hill District Local Government Parishad Act and Khagrachari Hill District Local Government Parishad Act, 1989. The laws had been adopted in a way so that the people of these three districts can implement all development projects by themselves through their elected representatives, he added.

Referring to the structure of the three hill districts Local Government parishads and holding of election of that basis the Chief Election Commissioner said each of the parishads will have one Chairman, and a specific number of tribal and non-tribal members. All of them will be elected directly by the voters of the concerned districts. Besides, the Chairman will be elected only from the Tribal people. No non-Tribal citizens entitled to contest for the post of Chairman, he added.

He said the Rangamati Hill District Local Government Parishad will consist of one Chairman, ten non-Tribal members and 20 Tribal members. Out of the 20 Tribal members 10 will be elected from the Chakma Tribe, four from the Marma Tribe, two from the Tanchanga Tribe and one each from Tripura, Lusai, Pankhu and Kheang Tribe.

Justice Maswood said the Bandarban Hill District Local Government Parishad will consist of one Chairman, 11 non-Tribal members and 19 Tribal members. The 19 Tribal members will consist of ten from Marma and Kheang Tribe, three from the Moro or Murang Tribe, one from Tripura and Uchai Tribe, one from Tachanga Tribe, one from Boom, Lusai, and Pankhu Tribe, one from Chakma Tribe, one from Khushi Tribe and one from Chak Tribe.

He said the Khagrachari Hill District Parishad will consist of one Chairman, nine non-Tribal members and 21 Tribal members. The 21 Tribal members will consist of nine from the Chakma Tribe, six from the Tripura Tribe and six from the Marma Tribe.

The Chief Election Commissioner said the additional district magistrates of the three hill districts were being appointed as Returning Officers, and all the Upazila Nirbahi Officers of these districts were being appointed as Assistant Returning Officers to conduct the elections. About 400 election centers would be set up for casting of votes by about six lakh voters of the districts, he added.

He said each voter in the elections of these districts shall have to cast 31 votes at a time in separate ballot papers. One ballot paper is for electing the Chairman and the rest 30 is for electing 30 members.

Justice Maswood said for information of all concern the Election Commission would make necessary arrangements in due time to inform the voters about the voting system.

INDIA

AIADMK, Congress-I Jointly To Contest Elections

46001436 Calcutta THE STATESMAN
in English 27 Mar 89 p 1

[Text] Madras, March 26—Responding to the plea of Miss Jayalalitha, leader of the Opposition in the Tamil Nadu Assembly, to the Prime Minister late last night to dismiss the DMK [Dravida Munnetra Kazhagam] Government headed by Mr. M. Karunanidhi, "for attempting to murder me in the House," Mr Rajiv Gandhi deputed Mr Dinesh Singh, Union Commerce Minister, who clinched an alliance between the Congress(I) and the AIADMK [All India Anna Dravida Munnetra Kazhagam] to contest all future elections in the State.

Soon after Mr Dinesh Singh called on Miss Jayalalitha at Devaki Nursing Home where she was kept under observation for two days, the AIADMK leader announced her party's decision to revive its alliance with the Congress(I) and working jointly to topple the DMK Government.

Confirming Miss Jayalalitha's announcement, Mr Dinesh Singh said what happened in the Tamil Nadu Assembly yesterday was the very negation of democratic functioning and "decency in public life" and that a Government which did not function "democratically and constitutionally must go."

Mr Dinesh Singh said: "We should ensure that politics is not thrown open to anti-social elements." The DMK, whose ouster he came to seek, could not agree with him more. Having arrived here only this morning, Mr Dinesh Singh did not have the time to identify the real "anti-social elements" responsible for yesterday's trouble in the Assembly.

Addressing a Press conference lying on her hospital bed, Miss Jayalalitha said henceforth she would boycott the Assembly in which there was no protection for her "dignity and modesty," without resigning her seat just as her mentor, the late M.G. Ramachandran did from 1972 till the then DMK Government of Mr Karunanidhi was dismissed in 1976. Just as MGR used to come to the Assembly lobby and sign the attendance register to avoid disqualification for absents from 60 consecutive sittings, she too would protect her membership and position as leader of the Opposition.

Dr K. Chokalingam, chief of the Devaki Nursing Home, said he received a number of telephone calls threatening to blow up the institution. There was a steady stream of visitors calling on Miss Jayalalitha. Prominent among them were Mrs Janaki Ramachandran, Miss Ven-niraadai Nirmala, who unsuccessfully contested against the AIADMK leader as candidate of the rival faction led by Mrs Ramachandran, Mr G. K. Moopanar, TNCC (I) [expansion unknown] president, Mrs Maragatham Chandrashekar and other prominent Congress (I) leaders.

The ruling DMK, meanwhile, organized an impressive rally in the city this evening to protest the assault on the Chief Minister, Mr Karunanidhi, by an AIADMK member in the Assembly.

Mr K. Veeramani, general secretary of Dravidar Kazhagam, accused the Congress (I) Government at the Centre of inciting the AIADMK to provoke violence in the Assembly with a view to toppling the DMK Government.

"It was the same tactics used by the Congress(I) in January last year when legislators of the AIADMK faction led by Miss Jayalalitha were used to topple the Government of Mrs Janaki Ramachandran," Mr Veeramani said in a statement here this evening.

Mr A. Nallasivan, State secretary of CPI(M) [Communist Party of India-Marxist], called for mobilizing the public to prevent attempts by the Centre to dislodge the DMK Government.

Incidents of stray violence, mostly stoning of buses and forcing shopkeepers to down their shutters, were reported from several district towns.

Remarks By, Criticism of Arun Nehru on Thakkar Report

Rajiv Gandhi Blackmailed?

46001423 Calcutta THE TELEGRAPH
in English 13 Apr 89 p 4

[Text] New Delhi, 12 April: The Janata Dal leader, Mr Arun Nehru, today charged that Mr Rajiv Gandhi was under pressure from Mr R.K. Dhawan for not releasing the full report of the Thakkar Commission.

Maintaining that the prime minister was being blackmailed by certain people, Mr Nehru said in a statement today, "In 1985 Rajiv was strong enough to resist threats. Today he is at the mercy of those who can frighten him with his own shadow."

Mr Nehru reiterated the demand for tabling the entire report in Parliament and emphasised that the government's objective of suppressing the report would not succeed. "To lay all the facts before the people is the only course and no prime minister or any other person in authority can work if he is being coerced into a situation for factors which may have no relation at all to the matter under discussion," Mr Nehru said.

Mr Nehru, who has stoutly denied charges that he leaked the report to the INDIAN EXPRESS, felt that the government's reaction to the demand for tabling the full report is "becoming increasingly hysterical, revealing a grave sense of insecurity and guilt."

The major question, Mr Nehru said, was who the prime minister was trying to protect by concealing the Thakkar

report. "Who is he protecting, who is blackmailing him and what is he being blackmailed for?" Mr Nehru asked.

Mr Nehru also wondered why Justice M.P. Thakkar was appointed chairman of the Law Commission when "the ruling party is passing adverse comments on him." Commenting on similar attacks on the former principal secretary to the prime minister, Dr P.C. Alexander, Mr Nehru asked, "what were Dr Alexander's comments on R.K. Dhawan before the Thakkar Commission? Why is Rajiv trying to suppress this? If Dr Alexander was incompetent why was he promoted as high commissioner to the UK and thereafter as governor of Tamil Nadu?"

Nehru Approved Secrecy

46001423 Calcutta THE TELEGRAPH
in English 2 Apr 89 p 4

[Article by Seema Paul: "Arun Nehru Wanted Thakkar Report Kept Secret"]

[Text] New Delhi, 1 April: It was Mr Arun Nehru who personally approved the decision to amend the Commission of Inquiry Act, 1952, so that the Thakkar Commission report could remain secret from Parliament. The president promulgated the ordinance as approved by Mr Nehru, then the all-powerful minister for internal security, on 15 May 1986 giving discretion to the government to withhold reports of commissions under the Act.

Using this amendment, the government later obtained parliamentary sanction not to table the Thakkar Commission report in the House. The amendment approved by Mr Nehru was drafted by the then law minister, Mr Asoke Sen. Both of them are now in the Janata Dal and are demanding publication of the full report.

The reply and affidavit filed by the government in response to a petition by Satwant Singh, executed assassin of Mrs Indira Gandhi, on 16 May 1986, stated that because of the promulgation of the ordinance amending the Act, the government would not be placing the interim and final reports of the commission in the House. The reply was signed by an official of the Ministry of Home Affairs.

The petition, which was drafted by Satwant's lawyer, Mr P.N. Lekhi, and sought the tabling of the commission report in the Lok Sabha, was dismissed by Delhi high court.

A subsequent petition filed by Mr Lekhi challenging the constitutionality of the ordinance was also rejected by a division bench of Delhi high court on 30 May 1986. The government reply to the petition and its affidavit signed by the then home secretary, Mr R.D. Pradhan, pleaded that the ordinance was yet to be discussed in the Lok Sabha and "the question whether the report or any part thereof is required to be laid before the House" still remained.

The government specifically stated that the proposal not to table the Thakkar Commission report was approved by Mr Nehru. The reply reads: "It was, therefore, considered to be expedient in the interest of the security of state and in public interest not to lay before the House of the People the aforesaid two reports submitted by the Thakkar Commission. A proposal in this regard was submitted to the minister of state in the department of internal security and was approved by him on 14 May 1986."

Mr Nehru fell ill on 27 May 1986 and was subsequently deprived of several major areas of concern under the ministry.

The government's reply also pleaded that the high court should not preempt the right of Parliament to approve or disapprove the notification not to table the report "in the interest of the state and in public interest."

It also pleaded that since the commission had itself recommended the confidentiality of the report "in view of the sensitivity involved," the government, after careful consideration, had decided not place it before Parliament.

The high court division bench, consisting of Justice B.N. Kirpal and Justice M.K. Chawla, had disposed the petition which challenged the constitutionality of the ordinance.

Mr Lekhi had, during arguments, sought to question Mr Arun Nehru's power as minister of state for internal security to approve the ordinance on behalf of the government.

The bench did not go into the merits of Mr Lekhi's plea in this regard on the grounds that it did not form part of the original petition and consequently the government did not get an opportunity "to place on record the evidence to show that the minister of state in the department (internal security) was duly empowered and authorised to take a decision under Section 3 (5) of the Act.

Further Details on New Low-Level Radar

46001455 New Delhi *PATRIOT* in English
27 Mar 89 p 1

[Text] India on Sunday became the fourth nation in the world to induct an indigenously manufactured hi-tech low level detection radar, reports UNI.

Defence Minister K. C. Pant handed over the Rs four crore radar, christened "Indra-I" to Air Chief Marshal S. K. Mehra at a function at the Ghaziabad unit of the Bharat Electronics Ltd (BEL) Sunday morning.

The Indra radar has been designed to meet the threat posed by high speed military aircraft capable of flying at very low altitude. It can operate from 50 metres to 130 metres altitude and has a 50 km range.

The radar having 75 percent of its components manufactured within the country is capable of handling up to 40 targets and 12 weapon systems simultaneously.

While the basic radar system is configured on two vehicles for rapid deployment, the system that was handed over to the Air Force is configured as a five-vehicle system. Apart from the antenna and the electronics hardware, this Air Force version provides for stand-by power supply and a collapsible 28-metre mast that may be required in certain areas due to terrain conditions or the necessity to 'look' beyond the normal range of the system.

The Army version of Indra-I would be handed over soon.

The radar, having colour display system, took three years from design to production stage.

The Air Chief, who was associated with this project earlier, expressed satisfaction over its performance. "This radar can be compared well with any of the similar ones that are in operation in the Western countries," he added.

With some modifications, the range of this radar could be enhanced by another 12 km.

Trial runs of Indra-II, an advanced version meant exclusively for the Army, are over and is expected to go into production by September, 1990.

According to chief managing director of BEL Capt S. Prabhala, which manufactured the radar the total investment in research and development was of the order of Rs 1.70 crore. BEL invested Rs 19 crore in the Ghaziabad unit for producing 24 radars per year.

Expressing 'concern' over capacity utilisation of the Ghaziabad unit, Capt Prabhala said even though this BEL unit had a large number of letters of intent from the Army and Air Force, firm orders had been only for a "limited [as published].

Commentator: Forces in Sri Lanka Continue Task

46001453 Madras *THE HINDU* in English
12 Apr 89 p 1

[Article by K. K. Katyal: "No Let-up In IPKF Operations"]

[Text] New Delhi, 11 April—In keeping with its mandate, the Indian Peace Keeping Force [IPKF] will continue its task of maintaining peace and tranquillity in the north-eastern areas of Sri Lanka, without any let-up in its vigilance. The IPKF will treat the unilateral ceasefire announced by Colombo as a matter between the island's government and the LTTE [Liberation Tigers of Tamil Eslam] (as also the JVP [Jatika Vimukthi Peramuna]) and will not come in the way if any of the groups choose to take advantage of the offer.

More Indian Troops To Withdraw

Simultaneously India announced its decision to withdraw some more troops from Sri Lanka—carrying forward the process that began with the pull-out of two battalions at the beginning of the new year.

The Indian stand on the Sri Lankan Government's offer (of 1-week suspension of military operations from 12 April) was finalised today after a review of the latest situation. Mr J.N. Dixit, the outgoing High Commissioner in Colombo, who was here, took part in the discussions. (Mr Dixit who will be the new Ambassador in Pakistan has since gone to Islamabad).

India, official sources explained, was keen on the LTTE joining the democratic processes envisaged in the Indo-Sri Lankan Agreement and would welcome an inclination on the part of its members to enter the mainstream. At the same time New Delhi, it appears, has in mind its two offers of ceasefire which had to be called off in the absence of any response from the LTTE.

Not Involved

The IPKF is not concerned with the establishment of reception centres by the Sri Lankan authorities for the facility of those "involved in acts of violence and sabotage or remotely connected with such activities" to give themselves up. Of the 228 reception centres, 77 are being setup in the North and the East but none of these is in the areas under IPKF control.

Thomas Abraham Reports From Colombo

The Sri Lankan Foreign Minister, Mr Ranjan Wijeyratne's announcement of the unilateral ceasefire in the island had apparently been done without any real consultations with New Delhi on the truce modalities in the North and East. The IPKF is reportedly engaged in fairly intensive operations at the moment, in which around 45 lives have been lost, and from the Indian point of view, the ceasefire has come at an inopportune moment.

The Indian Government seems keen not to embarrass the Sri Lankan Government, and Indian spokesmen have taken the line that "though there is no indication that the LTTE cadres are willing to give themselves up, the IPKF will not do anything to hinder their surrender." The Indian High Commission spokesmen also said that the IPKF would "make all arrangements, including providing those who wished to surrender with an escort to the reception centres the Sri Lankan Government has designated."

No official message has gone from New Delhi to Colombo, but Indian spokesmen here said that the IPKF would continue to implement its mandate to "ensure the safety and security of all peace loving citizens of the North and East," which can be interpreted as meaning that operations would continue.

The Foreign Minister, Mr Ranjan Wijeyratne, when contacted said: "They have given us their word (that there would be a ceasefire). They cannot go back on their word."

AP Reports:

The LTTE today rejected the ceasefire offered by the Sri Lankan president. "The government is only interested in getting our weapons and has not put forward anything worthwhile," said a LTTE leader on condition of anonymity. "We will not agree to any ceasefire so long as the Indian army remains in Sri Lanka."

PAKISTAN

IJI Minister Attacks Bhutto for Silence Over Nepal

46000139b Islamabad THE MUSLIM in English
19 Apr 89 p 6

[Text] Islamabad, April 18: Agha Murtaza Pooya, Amir Hizbe Jihad and Secretary Information IJI [Islamic Jamhoori Ittehad], in a statement issued Tuesday condemned PPP [Pakistan People's Party] Government's criminal silence on Indian blockade of Nepal. This seems to justify the worst apprehensions expressed that PPP Government would be subservient to Indian perceptions. The Interior minister seems to have lost all sense of propriety, insisting on earning Indian goodwill, while Kashmir is bleeding. Pakistan Government's silence on massacre of Muslims in Lebanon is macabre.

Agha Pooya castigated Mr Bhutto's stance vis a vis the Islamic sentiments of the people of Pakistan. While visiting one Shrine after another, she has nominated Dorab Patel to the ICJ [International Court of Justice] despite valid protest from all over Pakistan and despite the fact that Justice Patel had defiantly called for Pakistan's Constitution to be changed from Islamic to secular and ridiculed Islam on British Television. If Justice Patel makes it, he will be another non-Muslim to 'grace' the office from Pakistan's side, the first being Zafarullah Khan, who was rewarded by the United States for admitting Pakistan to SEATO [Southeast Asia Treaty Organization] despite a Cabinet decision not to do so.

On the subject of achieving political harmony, Agha Pooya expressed disgust that instead of the Center-Province row healing, Ms Bhutto and her more 'loyal' courtiers have stirred up controversy with the President. Ms Bhutto is either using her courtiers to vitiate the political air or ministers like Aitzaz Ahsan are bent upon doing her in. After its setback in the Punjab, the PPP is turning its guns on the President.

Miss Bhutto should realize that Islam motivated people of Pakistan will not allow her to play with their Islamic destiny—no matter what pre-post election promises she

has made to Shri Rajiv & Shri Bush. Instead of depending on distant godfathers and an inimical India, she should come to terms with the Islamic ethos and elan of the people of Pakistan.

Agha Pooya expressed grave concern at the situation in Sindh, Agent provocatives financed by India are playing havoc and like the situations in East-Pakistan & Sri Lanka, a vocal minority funded by India is crying wolf, and the Indians are waiting to play 'peace makers.'

Referring to the current controversy let loose against the role of the ISI [Inter-Services Intelligence], Agha Pooya

called for unequivocal supremacy of the political forces over the armed forces and any state apparatus of Pakistan. But the current campaign has been let loose with mischievous intent by those forces who last year fired the first salvo against the ISI through the Ojheri blast so as to bring the ISI, the Army, into contempt with the people of Pakistan and to deter the late Gen Zia from carrying out his policy on Afghanistan. The current sinister campaign can only help the United States and India who are mortally frightened of the defence capabilities of the Defence forces of Pakistan and hence our resistance to accepting Indian hegemony. Agha Pooya called upon the President to play active constitutional role and stem the rot.

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